



KISII UNIVERSITY

UNIVERSITY EXAMINATIONS

**THIRD YEAR EXAMINATION FOR THE AWARD OF THE
DEGREE OF BACHELOR OF LAWS
SECOND SEMESTER, 2021/2022
(FEBRUARY - JUNE, 2022)**

LLBK 321: LAW OF BUSINESS ASSOCIATIONS II

STREAM: LLBK 3 S2

TIME: 2 HOURS

DAY: TUESDAY, 12:00 – 2:00 P.M.

DATE: 24/05/2022

INSTRUCTIONS

- 1. Do not write anything on this question paper.***
- 2. Answer Question ONE [Compulsory] and any other TWO Questions.***
- 3. Illustrate your answer with relevant cases and statutory provisions where applicable.***

QUESTION ONE

- (a) Critically analyse the legislative justification for regulation of SACCOs in Kenya. (10 marks)
- (b) “The Limited Liability Partnership is the bastard child of the law which enables one to enjoy the best of both worlds of “companies regime” and “partnerships regime” yet it is has found little to no reception in application” – anonymous
- Discuss the relevance of the statement above, bringing forth the benefits and disadvantages of the Limited Liability Partnership as an association for business. (20 marks)

QUESTION TWO

The cooperative principles are both statutory as contemplated under section 4(b) of the Cooperative Societies Act and historical as seen in the evolution of cooperatives in Kenya. Discuss any four principles bringing forth at least one relevant legislative provision aimed at achieving each of the principles. (20 marks)

QUESTION THREE

With the aid of case laws from the Kenyan courts, explain at least four purposes of the general meeting of a cooperative society. (20 marks)

QUESTION FOUR

With the aid of case laws from the Kenyan courts, analyse the statutory duty of good faith by a partner towards the partnership and the other partners. (20 marks)

QUESTION FIVE

The partner is an agent of the partnership; and the acts of the partner would be binding of the partnership. Discuss the statement above, bringing forth the agency relationship and its attendant limitations (20 marks)