



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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

AUGUST – DECEMBER 2018 TRIMESTER

FACULTY OF LAW

REGULAR PROGRAMME

CLS 304: CAPITAL MARKETS AND SECURITIES

P.O. Box 62157  
00200 Nairobi - KENYA  
Telephone: 891601-6  
Fax: 254-20-891084  
E-mail: academics@cuea.edu

**Date: DECEMBER 2018**

**Duration: 2 Hours**

**INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions**

- Q1. Family Trusts, Hedge funds among others are some of the Alternative Investment Funds used in accessing funds in the capital Markets. Generally discuss these various Alternative Investment Funds of the capital and securities markets indicating the advantages and disadvantages of each of them  
(17.5 Marks)
- Q2. Without intermediaries, the Capital Securities Market will not perform its functions. Analyze the various capital Market intermediaries explaining in brief the role of each intermediary.  
(17.5 Marks)
- Q3. While explaining what a debt market is, discuss the various instruments that exist in a debt market and who are the main investors in the debt market. (17.5 Marks)
- Q4. Listing and De Listing of Securities is a function of the Capital Market. As you discuss the types of Listing and its benefits analyze the differences between Compulsory and Voluntary delisting.  
(17.5 Marks)
- Q5. Insider trading is a serious offence in capital markets and securities Law. The only remedy to counter this problem of insider trading is compulsory disclosure. Discuss with the support of authorities, principle of disclosure, while analyzing its justification.  
(17.5 Marks)

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