

GARISSA UNIVERSITY

UNIVERSITY EXAMINATION 2017/2018 ACADEMIC YEAR THREE SECOND SEMESTER EXAMINATION

SUPPLEMENTARY/SPECIAL EXAMINATION

SCHOOL OF BUSINESS AND ECONOMICS

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 313

COURSE TITLE: LAW OF FINANCIAL MARKETS

EXAMINATION DURATION: 3 HOURS

DATE: 22/03/18

TIME: 2.00-5.00 PM

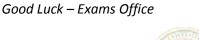
INSTRUCTION TO CANDIDATES

- The examination has FIVE (5) questions
- Question ONE (1) is COMPULSORY
- Choose any other THREE (3) questions from the remaining FOUR (4) questions
- Use sketch diagrams to illustrate your answer whenever necessary
- Do not carry mobile phones or any other written materials in examination room
- Do not write on this paper

This paper consists of TWO (2) printed pages

Supplementary / special exam_

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QUESTION ONE (COMPULSORY)

(a) Explain the relationship between Legal systems and economic growth	[8 marks]
(b) List 5 characteristics of equity financing	[5 marks]
(c) Discuss 5 Duties of a central depository	[5 marks]
(d) Explain the need for financial markets regulations.	[5 marks]
(e) Explain the functions of IRA	[5 marks]
(f) What is money laundering? Give example.	[2 marks]

QUESTION TWO

(a) Explain the relationship between the Legal systems and competitiveness of financial centers in	
Kenya	[10 marks]
(b) Explain the types of winding up of organization and laws relating to this	[10 marks]

QUESTION THREE

(a) Discuss the nature of the legal relationship(s) between banks and their customers.	[10 marks]
(b) Explain the benefits of electronic Dealing of Central depository system.	[10 marks]

QUESTION FOUR

(a) What Lessons can Kenya learn from the recent market turmoil	[5 marks]
(b) Explain the disadvantages of electronic settlement	[5 marks]
(c) Explain any 5 principal sources of company finances	[5 marks]
(d) Explain Functions and significance of capital markets	[5 marks]

QUESTION FIVE

- (a) Discuss in details the Public Interest theory of regulation as applied the law of financial markets in the Kenyan setting. [10 marks]
- (b) Explain the effect of financial globalization and innovation of the financial markets performance in Kenya. [10 marks]

Good Luck – Exams Office

