



CERTIFICATE IN ACCOUNTING AND MANAGEMENT SKILLS (CAMS)

LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 17 August 2026. Afternoon Paper.

Time Allowed: 2 hours.

This paper consists of fifty (50) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks.

1. A county licensing officer refuses to issue a trader with a permit unless the trader pays a prescribed fee under a county by-law. Which feature of law is **BEST** illustrated by this requirement?
 - A. Moral persuasion without state involvement
 - B. Enforcement of rules through recognised state authority
 - C. Voluntary enforcement of rules under self-regulation
 - D. Private agreement between citizens(2 marks)
2. A dispute arises between a taxpayer and the Kenya Revenue Authority over an assessed tax liability. The branch of law most directly involved is _____.
 - A. property law
 - B. family law
 - C. revenue law
 - D. civil law(2 marks)
3. Which one of the following statements is an example of delegated legislation?
 - A. Regulations issued by a Cabinet Secretary under authority of an Act
 - B. A judgment delivered by the Supreme Court
 - C. A custom applied by a community in family matters
 - D. A clause voluntarily inserted in an employment contract(2 marks)
4. A magistrate is deciding a commercial dispute whose facts are materially similar to an earlier decision of the Court of Appeal. The magistrate should _____.
 - A. ignore the earlier decision because facts are never identical
 - B. follow decisions made by other magistrates
 - C. refer the matter to the Court of appeal for interpretation
 - D. apply the Court of Appeal decision as binding precedent(2 marks)
5. A manager believes it is morally wrong to dismiss a long-serving employee, although the employment contract permits termination after proper notice. Which statement **BEST** describes the relationship between law and morality in this situation?
 - A. Moral views automatically override the contract
 - B. Law and morality are always identical and cannot be separated
 - C. The legal rule may permit an act that still raises moral concerns
 - D. A moral concern makes the contract void(2 marks)
6. The main purpose of administrative law in relation to public bodies is to _____.
 - A. replace all internal procedures of government agencies
 - B. ensure that public power is exercised lawfully and fairly
 - C. give private companies authority to make civil laws
 - D. remove the need for written reasons in official decisions(2 marks)

7. A licensing board cancels a transport operator's licence without giving the operator an opportunity to respond to the allegations. Which one of the following principles has the board most likely breached?
- audi alteram partem
 - caveat emptor
 - nemo dat quod non habet
 - res ipsa loquitur
- (2 marks)
8. The doctrine of separation of powers is intended to prevent _____.
- citizens from filing constitutional petitions in the High Court
 - courts from interpreting laws independently without consulting anyone
 - parliament from enacting statutes
 - excessive concentration of authority in one organ of government
- (2 marks)
9. A public body refuses to perform a statutory duty that it is required to perform. Which judicial review order is most appropriate to compel performance?
- prohibition
 - mandamus
 - injunction
 - rescission
- (2 marks)
10. An organisation chooses a policy because it is expected to produce the greatest overall benefit for employees, customers and the community. The ethical theory mainly reflected is _____.
- virtue ethics
 - legal positivism
 - utilitarianism
 - ethical egoism
- (2 marks)
11. An accounts assistant is asked by a friend to disclose a client's bank balances for personal reasons. Which one of the following ethical principles should guide the assistant?
- Publicity
 - Honesty
 - personal loyalty
 - confidentiality
- (2 marks)
12. A procurement officer sits on a tender committee while a company owned by the officer's sibling has submitted a bid. Which one of the following would be the expected ethical action?
- Disclose the relationship and recuse himself or herself from the decision
 - Vote for the sibling's company because family ties create trust
 - Remain silent because the bid documents are confidential
 - Ask the sibling to withdraw after the award is made
- (2 marks)
13. An employee has reliable evidence that senior staff are falsifying supplier invoices. Which one of the following responses **BEST** promotes ethical accountability?
- Share the allegations on social media immediately
 - Report the matter through the approved whistleblowing channel
 - Destroy the evidence to avoid being involved
 - Demand a personal payment from the staff involved
- (2 marks)
14. A code of ethics in an organisation primarily serves to _____.
- eliminate the need for legal compliance
 - guarantee that all employees will observe the rules and regulations
 - guide acceptable conduct and decision-making
 - Support enforcement of the employment contract for all staff
- (2 marks)
15. A cashier finds an overpayment by a customer but fears reporting it may anger a supervisor who wants to retain the money. How is this situation best described?
- An ethical dilemma involving honesty and pressure from authority
 - Indecisiveness of complicated legal issues
 - A completed commercial contract with no ethical issue
 - A matter to be reported to Ethics and Anti-Corruption Commission
- (2 marks)

