

LAIKIPIA



UNIVERSITY

UNIVERSITY EXAMINATIONS

EXAMINATION FOR MASTER OF BUSINESS ADMINISTRATION

MBAD 601: BUSINESS LAW

STREAM: MBAD

TIME: 3 HRS

DAY: TUESDAY [12.30-15.30 P.M]

DATE: 15/04/2025

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

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INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS

QUESTION ONE

- a) One of the essential elements of insurance is that the insured must have insurable interest in order for the insurer to honor the contract and make payments. Briefly describe what “Insurable Interest is” in insurance Industry and your description must endeavor to bring out examples of the same in fire, Marine and life payments **(10marks)**
- b) Discuss the main reasons for parliament to delegate its law making authority to competent bodies **(10marks)**
- c) Purity is a staunch christian union leader of the Laikipia University since her year one semester two. Of late Tim, a fourth year semester one student who is a member of the same group has made advances to her. Incidentally this fourth year student is the same man who was, until last month, been dating Jane who also is a member of the same group. Jane is very incensed and has vowed to “thoroughly spoil that girl’s name” so that she does not get nominated this coming week when their group is to nominate officials for the coming year.

Last week Jane went to her room, closed herself therein and started praying: “Oh, God Almighty, Jehova Jireh, you know how I have served you in our church. I am not like that thief and prostitute Purity who goes taking away people’s intended spouses for her own selfish ends. Do something so that she does not take away my husband to be, and if it does not work out, then she does not succeed to be elected. If you cannot grant me both, then grant me one, at least, my God.”

She then opened the door only to find Betty, her prayer partner who promptly inquired of her what she was praying over for she heard her mumbling over something and to her it was “a passionate appeal.”

Jane told her that her prayer was over this troublesome Purity, but that she has presented the problem to “my God.” Both women went to the service and later after the prayer service, the prayer partner whispered to Purity that Jane is mad with her and has been praying over her

You are required to explain what Purity would prove in court in order to succeed in her claim against Jane. You are also required to lay a defence for Jane. **(10marks)**

QUESTION TWO(15MARKS)

- a) Dr Eric Chege prescribed Jane a diabetic patient some weight reducing tablets. He recommended the her Cunjula a new product which would ass some vitamins and take away excess calories at the same time. Jane bought the tablets and consumed them in the prescribed manner, but instead she gained several kilos. What remedies if any, does Jael have against Dr Erick **(5marks)**



- b) A party's genuine consent is an essential element of a legally binding contract. However, a contract can be affected by a number of factors. Explain at least FIVE factors that can affect consent to a contract. **(10marks)**

QUESTION THREE(15MARKS)

- a) Debtors' management is crucial for maintaining healthy cash flow and financial stability. Discuss the debt management strategies that organization can explore **(10marks)**
- b) Property is anything that is tangible or intangible that can be owned by an individual or an entity. Property can be either real or personal property. Briefly discuss the different types of properties in Kenya according to the Property Law **(5marks)**

QUESTION FOUR(15MARKS)

- a) Define a negotiable instrument? What are the salient features of a negotiable instrument? **(5marks)**
- b) Injuri Sine Damnum is actionable while Damnum Sine Injuria is not" explain this statement giving example in each case **(5 marks)**
- c) Discuss the principles of Insurance according to the Insurance Law. **(5marks)**

