



UGANDA BUSINESS AND TECHNICAL EXAMINATIONS BOARD

Business and Humanities Diploma Examinations

MAY-JUNE 2020 SERIES

PROGRAMME

DBS, DHIC, DPLM, DSIM, NDA, NDBM, NDCB, NDSOA, DEBM, DACF, DHRM,
DPPM, UDHIC, DBA

PAPER NAME

BUSINESS LAW

PAPER CODE

BLW1201/SBDM122/DEBM1204/UDHIC1201/DBA1202

YEAR I, SEMESTER II

3 HOURS

WEDNESDAY, 21ST APRIL, 2021

INSTRUCTIONS TO CANDIDATES

1. This paper consists of **two** sections **A** and **B**.
2. Section **A** is compulsory and carries **20** marks.
3. Section **B** consists of **six** questions. Answer only **four** questions from this section.
4. All questions carry equal marks.
5. All answers to each question should begin on a fresh page.
6. **Do not** write on the question paper.
7. All answers and rough work should be done in the official answer booklet provided.
8. Read other instructions on the answer booklet.

SECTION A - (20 MARKS)

Answer all questions in this section

Question One

- (a) Define the term **civil wrong**. (02 marks)
- (b) Explain the meaning of **morality** as applied in business law. (02 marks)
- (c) List **two** types of consideration as applied in the law of contract. (02 marks)
- (d) State **two** conditions that enable a person to act as an agent of necessity of another. (02 marks)
- (e) Define the term **partnership** as applied in business law. (02 marks)
- (f) State **two** types of meetings in management of companies. (02 marks)
- (g) Give **two** most common general rules in sale of goods contracts. (02 marks)
- (h) Define the term **future goods** as applied in sale of goods. (02 marks)
- (i) State **two** types of marine insurance policies. (02 marks)
- (j) Provide the meaning of the term **wage** as applied in employment law. (02 marks)

SECTION B - (80 MARKS)

Answer only four questions from this section

Question Two

- (a) Describe **five** classifications of law applicable in Uganda. (10 marks)
- (b) Mambo a brick layer has a case to answer in the court of law. His worry is the practice where judges decide cases basing on the precedent of earlier decisions.

Required:

Explain **five** advantages of this practice. (10 marks)

Question Three

- (a) Explain **five** ways of terminating an offer. (10 marks)
- (b) "A contract supported by consideration in which there is intention to enter into legal relation may still be of no legal effect where it is affected by a vitiating element".

Required:

Describe **five** of these elements to a contract. (10 marks)

Question Four

- (a) Explain **five** distinctions between a partnership business and a company. (10 marks)
- (b) You have been nominated as a facilitator at a work shop organized by the chairperson Local Council III for the members who wish to form partnership businesses in your village. Your topic of discussion is partnership deed.

Required:

Explain **five** contents that you will include in your presentation. (10 marks)

Question Five

- (a) Explain the following terms as applied in company law.
 - (i) Insider trading. (02 marks)
 - (ii) Holding company. (02 marks)
- (b) Describe **three** circumstances when a director is said to have violated his duty of acting in good faith. (06 marks)
- (c) Mabisi and five others have decided to convert their private limited company into a public limited company. Describe **five** features that they will need to introduce into their company's Articles of association. (10 marks)

Question Six

- (a) Explain the meaning of the following terms as used under the contract of sale of goods.
 - (i) Bailment. (02 marks)
 - (ii) Hire purchase. (02 marks)
 - (iii) Agreement to sell. (02 marks)
- (b) Jella paid for a suit from Jamia shop. The suit has not been delivered to him to date. He seeks your advice on some aspects of law of sale of goods before he takes the matter to court.

Required:

- (i) State **four** implied conditions in this contract. (04 marks)
- (ii) Explain **five** rights of Jella in this contract. (10 marks)

Question Seven

- (a) Explain **four** basic principles of insurance. (08 marks)
- (b) Kabaya, a businessman in Omulongo municipality has approached you for some information about insurance.

Required:

- (i) Explain **two** policies that he can take to cover his business. (04 marks)
- (ii) Discuss **four** benefits he may get if he took insurance policy. (08 marks)

END