



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

A. M. E. C. E. A MAIN EXAMINATION

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JANUARY – APRIL 2018 TRIMESTER

FACULTY OF LAW

REGULAR PROGRAMME

CLS 307: BANKING LAW AND NEGOTIABLE INSTRUMENTS

Date: APRIL 2018

Duration: 2 Hours

INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions

- Q1. Muntu forgot his phone at home last week and his wife Mama took that opportunity to hack into his M-Pesa account and transfer three million Kenya shillings to Nguruwe the boyfriend who hid this cash in Kenya Government Bonds.
Provide a critical analysis of the obligations and rights of each of the parties in this matter in accordance with the banking law applicable in Kenya today (2018):
- a) Muntu (10 marks)
 - b) Mama (10 marks)
 - c) Nguruwe (10 marks)
- Q2. Describe the requirements necessary before the granting a banking license under Section 4 of the Banking Act (Cap.488) (10 marks)
- Q3. Explain two (2) different types of Bank Accounts that are available to bank customers in Kenya today (2018) and provide the distinctive features of each of the accounts. (20 marks)
- Q4. Discuss the four (4) major characteristics of Negotiable Instruments. (20 marks)
- Q5. Discuss the impact of electronic technology on modern banking law. (20marks)

END