

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

RESIT/SPECIAL EXAMINATION

**THIRD YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR
OF CATERING AND HOSPITALITY MANAGEMENT**

BCHM 343: HOTEL AND CATERING LAW

STREAMS: BCHM Y3S2

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 25/07/2018

5.00 P.M. – 7.00 P.M

INSTRUCTIONS:

- Answer All Questions in SECTION A and Any Other Two in SECTION B
- Do not write anything on the question paper.

SECTION A: (30 MARKS)

1. With reference to the law of contract, when is a contract formed during the following; (4 marks)
 - i. Sale of food in a fine dining restaurant
 - ii. Sale of food in a self-service food outlet
2. Differentiate between the following terms; (6 marks)
 - i. Abandoned property and lost property
 - ii. Real property and personal property
 - iii. On-premises liquor licenses and Off-premises liquor licenses
3. Discuss three advantages of franchising to a franchisee in the hospitality industry. (6 marks)
4. Explain the liability of a hotel over a trespasser. (5 marks)
5. State the key sources of environmental law in Kenya. (3 marks)
6. Under common law, innkeepers are held responsible for the safety of guests' property. In view of this, discuss three circumstances under which the above statement does not apply. (6 marks)

SECTION B: (40 MARKS)

7. a) Mr. and Mrs. Kamau were frequent guests at Teddy's Restaurant. On a busy Friday, the couple visited the restaurant and were directed to their table. As Mrs. Kamau sat down, the wooden chair collapsed under her weight. She fell on the floor and injured her neck. The Kamau's sued the restaurant for negligence. Their lawyer argued that the normal wear and tear of chairs is a foreseeable event and that an inspection program should have been in place. No such program could be shown by the restaurant to have existed. Teddy's lawyer countered that Mrs. Kamau was heavier than the average guest and therefore the restaurant could not have foreseen that she could be seated in a chair that could not hold her weight. The lawyer also noted that the restaurant had never experienced such a problem before. Discuss the argument of both lawyers and determine who is liable. (10 marks)
- b) Sera took her friend Ann for lunch at the Qwetu Inn, a high class restaurant. Sera had been in the restaurant before and liked the way the meals were prepared and served. They both settled for a three course table d'hôte menu with a vegetable salad as a starter. When they were almost finished with the first course, Sera noticed a freshly cut caterpillar in her plate of salad. She screamed, vomited and fainted. She was rushed to the hospital where she was admitted and treated for allergies and nervous shock for one week. The hospital bill was Ksh. 100,000. During the hospitalization, she lost a business contract worth Ksh. 3M. Ann lost appetite for a whole week. Can each of them sue the Qwetu Inn? Support your answer. (10 marks)
8. a) An employer is liable for the actions of an employee. Discuss this statement in relation to the hospitality industry. (10 marks)
- b) Discuss five circumstances in which a hotel employee may be given a summary dismissal by the employer. (10 marks)
9. Discuss five ways in which hoteliers may promote adherence to environmental regulations and standards? (20 marks)
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