



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2017/2018

**FIRST YEAR FIRST SEMESTER EXAMINATION FOR THE
DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION
WITH INFORMATION TECHNOLOGY**

CITY CAMPUS -EVENING

ABA 106: BUSINESS LAW I

Date: 15th January, 2018

Time: 5.30 - 7.30pm

INSTRUCTIONS:

- Answer Question ONE and any other THREE
- Question one carries 25 marks and the rest 15 marks each



- 1(a) Explain legislation as a source of Business Law and its advantages over other sources of business law. (20 marks)
- 1(b) Discuss rights in rem and rights in personam. (5 marks)
2. Explain the term Legal person and its characteristics. (15 marks)
- 3(a) Discuss contracts which must be in writing. (10 marks)
- 3(b) On 15th October 2017, "A" agrees with "B" to sell him his horse for a sum of Kshs. 15,000/= on 20th November 2017. The horse dies on 21st October 2017. Explain if the contract is valid. (5 marks)
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- 4(a) Define a valid acceptance and its essentials. (10 marks)
- 4(b) An offer is made to take shares indicating that the answer is to come by a telegram. It is accepted but the acceptance is sent by an ordinary letter. Is the acceptance valid? Give reasons to your answer. (5 marks)
- 5(a) Discuss the doctrine of "A delegate cannot further delegate" with its exceptions. (10 marks)
- 5(b) "A" authorized "B", a merchant in Kisumu, to recover the money due to "A" from "C" and company. "B" instructs "D" the advocate to take legal proceedings against "C" and company for the recovery of the money. Explain if "D" is a sub-agent. (5 marks)
- 6(a) Discuss cases where contract of agency may terminate on account of operation of law. (10 marks)
- 6(b) "A" gives authority to "C" to sell "A"'s land and to pay himself out of the proceeds the debt due to him from "A". Explain if "A" can revoke this authority. (5 marks)