



**STRATHMORE INSTITUTE
DIPLOMA IN ENTREPRENEURSHIP
END OF SEMESTER EXAMINATION
DE 1203 - Legal issues and statutory requirements**

DATE: 21st August 2019

Time: **2 Hours**

Instructions

1. This examination consists of **FIVE** questions.
2. Answer **Question ONE (COMPULSORY)** and any other **TWO** questions.
3. Do not write on this question paper.

QUESTIONS

QUESTION ONE (COMPULSORY)

- a) Discuss five essential elements of a valid contract (10 marks)
- b) Describe five types of Jurisdiction the High Court of Kenya can exercise (10 marks)
- c) Tumbo and Kichwa are vying for the same political position in Mwili County government. From the media polls, it is evident that Kichwa has more support than Tumbo and is likely to win this position. Two days to the election day, while Tumbo was addressing his supporters, he said that Kichwa is using witchcraft to win the election. In addition, he circulated pamphlets which stated that Kichwa is '*a blood sucking vampire who has sacrificed his son so as to gain political mileage.*' All these claims are false. Kichwa is not happy with the way Tumbo is handling his politics and has come to you for advice. Advise him on his legal position with reference to the above facts. (10 marks)

QUESTION TWO

- a) Explain four ways through which a contract can be discharged (8 marks)
- b) Mary is a tenant at Maji Mazuri apartments. She pays Kshs. 10,000.00 per month as rent. In the month of March, Maji Mazuri apartments flooded due to heavy rains. Most tenants gave notices to move out. When Mary gave her vacation notice, the landlord told her that she can stay in the apartments for free for two months and then resume rent payment from the third month. Relying on this statement, Mary stopped moving out. The two months are over and the landlord is demanding for the payment of the two months' arrears from Mary. Mary has come to you seeking your advice on whether she should pay the amount or not. Advise her (7 marks)

QUESTION THREE

- a) Summarize five rights of an employee (5 marks)

- b) Describe five classes of laws (10 marks)

QUESTION FOUR

- a) Describe three things a plaintiff must prove to succeed in a copyright infringement claim (6 marks)

- b) Miti, Shamba and Nyasi have been trading in a partnership known as MSN Associates. In the month of January 2019, the Golden Jewelleries supplied goods to MSN associates for the amount of Kenya Shillings 1,000,000. In March 2019, Shamba left the partnership. In May 2019, Nzuri Joined the partnership. Advise the following partners on their liability to pay the debt owing to Golden Jewelleries Ltd.
 - (i) Shamba (5 marks)

 - (ii) Nzuri (4 marks)

QUESTION FIVE

- a) Summarize the criteria a plant variety must satisfy for it to be protected under the plant breeder's rights (4 marks)

- b) State three uses of a trademark (3 marks)

- c) Kyula and Pinya have a dispute which they would like to settle. However, they do not want to go to court. Describe to them any four methods which they can use to resolve their dispute. (8 marks)