



**STRATHMORE LAW SCHOOL
MASTERS OF LAW (LL.M)
SUPPLEMENTARY EXAMINATION
LLM 8313: INTERNATIONAL CORPORATE FINANCE LAW**

Date: **Wednesday, 8th May 2024**

Time: **3 Hours**

INSTRUCTIONS

1. This is the final examination for the course International Corporate Finance Law offered to Master of Laws (LLM) degree candidates in April 2023.
2. This examination will comprise 60% of your final grade.
3. This examination has 3 questions. Answer ALL THREE QUESTIONS.
4. You must stop writing when time is called by the examination administrator.
5. This is a CLOSED BOOK examination. You should not bring into the examination room any material in any format including class notes, outlines, textbooks, electronic materials. You should not have any electronic gadgets including cellphones and computers during this examination.
6. You are bound by Strathmore University's Student Code of Academic Conduct while sitting this examination. Any violations will be strictly enforced.

QUESTION ONE (20 POINTS)

International corporate finance law has been described as a body of laws and regulations that aim to “establish an optimal package of commands and incentives to stimulate desirable behaviour and to curb undesirable behaviour.”

Using five (5) illustrative examples, enumerate legislative and doctrinal commands and policy incentives by which international corporate finance attains these stated objectives.

(20 points)

QUESTION TWO (20 POINTS)

Elite Construction Limited recently won a government tender to construct a road that will link Marimanti Dairy Milk Factory to the Standard Gauge Railway cargo line. Constructing the road to completion will require 500 million shillings. Elite aims to make a profit of 100 million shillings.

This will be a big boost to the company in terms of growth and reputation. It will also enhance the nation's dairy industry, which has been facing stiff competition within the East African region.

The Chief Executive Officer of Elite Construction Limited has approached Maendeleo Bank seeking a loan to execute the contract.

Enumerate for the parties what the most important terms of the financing agreement they intend to enter into should be in order for the construction project to be carried out successfully.

(20 points)

QUESTION THREE (20 POINTS)

M-Faida limited is a financial technology company that was incorporated in Kenya in February 2010. Due to the rise in digitisation of payment systems within government departments and private businesses, M-Faida has great prospects as a fintech start up. The recent ratification of the African Continental Free Trade Agreement (AfCTA) has increased cross border commerce among African traders. In a recent board meeting, it was resolved that M-Faida should take advantage of the favourable economic situation to expand. Enumerate the growth strategies M-Faida should pursue in order to expand and become a leading continent wide financial technology company.

(20 points)