



SCHOOL OF COMPUTING AND ENGINEERING SCIENCES
BACHELOR OF SCIENCE IN COMPUTER NETWORKS AND CYBERSECURITY
END OF SEMESTER EXAM
CNS 4106: BUSINESS LAW

DATE: Fri, 2nd Aug 2024

TIME: 10:30 – 12:30

Instructions:

1. This Examination consists of **FIVE** questions
 2. Answer **Question ONE (COMPULSORY)** and any other **TWO** questions.
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QUESTION One

- a) Explain the main differences between a natural person and a legal person in terms of their legal status. **(3 marks)**
- b) Imagine you have been elected as a Member of Parliament of Gotha Tena Constituency in Kenya, championing youth empowerment through technology integration in businesses. Describe the legislative process you would undertake to introduce a bill aimed at merging youth-run businesses with IT. Highlight key steps and considerations involved in navigating the parliamentary procedures to enact this legislation. **(10 marks)**
- c) What are some everyday examples of intellectual property that we might encounter? Why is it important to respect intellectual property rights? **(4 marks)**
- d) You have been appointed as the head of human resources at SafariTech, a tech startup based in Nairobi, Kenya. The company's board of directors seeks your guidance on ensuring compliance with labor laws in the country. Highlight the following concepts with respect to labor laws in Kenya: **(8 marks)**
 - i. Working hours
 - ii. Maternity leave
 - iii. Summary dismissal
 - iv. Termination of contract
- e) Outline the key provisions that are typically included in standard employment contracts to comply with legal requirements and safeguard the interests of both parties. **(5 marks)**

QUESTION Two

- a) When preparing a trademark for registration, what specific details and elements must be included to ensure its eligibility and protection under trademark laws? **(5 Marks)**
- b) Provide an overview of patents as a type of intellectual property, highlighting their significance. **(5 Marks)**
- c) What are the consequences of copyright infringement, and how does the legal system typically address such violations? **(5 Marks)**

QUESTION Three

- a) Define a contract and provide at least one significance of contracts in the context of business transactions. **(2 Marks)**
- b) What is consideration in contract law? Provide an example to illustrate its importance. **(3 Marks)**
- c) Discuss the essential elements required for a contract to be considered valid, and provide relevant examples. **(5 Marks)**
- d) How do contracts contribute to responsible and effective business practices? Provide specific scenarios to support your answer. **(5Marks)**

QUESTION Four

- a) As an expert in Business Law, you have been tasked with advising a group of young entrepreneurs considering different business structures. Your role involves analyzing crucial elements of partnerships and contrasting them with sole proprietorships. What key aspects of a partnership should be highlighted, and how do they diverge from those of a sole proprietorship? **(12 Marks)**
- b) Explain how the *Salmon v. Salmon & Co. (1897)* case changed the legal status of companies. What does it mean for a company to have "corporate personality," and how does this affect its rights and responsibilities compared to its owners? **(3 Marks)**

QUESTION Five

- a) Briefly discuss the following concepts: **(5 Marks)**
 - i. Conditions and warranties
 - ii. A contract of sale of goods

- b) A group of youthful entrepreneurs is gearing up to launch an online platform for vintage clothing. They are on the verge of finalizing contracts with suppliers and customers for their merchandise. However, they are unsure about the specific responsibilities and obligations that sellers and buyers are expected to fulfill in such contracts of sale of goods. As their consultant well-versed in IT and business law, your task is to enlighten them about the respective duties of sellers and buyers in a contract of sale of goods. Develop a detailed presentation outlining these duties and their implications for the success of their business venture. **(10 marks)**