16. The key role of a mediator in a commercial dispute is to _____.
A. issue a binding judgment after hearing witnesses
B. represent the stronger party in negotiations to reach a settlement
C. punish the party that breached the agreement
D. facilitate communication so that parties reach their own settlement (2 marks)
17. Two suppliers have a written agreement that disputes will be decided by an independent person whose decision will be final. The mechanism described is _____.
A. conciliation
B. arbitration
C. negotiation
D. reconciliation (2 marks)
18. Traditional dispute resolution mechanisms are generally most suitable where the parties seek _____.
A. formal imprisonment of offenders
B. a precedent binding all parties
C. community-based reconciliations
D. a transfer of land (2 marks)
19. A small business wants to preserve a long-term supply relationship while resolving a disagreement about late deliveries. Which method is most suitable as a first step?
A. Issue demand letter
B. File bankruptcy proceedings
C. Constitutional petition
D. Negotiation between the parties (2 marks)
20. Which one of the following legislations is specifically associated with ethical conduct of public officers in Kenya?
A. Public Officer Ethics Act
B. Employment Act
C. Fair administrative Act
D. Public Service Commission Act (2 marks)
21. A professional body suspends a member for serious breach of professional ethics. How should the suspension be classified?
A. a penalty imposed for misconduct
B. a punishment imposed for violation of professional rules
C. a disciplinary sanction for unethical conduct
D. a civil remedy awarded for breach of a professional contract (2 marks)
22. A public officer uses confidential procurement information to assist a private company in which the officer has an interest. The main ethical and legal concern is _____.
A. unauthorised disclosure of confidential government information
B. unfair restriction of competition in the procurement process
C. breach of the duty to maintain procurement transparency
D. conflict of interest and abuse of office (2 marks)
23. An online trader accepts payment for goods but fails to disclose delivery charges until after checkout. The key concern raised is _____.
A. lack of transparent contracting information
B. automatic transfer of goods
C. creation of a statutory corporation
D. Overcharging buyers (2 marks)
24. The use of an online business registration platform mainly supports _____.
A. evasion of taxes
B. faster submission and processing of registration documents
C. avoidance of statutory requirements
D. transfer of liability to customers (2 marks)

25. A customer orders office furniture through a website by clicking “I agree” after reviewing the terms and price. Which conclusion is most appropriate?
- A. No contract can arise because parties did not meet physically to discuss
 - B. The order is invalid unless witnessed by a court officer or a police officer
 - C. An electronic acceptance may evidence agreement if other essentials are present
 - D. Only customary law can govern the transaction
- (2 marks)
26. In which court would a matter involving an alleged violation of the Bill of Rights ordinarily be filed?
- A. High Court
 - B. Small Claims Court
 - C. Kadhi’s Court
 - D. Tax Appeals Tribunal
- (2 marks)
27. A dispute over termination of employment and unpaid wages falls primarily within the jurisdiction of the _____.
- A. Ministry of Labour
 - B. Court Martial
 - C. Supreme Court
 - D. Employment and Labour Relations Court
- (2 marks)
28. The Kadhi’s Court mainly handles disputes relating to personal status, marriage, divorce or inheritance where the parties _____.
- A. are members of same religious community and agree to arbitration
 - B. profess the Muslim faith and submit to its jurisdiction
 - C. reside within same geographical area served by the Kadhi’s Court
 - D. seek review of an administrative decision
- (2 marks)
29. A taxpayer wishes to challenge an assessment issued by the revenue authority before using ordinary courts. The most suitable forum is generally a _____.
- A. Court Martial
 - B. Kadhi’s Court
 - C. Tax Appeals Tribunal
 - D. High court
- (2 marks)
30. Which one of the following courts would a party dissatisfied with a decision of the High Court in an ordinary civil appeal normally appeal?
- A. Court of Appeal
 - B. Kadhi’s Court
 - C. Supreme Court
 - D. Chief Magistrate’s Court
- (2 marks)
31. The main legal significance of incorporation is that the business entity _____.
- A. becomes a natural person by birth
 - B. is exempt from all taxation by the government
 - C. can never be sued by outsiders
 - D. acquires separate legal personality from its members
- (2 marks)
32. Domicile is **BEST** understood as a person’s _____.
- A. temporary workplace for a single transaction
 - B. permanent home for legal purposes
 - C. passport number issued at birth
 - D. company registration address
- (2 marks)
33. A welfare group operates without incorporation and buys chairs for its meetings. Which one of the following provisions does the group generally lack in law?
- A. separate legal personality in its own name
 - B. members who can make contributions
 - C. rules governing its activities
 - D. capacity to hold meetings
- (2 marks)

