



**STRATHMORE LAW SCHOOL
MASTERS OF LAW (LL.M)
END OF MODULE MAIN EXAMINATION
LLM 8301: INTERNATIONAL BANKING AND FINANCIAL SERVICES LAW**

Date: **Monday, 17th July 2023**

Time: **3 Hours**

Instructions

1. This examination consists of **FIVE** questions.
2. Answer **Question ONE (COMPULSORY)** and any other **TWO** questions
3. This is an open-book examination. You may consult any written material you like in preparing to answer the questions. The exam mode for this exam is **OPEN**. However, **DO NOT** use any other bibliography other than the one provided in the course outline.
4. **DO NOT** copy and paste from any online source or from another candidate. The answers will be subject to a plagiarism check and a similarity index of over 30% will automatically lead to disqualification
5. You should spend a fair amount of time organizing your thoughts before starting to write.
6. Careful organization and clarity will be highly valued.
7. Please start each question on a new page.

1. “The outlook is uncertain...amid financial sector turmoil, high inflation, ongoing effects of Russia’s invasion of Ukraine, and three years of Covid...” **World Economic Forum, April 2023.**
 - a) Explain the nature of and causes of the key risks to the banking sector
 - b) Analyze the effectiveness of policy interventions adopted by the Central Bank to address the risks. **(30 marks)**

2. The law of banking is experiencing a seismic shift from common law to statutory law. Explain the elements of “statutory invasion” into the common law territory of banking. **(15 marks)**

3. Analyze the effectiveness of tools used by the Central Bank to foster liquidity, solvency and stability of the financial system. **(15 marks)**

4. Payment systems are the rails on which economic activity is supported. Analyze the extent to which the payments law of Kenya incorporates the key principles governing payments. **(15 marks)**

5. Explain the pros and cons of a soft law approach to the development of sustainable finance strategies in the banking sector. **(15 marks)**