



## GARISSA UNIVERSITY

UNIVERSITY EXAMINATION **2017/2018** ACADEMIC YEAR **ONE**  
**SECOND** SEMESTER EXAMINATION

SCHOOL OF BUSINESS AND ECONOMICS

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 107

COURSE TITLE: BUSINESS LAW I

EXAMINATION DURATION: 3 HOURS

**DATE: 18/04/18**

**TIME: 2.00-5.00 PM**

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### INSTRUCTION TO CANDIDATES

- The examination has **SIX (6)** questions
- Question **ONE (1)** is **COMPULSORY**
- Choose any other **THREE (3)** questions from the remaining **FIVE (5)** 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 **THREE (3)** printed pages

*please turn over*



### QUESTION ONE (COMPULSORY)

- (a) “Trespass by cattle of a person is treated as if the person has committed the trespass and thus liable for the act of his cattle. Discuss the main defenses in trespass to land [5 marks]
- (b) Explain the meaning of the following maxims in relation to equity as a source of Law.
- i. He who comes to equity must come with clean hands [2 marks]
  - ii. Equity looks to the intent rather than the form [2 marks]
  - iii. Equity acts in personam [2 marks]
- (c) In what circumstance will mistake prevent the formation of a valid contract [6 marks]
- (d) Define legislation pointing out its advantages and disadvantages [8 marks]

### QUESTION TWO

- (a) “Mr. Abdul built a reservoir on his land for the purpose of supplying water to his mill. The site was a disused coalmine, with passages connecting to the adjoining mine that belonged to the Farah. The defendant did not know this, so when his reservoir filled up the water escaped through the passages and flooded the plaintiff’s coalmines causing extensive damage.
- i. Give a ruling for this case [2 marks]
  - ii. Discuss the limitations of this ruling [3 marks]
- (b) What is the position as to vicarious liability where the following relationship exist
- i. Master and servant [2 marks]
  - ii. Employer and independent contractor [2 marks]
- (c) Write brief notes on the following terms as used in employment contracts
- i. Apprenticeship Contracts [2 marks]
  - ii. Casual Employment and Piecework employment [2 marks]
  - iii. Probation [2 marks]



### QUESTION THREE

- (a) Explain the various modes of revocation of an offer. [7 marks]
- (b) In what circumstances will a contract be discharged through frustration [8 marks]

### QUESTION FOUR

- (a) Write short notes on
- i. Testate Succession [2 marks]
  - ii. Intestacy and how the property is disposed under intestacy [5 marks]
- (b) Briefly discuss the advantages and disadvantages of arbitration [8 marks]

### QUESTION FIVE

- (a) Briefly discuss the following concepts [3 marks]
- i. Rule of law
  - ii. Separation of powers
- (b) Discuss the ways in which a contract can be terminated by agreement [4 marks]
- (c) Write short notes on the following [8 marks]
- i. Vicarious liability
  - ii. Revocation
  - iii. Postal rule for acceptance
  - iv. Novation

### QUESTION SIX

- (a) Explain in brief how Law is related to justice and morality [2 marks]
- (b) The duty in tort is on persons generally and is not limited to contracting parties. Discuss the functions of the law of tort [5 marks]
- (c) Outline the duties of an employee towards his employer [8 marks]

