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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2016/2017 ACADEMIC YEAR
CERTIFICATE IN BUSINESS MANAGEMENT**

CBM 005 - INTRODUCTION TO BUSINESS LAW

Date: 9th August, 2016.
Time: 3.30pm – 5.30pm

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) What is law? (7 Marks)
- b) Giving various examples, explain the two classes of law. (15 Marks)
- c) Differentiate private and public limited company. (8 Marks)

QUESTION TWO (20 MARKS)

- a) Discuss Acquisition of citizenship. (8 Marks)
- b) Giving relevant examples, define the term contract and explain its elements. (12 Marks)

QUESTION THREE (20 MARKS)

- a) Giving example, differentiate between invitation to treat and offer. (5 Marks)
- b) With the help of a diagram, briefly explain the Administration of law in Kenya. (15 Marks)

QUESTION FOUR (20 MARKS)

- a) Explain the meaning of the following terms;
- i) Negotiable instruments
 - ii) Cheque
 - iii) Bill of exchange
 - iv) Promissory note
- (8 Marks)
- b) Briefly explain the term corporation. (3 Marks)
- c) Highlight on the two types of a corporation and give examples of each. (6 Marks)
- d) What is ultra vires? (3 Marks)

QUESTION FIVE (20 MARKS)

- a) Differentiate the three types of shares. (6 Marks)
- b) Differentiate between an agent and the principal. (4 Marks)
- c) Discuss the business legal obligations. (10 Marks)