34. Three friends agree to operate a stationery business together and share profits. The arrangement most likely creates a _____.
- A. trust of land
 - B. statutory corporation
 - C. partnership
 - D. court martial
- (2 marks)
35. A registered company becomes insolvent after borrowing money for business operations. In ordinary circumstances, shareholders' exposure is limited to _____.
- A. all personal property owned by directors and their relatives
 - B. debts of every company in the group
 - C. future profits of suppliers for goods and services
 - D. the amount unpaid on their shares or agreed contribution
- (2 marks)
36. The primary aim of tort law in civil wrongs is to _____.
- A. register companies before trading
 - B. provide remedies to persons harmed by wrongful conduct
 - C. create offences punishable by imprisonment
 - D. approve all commercial contracts
- (2 marks)
37. A supermarket leaves spilled cooking oil on the floor for several hours without warning customers. A customer slips and is injured. Which one of the following precautions is most directly relevant?
- A. privity of contract
 - B. nemo dat rule
 - C. breach of duty of care
 - D. discharge by agreement
- (2 marks)
38. A delivery driver negligently damages a client's gate while making deliveries during working hours. Which one of the following reasons would make the employer be liable?
- A. the tort was committed in the course of employment
 - B. all employees are independent contractors
 - C. property risk always passes on delivery
 - D. the client had no contract with the employer
- (2 marks)
39. For a statement to be found as an action in defamation, it must generally be communicated to _____.
- A. the defendant only
 - B. a police officer
 - C. a court registrar before publication
 - D. a person other than the claimant
- (2 marks)
40. Strict liability differs from negligence because the claimant need not prove _____.
- A. that loss occurred
 - B. lack of reasonable care by the defendant
 - C. a causal connection where required
 - D. the identity of the defendant
- (2 marks)
41. A claimant delays filing a tort claim until after the statutory limitation period has expired. Which one of the statements is the likely effect?
- A. automatically converted into a new claim
 - B. heard only by an arbitrator
 - C. barred for being filed out of time
 - D. transferred to High Court
- (2 marks)
42. Which one of the following sets of elements is essential for a valid simple contract?
- A. Offer, acceptance, consideration and intention to create legal relations
 - B. Invoice, receipt, delivery note and tax pin
 - C. Seal, oath, police abstract and registration card
 - D. Advertisement, silence, friendship and trust
- (2 marks)

