



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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

AUGUST – DECEMBER 2018 TRIMESTER

FACULTY OF LAW

REGULAR PROGRAMME

CLS 204A:CO-OPERATIVES & PARTNERSHIPS
(Law of Business Associations I)

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Date: DECEMBER 2018

Duration: 2 Hours

INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions

- Q1. “Since attainment of our Independence just over eighteen months ago, the Government has been deciding the measures that will ensure rapid economic development and social progress for all our citizens. Let all the people of our country roll up their sleeves in a spirit of self-help to create the true fruits of freedom.”
- a) Identify the legal source of the above-named Development Constitution of Kenya; (10 marks)
- b) Identify one(1) Business Association and legislation created under this Sessional Paper; (10 marks)
- c) Discuss two (2) development strategies captured in the legislation (applicable law) governing the above-named Business Association. (10 marks)
- Q2. Provide an objective analysis of the legal principle(s) covered by any one(1) of the following cases (precedents):
- a) John Ouma Richard Nyamaivs Cooperative Tribunal et al (2013)
b) MburuKimanivsKanyeki Farmers’ Cooperative Society (2009 eKLR).
c) Fort Hall Baker Supply Company vs Frederick MuigaiWangoe (1959 EA .474.
d) Nterekeiya Bus Services vs Republic of Kenya (1966) EA 333
e) French vsEdyvean (1934) 1 EACA 94. (20 marks)
- Q3. Identify and discuss two rights and two obligations of managing partners under

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the Partnerships law applicable in Kenya.

(20 marks)

- Q4. Dania and Wanja registered their jointly-owned cyber café as a general partnership with branches in CUEA (Lower and Upper) campuses. The partners run the two branches separately but with equal sharing of the combined profits, but auditors have now discovered that Dania was under-reporting his branch's income affecting the joint profits. Wanja has now consulted you regarding the best legal method(s) of dissolving this business.

(20 marks)

END