


DLAW 0215



KISII UNIVERSITY
UNIVERSITY EXAMINATIONS

SPECIAL EXAMINATIONS
SECOND YEAR EXAMINATION FOR THE AWARD OF THE
DIPLOMA IN LAWS
FIRST SEMESTER, 2021/2022
(FEBRUARY - JUNE, 2022)

DLAW 0215: ELEMENTS OF BANKING

STREAM: Y2 S1

TIME: 2 HOURS

DAY: TUESDAY, 3:00 – 5:00 P.M.

DATE: 26/07/2022

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

Briefly discuss the roles of international institutions in international trade.

- a) International Monetary fund (IMF) (15 marks)
- b) International Bank for reconstruction and development (IBRD) or the World Bank. (15 marks)

QUESTION TWO

Indeed a cheque is as good as money discuss the validity of the above statement. (20 Marks)

QUESTION THREE

a) What do the following terms mean, financial institutions and Non-Financial institutions? (5 Marks)

b) Briefly describe the functions of Non-bank financial institutions in Kenya (15 marks)

QUESTION FOUR

a) Propose measures that might be taken by an institution to ensure prudent lending. (7 Marks)

b) With specific reference to prevention and control of Money laundering. Define the term money laundering. (5 Marks)

c) Mr. Casey, a minor who is seventeen years of age would like to open a bank account in the bank you work in. He would like to deposit sh.500,000. He visits the bank and finds you at the counter.

Summarize four measures that you might take to establish the true identity of Rael Waridi. (8 Marks)

QUESTION FIVE

a. What is meant by the term trade restrictions and explain the advantages and the disadvantages of trade restrictions. (10Marks)

b. What is international trade? (5Marks)

c. What is stock exchange? (5Marks)