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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
SECOND YEAR, FIRST SEMESTER EXAMINATION
FOR THE BACHELOR OF BUSINESS & INFORMATION TECHNOLOGY
KBA 2215 – BUSINESS AND INFORMATICS LAW

Date: 10TH December 2024
Time: 11:30AM – 1:30PM

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

Read the following excerpt carefully and answer the questions that follow

Central Bank of Kenya placed the Chase bank under receivership in 2016 due to what it described as 'bad financial conditions. Rumors on social media of the institution's shut down created tension among customers who flooded the banks to withdraw their cash, further fueling its woes. The bank was experiencing severe liquidity and capital deficiencies which made it unlikely to meet its financial obligations. This saw the closure of all 62 Chase Bank branches until new management was put in place.

- a) What would chase bank require for the application as a foreign company after a fall off (6 Marks)
- b) When a business face financial challenges like the above case rather than winding it up it can merge for the sake of its survival. Discuss Forms of Mergers you can suggest to the bank. (6 Marks)
- c) There are three different types of liquidation discuss on the best way to wind up a business (6 Marks)
- d) Discuss Some of specific duties of a secretary in a particular business need to perform. (6 Marks)
- e) For certain purposes directors are regarded as agents, for others they are considered as trustees but their true legal position Discuss the basic function of a director in the above case study. (6 Marks)

QUESTION TWO (20 MARKS)

- a) Discuss the characteristics of Statutory Corporations. (4 Marks)
- b) Naomi and one other director have travelled abroad on a two-week business trip leaving Hope and Martha as the only two directors in town. Hope is considering the option of her and Martha calling a general meeting immediately to pass an ordinary resolution appointing Nduta. Advise on the validity of that meeting. (8 Marks)
- c) Explain how Naomi can be dismissed from her position as a director and what steps might she take to resist the removal or to assert her rights? (8 Marks)

QUESTION THREE (20 MARKS)

- a) Identify different Classification Of Companies as listed in business information law. (4 Marks)
- b) Describe Procedures that are involved in the Transfer of Shares under the Companies Act, 2013 (8 Marks)
- c) Cyber security has become very critical in our society today discuss some tips to prevent cyber-crimes (8 Marks)

QUESTION FOUR (20 MARKS)

- a) Discuss the right of a shareholder in case the company is suffering losses and he/she may be affected (4 Marks)
- b) Discuss items that form the content of a member in a company and state there responsibility (8 Marks)
- c) Describe reasons why a shareholder membership in a company might be terminated. (8 Marks)

QUESTION FIVE (20 MARKS)

- a) There are four kinds of meetings of members which may be held by a company explain them (8 Marks)
- b) In any business the directors are required to convene a general meeting as soon as practicable after the company has received requests discuss the content of that meetings. (4 Marks)
- c) The office of director shall be declared vacant if he/she does certain things. Explain what can lead to disqualification of directors. (8 Marks)