43. A buyer responds to a seller's offer by accepting all terms but asking for delivery two months later than proposed. The response is best treated as _____.
A. unqualified acceptance
B. a counter-offer
C. automatic discharge by performance
D. a completed sale of goods (2 marks)
44. A supplier signs a contract after the buyer threatens to unlawfully detain the supplier's goods unless the supplier signs. Under which of the following grounds may the contract be challenged?
A. frustration
B. mistake of law
C. lapse of time
D. duress (2 marks)
45. The normal remedy intended to compensate a party for loss caused by breach of contract is _____.
A. mandamus
B. prohibition
C. damages
D. naturalisation (2 marks)
46. A shop sells a new printer described as "wireless," but the printer has no wireless capability. The implied term most directly breached is that goods should _____.
A. correspond with their description
B. be paid for when they match sample
C. remain with the seller forever
D. be registered as land (2 marks)
47. A person who has hired a laptop, without owning it, purports to sell it to a buyer. Under the nemo dat principle, what is the buyer's general position?
A. gets a better title than the owner
B. cannot obtain a better title than the seller had
C. automatically acquires ownership after payment
D. becomes an agent of the true owner (2 marks)
48. An unpaid seller who still has possession of the goods may retain them until payment is made. Which remedy is this?
A. Ownership
B. specific performance
C. quantum meruit
D. lien (2 marks)
49. Unless the partnership agreement provides otherwise, a partner who enters a contract in the usual course of the firm's business generally binds _____.
A. the firm and the other partners
B. only the partner's family members
C. the spouse and family members
D. the firm's customers personally (2 marks)
50. What is the primary purpose of registering an interest in land?
A. convert a civil wrong into a criminal offence
B. remove the need for payment of consideration
C. give legal recognition and public notice of the interest
D. create a partnership between all neighbours (2 marks)
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CERTIFICATE IN ACCOUNTING AND MANAGEMENT SKILLS (CAMS)

LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 20 April 2026. Afternoon Paper.

Time Allowed: 2 hours.

This paper consists of fifty (50) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks.

1. Which one of the following statements **BEST** defines law?
 - A. A system of moral rules governing a society
 - B. A body of rules enforced by the state
 - C. Personal beliefs of judges
 - D. Religious commandments only(2 marks)

2. The jurisdiction of a state refers to _____.
 - A. its geographical boundaries and legal authority
 - B. powers of private citizens
 - C. authority of companies
 - D. religious influence and authority(2 marks)

3. Which one of the following branches of law governs relations between individuals and the government?
 - A. Private law
 - B. Public law
 - C. Contract law
 - D. Property law(2 marks)

4. The Constitution of Kenya 2010 is classified as _____.
 - A. delegated legislation
 - B. common law
 - C. customary law
 - D. supreme law(2 marks)

5. Which of the following statements is **NOT** a source of law in Kenya?
 - A. Judicial precedent
 - B. African customary law
 - C. Company policy manual
 - D. Delegated legislation(2 marks)

6. The doctrine of stare decisis requires courts to _____.
A. overrule all past decisions made by courts
B. follow binding precedents from higher courts
C. apply international law only
D. ignore lower court decisions (2 marks)
7. Law and morality are related because they _____.
A. are identical in all respects
B. originate only from religion and are both enforced by police
C. may overlap but remain distinct
D. originate only from religion (2 marks)
8. Which one of the following rights is an element of natural justice?
A. Right to swift judgment
B. Right to secrecy
C. Right to fair hearing
D. Right to appeal in all cases (2 marks)
9. The principle of nemo iudex in causa sua means _____.
A. hear the other side evidence in court
B. no person should judge their own case
C. justice delayed is justice denied
D. equity follows the law (2 marks)
10. Judicial review enables courts to examine the _____ of administrative actions.
A. wisdom
B. merits
C. legality
D. popularity (2 marks)
11. Which alternative dispute resolution mechanism is the **LEAST** formal?
A. Arbitration
B. Negotiation
C. Litigation
D. Adjudication (2 marks)
12. Arbitration differs from mediation because arbitration _____.
A. is non-binding
B. requires no agreement
C. is informal discussion
D. results in a binding award (2 marks)
13. Ethics refers to _____.
A. laws enacted by Parliament
B. moral principles guiding behaviour
C. court decisions on morality
D. administrative regulations (2 marks)

14. Which ethical theory focuses on the greatest good for the greatest number?
A. Deontology
B. Virtue ethics
C. Utilitarianism
D. Relativism (2 marks)
15. An ethical dilemma arises when _____.
A. rules are clear
B. there are conflicting moral choices
C. laws are absent
D. profits decline (2 marks)
16. Integrity in professional practice requires _____.
A. maximising profit
B. blind loyalty
C. avoiding responsibility
D. Consistency and honest (2 marks)
17. Which of the following Act promotes ethical conduct among public officers in Kenya?
A. Companies Act
B. Public Officers Ethics Act
C. Penal Code
D. Sale of Goods Act (2 marks)
18. A natural person acquires legal personality _____.
A. at birth
B. upon registration
C. by statute
D. by agreement (2 marks)
19. An incorporated association has _____.
A. no legal personality
B. temporary existence
C. separate legal personality
D. unlimited membership (2 marks)
20. Citizenship by naturalisation is acquired through _____.
A. birth only
B. registration process
C. automatic inheritance
D. marriage only (2 marks)
21. The primary function of tort law is to _____.
A. punish offenders for criminal activities
B. enforce econtracts
C. compensate victims for civil wrongs
D. collect taxes (2 marks)

