



**DIPLOMA IN BUSINESS ADMINISTRATION AND MANAGEMENT**  
**SAMPLE EXAMINATION PAPER**  
**PRINCIPLES OF BUSINESS LAW**

Instructions to candidates:

- a) Time allowed: Three hours
- b) Answer any FIVE questions
- c) All questions carry equal marks.

1. Describe the common law rules regarding the use of exclusion clauses in a contract and provide examples to support your recommendations
2. As an independent legal advisor explain the term 'defamation' to one of your clients
3. Explain what you understand by the following legal terms:
  - a) Tort of negligence
  - b) Contract of employment
  - c) Liabilities of a partnership
4. Discuss the importance of establishing clearly the evidence of offer and acceptance in forming a contract.
5. Critically appraise the value of the Sales of Goods Act to the protection of consumers
6. Distinguish between a condition and a warranty and explain the legal position relating to each
7. Identify two different types of agents and explain the rights and duties of both the agent and the principal.
8. Write notes on three of the following:



- a) Consideration
- b) Illegal contract
- c) Misrepresentation
- d) Tort of nuisance