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**University Examinations 2014/2015**

FIRST YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR DIPLOMA IN PURCHASING AND SUPPLIES MANAGEMENT

**BFD 2150: BUSINESS LAW**

 **DATE: OCTOBER 2015 TIME: 11/2 HOURS**

**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***two*** *questions*

**QUESTION ONE (30 MARKS)**

1. Describe the following terms as used in law:
2. Statutes. (3 Marks)
3. Case law. (3 Marks)
4. Doctrine of Equity. (3 Marks)
5. A healthy industrial relations are key to progress and success. Discuss the significant importance of healthy industrial relations. (6 Marks)
6. Property may be classified into real and personal property. Explain real property classifications. (6 Marks)
7. Explain your understanding of the term tort and show how it differs with other civil wrongs. (4 Marks)
8. Discuss the circumstances under which an agent is presumed to be personally liable despite the contract of agency. (5 Marks)

**QUESTION TWO (20 MARKS)**

1. Describe the characteristics of a contract of sale of goods. (10 Marks)
2. Discuss the implied conditions as under the contrast of sale of goods. (10 Marks)

**QUESTION THREE (20 MARKS)**

1. Describe the cruster system as it is in Kenya today. (10 Marks)
2. Discuss any five written sources of Kenyan law. (10 Marks)

**QUESTION FOUR (20 MARKS)**

1. The legal environment of a business are the relevant laws and regulations under which the business operation. Explain any five types of business laws and regulations that affect business operations in your country. (10 Marks)
2. Explain the meaning of the following terms as used in business.
3. Bankruptcy
4. Antitrust law
5. Patents
6. Copyrights
7. Trademarks (10 Marks)

**QUESTION FIVE (20 MARKS)**

1. If you were the Human Relations Manager of a Kenyan company, describe the measures you would take to achieve good industrial relations (10 Marks)
2. All contracts are agreements but not all agreements are contracts. What are the essentials of a valid contract? (10 Marks)