22. Negligence requires proof of duty, breach, causation and _____.
A. intention
B. mistake
C. fraud
D. damages (2 marks)
23. Vicarious liability arises when _____.
A. an employer is liable for employee's tort
B. an employee sues employer over injustices
C. a contract is void
D. ownership changes (2 marks)
24. The law of defamation protects a person's _____.
A. property
B. reputation
C. income
D. employment (2 marks)
25. Strict liability does **NOT** require proof of _____.
A. negligence
B. damage
C. causation
D. activity (2 marks)
26. An offer in contract law is _____.
A. a statement of intention to contract
B. mere advertisement
C. invitation to treat
D. expression of willingness to contract (2 marks)
27. Acceptance must be _____.
A. conditional
B. communicated
C. revoked
D. ambiguous (2 marks)
28. Consideration refers to _____.
A. Something valued or exchanged
B. a written document supporting a contract
C. capacity of parties
D. legal capacity (2 marks)
29. A contract entered under undue influence is _____.
A. void
B. illegal
C. unenforceable forever illegal
D. voidable (2 marks)

30. Discharge of contract by performance occurs when _____.
A. obligations are fulfilled
B. parties agree to discharge contract
C. court orders
D. mistake occurs (2 marks)
31. Which remedy compels performance of contractual obligation?
A. Damages
B. Injunction
C. Specific performance
D. Rescission (2 marks)
32. The Sale of Goods Act applies to _____.
A. movable property
B. immovable property
C. land only
D. services only (2 marks)
33. The *Nemo dat quod non habet* rule means _____.
A. no one gives what they do not have
B. buyer always wins
C. seller keeps title
D. risk never passes (2 marks)
34. Risk in sale of goods generally passes when _____.
A. contract signed
B. ownership transfers
C. goods delivered
D. price is paid by buyer (2 marks)
35. A lien is a _____ remedy.
A. personal
B. real
C. criminal
D. equitable only (2 marks)
36. The Supreme Court of Kenya primarily hears _____.
A. original criminal cases
B. presidential election petitions
C. divorce matters
D. small claims (2 marks)
37. The Employment and Labour Relations Court deals with _____ disputes.
A. commercial and business
B. employment and labour relations
C. land and environmental
D. constitutional and human rights (2 marks)

38. A valid contract must have _____.
A. an agreement, consideration and intention to create legal relations
B. only an agreement between two parties
C. written documentation in all cases
D. approval by a court (2 marks)
39. Tribunals are preferred over courts because they are _____.
A. more expensive
B. more technical
C. specialised and flexible
D. strictly formal (2 marks)
40. Delegated legislation is made under authority granted by _____.
A. courts rulings
B. constitution of Kenya
C. an Act of Parliament
D. citizens (2 marks)
41. Administrative law controls _____.
A. private contracts
B. government bodies
C. family disputes
D. land ownership (2 marks)
42. Separation of powers promotes _____.
A. concentration of authority
B. rule of law
C. judicial bias
D. executive dominance (2 marks)
43. Which of the following terms is an essential element that a claimant must prove in a negligence claim?
A. Duty of care
B. Voluntary assumption of risk
C. Contributory negligence
D. Act of God (2 marks)
44. Limitation of actions refers to _____.
A. time limit for filing cases
B. limit of damages
C. court hierarchy
D. appeal process (2 marks)
45. A partnership is formed when persons agree to _____.
A. share profits of business
B. register a trading company
C. transfer land
D. avoid liability (2 marks)

