



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

DIPLOMA IN LOGISTICS AND TRANSPORT MANAGEMENT

BLT 2206: BUSINESS LAW I

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

This paper consists of Two printed pages.

QUESTION 1 (Compulsory)

- a) Outline **FIVE** sources of Kenya laws. (10 marks)
- b) Give any **FIVE** functions of law in the society and in the business environment. (10 marks)
- c) “A contract is an agreement that creates rights and obligations that can be enforced in law”, McInnes. Discuss the essentials of a valid contract. (10 marks)

QUESTION 2

- a) Briefly discuss the rules of consideration as provided for in law. (10 marks)
- b) Give **FIVE** distinctions between a public company and a private company. (10 marks)

QUESTION 3

- a) Explain with examples any **FIVE** classifications of a contract. (10 marks)
- b) Some visiting Canadian students have approached you to give a lecture on ‘functions of the law of tort’, as a student of Business law, explain **FIVE** contents of your likely presentation. (10 marks)

QUESTION 4

- a) In an agency relationship, the agent owes the principal certain duties. Discuss **FIVE** duties that the agent owes the principal. (10 marks)
- b) Briefly explain how a contract can be terminated. (10 marks)

QUESTION 5

- a) Outline **FIVE** benefits of incorporation. (10 marks)
- b) Mention **FIVE** privileges of a private company. (10 marks)