

THE KENYA SCHOOL OF LAW



DIPLOMA IN LAW (PARA-LEGAL STUDIES)

2<sup>ND</sup> YEAR TERM III EXAMINATION

KENYA SCHOOL OF LAW  
TOWN CAMPUS LIBRARY

LAW OF OTHER BUSINESS ASSOCIATIONS

27<sup>TH</sup> MARCH, 2019

DURATION: 2 HOURS

**Instructions to Candidates**

- (a) Answer Question ONE and ANY OTHER THREE Questions
- (b) Question ONE carries 25 Marks
- (c) All other questions carry 15 Marks each

PLEASE TURN OVER

**Question One**

- a) Explain five (5) differences between a partnership and a limited liability company. **(10 marks)**
- b) Describe five (5) legal principles for determining whether or not a person is a partner in a certain firm. **(10 marks)**
- c) Outline five (5) co-operative principles. **(5 marks)**

**Question Two**

- a) Explain five (5) rights of a partner in a partnership relationship. **(5 marks)**
- b) Outline ten (10) items that must be contained in the by-laws of a Co-operative Society in Kenya. **(10 marks)**

**Question Three**

- a) John and Peter wish to form a partnership for purposes of carrying on the business of an accountancy firm. Prepare a partnership deed for them setting out ten (10) items that should be provided for in such a deed. **(10 marks)**
- b) Outline five (5) items that should be discussed at an Annual General Meeting of a Co-operative Society. **(5 marks)**

**Question Four**

- a) Explain five (5) duties of a registered Co-operative Society. **(10 marks)**
- b) Outline the powers of the Commissioner for Co-operative Development with respect to a registered Co-operative Society. **(5 marks)**

**Question Five**

- a) Discuss three (3) types of partnerships recognized under Kenyan Law and indicate the key characteristics of each. **(9 marks)**
- b) Describe the nature of the relationship between a partner and their fellow partners and the firm. **(6 marks)**

**Question Six**

- a) Discuss four (4) ways in which the life of a partnership can come to an end. **(8 marks)**
- b) Explain three (3) legal ways through which a Co-operative Society can cease to exist under Kenyan Law. **(7 marks)**

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**END**