46. Partners in a general partnership have _____ liability.
A. limited
B. unlimited
C. no
D. conditional (2 marks)

47. An artificial person may sue and be sued because it _____.
A. has nationality domiciled in country
B. has separate legal personality
C. is natural
D. is immortal (2 marks)

48. Whistleblowing promotes _____ in organisations.
A. corruption
B. transparency
C. secrecy
D. monopoly (2 marks)

49. Which one of the following **BEST** describes equity?
A. Strict rules
B. Fairness and justice
C. Criminal sanction
D. Political policy (2 marks)

50. Which of the following statements **BEST** describes legal personality?
A. The ability to enter into contracts only
B. The capacity to sue and be sued in one's own name
C. The right to vote in elections
D. The ability to own land only (2 marks)

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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 18 August 2025. Afternoon Paper.

Time Allowed: 2 hours.

This paper consists of fifty (50) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks. Do NOT write anything on this paper.

1. The highest source of law in Kenya is _____.
A. common law
B. constitution
C. statutes
D. case law (2 marks)
2. The body responsible for hearing appeals against results of presidential elections in Kenya is _____.
A. High Court
B. Supreme Court
C. Court of Appeal
D. Administrative Review Board (2 marks)
3. Which one of the following terms refers to law that is derived from written statutes and regulations?
A. Common law
B. Statutory law
C. Case law
D. Civil law (2 marks)
4. Which one of the following sources of law is the fundamental source of common law?
A. Legislation
B. Judicial decisions and precedents
C. Constitutional provisions
D. Administrative regulations (2 marks)
5. Money that the court orders the defendant to pay the plaintiff is called _____.
A. remuneration
B. costs
C. damages
D. honorarium (2 marks)
6. In legal terminology, what does “stare decisis” mean?
A. The power of judicial review
B. The principle of following precedent
C. The process of amending the constitution
D. The authority of statutory law (2 marks)
7. The body responsible for hearing appeals against administrative decisions in Kenya is _____.
A. High Court
B. Supreme Court
C. Court of Appeal
D. Administrative Review Board (2 marks)

8. The following are characteristics of administrative law, **EXCEPT** it _____.
A. governs the actions of governmental agencies
B. emphasises procedural fairness
C. is based on strict legal precedent
D. focuses on protecting individual rights (2 marks)
9. Which are the **CORRECT** advantages of Negotiation?
A. Its quick, cheap process and has privacy
B. Cheap process and might not come to a decision
C. Privacy and lack of certainty
D. Might not come to a decision and its slow (2 marks)
10. Judicial review of administrative actions can be sought through _____.
A. legislative oversight committees
B. public protests and demonstrations
C. legal remedies like writs of certiorari or mandamus
D. internal agency appeals only (2 marks)
11. The following are forms of delegated legislation, **EXCEPT** _____.
A. executive orders issued by the president
B. regulations promulgated by administrative agencies
C. statutes directly enacted by the legislature
D. local ordinances passed by municipalities (2 marks)
12. Which one of the following **CANNOT** be patented?
A. Composition of matter
B. Plant breed
C. Machine
D. Processes of making work easy (2 marks)
13. Which one of the following principles is prioritised by utilitarianism?
A. The greatest good for the greatest number
B. Duty and obligation to universal moral principles
C. Personal happiness and fulfillment
D. Fairness and justice for all individuals (2 marks)
14. Which one of the following branches of ethics focuses on understanding how people actually make moral decisions, regardless of whether they are considered right or wrong?
A. Normative Ethics
B. Meta-ethics
C. Applied Ethics
D. Descriptive Ethics (2 marks)
15. Which one of the following statements refers to an ethical dilemma?
A. A situation involving moral principles where a person must choose between conflicting options
B. Any decision that brings personal benefit without considering the consequences
C. A circumstance where the right and wrong choices are clearly defined
D. A situation where ethics are irrelevant (2 marks)
16. Unethical conduct in a professional setting could result in _____.
A. increased trust among colleagues
B. improved reputation
C. legal consequences and damage to one's professional credibility
D. enhanced job opportunities (2 marks)
17. A code of ethics refers to _____.
A. a set of legal guidelines
B. a framework that outlines acceptable behavior within a profession or organisation
C. a code that emphasises only financial success
D. an irrelevant document in the workplace (2 marks)

18. Which one of the following statements describes integrity in a professional context?
- A. Achieving personal goals at any cost
 - B. Consistency in one's actions and adherence to ethical principles
 - C. Ignoring ethical considerations
 - D. Focusing solely on financial gains
- (2 marks)
19. An employee discovers that a colleague is engaging in fraudulent activities. What should the employee do based on ethical principles?
- A. Ignore the situation to avoid conflict
 - B. Report the fraudulent activities to the appropriate authority
 - C. Participate in the unethical behaviour to avoid being singled out
 - D. Confront the colleague publicly
- (2 marks)
20. The following are common ethical principles, **EXCEPT** _____.
- A. honesty
 - B. loyalty
 - C. fairness
 - D. integrity
- (2 marks)
21. Which one of the following statements **CORRECTLY** describes the primary objective of designing a company's code of ethics?
- A. To maximise profits at any cost
 - B. To ensure compliance with all legal regulations
 - C. To establish guidelines for ethical behaviour within the organisation
 - D. To promote competition in the market
- (2 marks)
22. What is the role of ethics in decision-making?
- A. It is irrelevant to decision-making
 - B. It provides a framework for making morally sound decisions
 - C. It hinders the decision-making process
 - D. It solely focuses on financial considerations
- (2 marks)
23. An employee is asked to manipulate financial records to present a more favourable picture of the company's performance. This situation represents _____.
- A. an ethical dilemma
 - B. a common business practice
 - C. an acceptable way to enhance the company's image
 - D. a legal requirement
- (2 marks)
24. The alternative dispute resolution method that results in a binding decision that both parties **MUST** follow is _____.
- A. Arbitration
 - B. Mediation
 - C. Negotiation
 - D. Traditional Dispute Resolution Mechanism
- (2 marks)
25. The primary role of a mediator in a dispute is to _____.
- A. hear evidence and make a final decision
 - B. act as a neutral facilitator to help parties reach their own agreement
 - C. represent one of the parties involved in the dispute
 - D. follow strict legal procedures and issue formal rulings
- (2 marks)
26. Which one of the following statements is an essential ingredient of a valid arbitration agreement?
- A. It must be in oral
 - B. There must be an agreement between the parties
 - C. There is no need of agreement between the parties
 - D. It must be speedy
- (2 marks)

27. The sale of goods act applies to _____.
A. movable property
B. immovable property
C. invisible property
D. all types of property (2 marks)
28. The following are types of tribunals in Kenya, **EXCEPT** _____.
A. business and property disputes tribunal
B. county government tribunal
C. national social security tribunal
D. energy and petroleum tribunal (2 marks)
29. Who appoints the members of the Tax Appeals Tribunal?
A. The Cabinet Secretary responsible for matters relating to finance
B. The Chief Justice of Kenya
C. The Parliament of Kenya
D. The Commissioner-General of the Kenya Revenue Authority (2 marks)
30. Appeals against decisions made by tribunals can be filed to _____.
A. the court of appeal of Kenya
B. the high court of Kenya
C. the relevant tribunal itself for reconsideration
D. any magistrate's court within the jurisdiction (2 marks)
31. Which one of the following is a disadvantage of a sole proprietorship firm?
A. Personal control
B. Easy formation
C. Unlimited liability
D. Faster decision making (2 marks)
32. A corporation is an example of _____.
A. a natural person
B. an artificial person created by gentleman agreement
C. an natural person created by legislation
D. an artificial person created by an agreement and legislation (2 marks)
33. Artificial persons have limited liability, meaning _____.
A. they cannot be held responsible for any debts or actions
B. their owners are personally liable for all debts and actions
C. the extent of their liability is limited to their assets
D. their liability depends on the type of artificial person they are (2 marks)
34. Which one of the following rights is **NOT** automatically granted to someone after obtaining Kenyan citizenship?
A. Vote in elections in Kenyan
B. Own land in Kenya
C. Hold public office in Kenya
D. Bear and use arms (2 marks)
35. The primary function of the law of torts is to _____.
A. punish criminal behaviour
B. compensate individuals for harm caused by the wrongful acts of others
C. enforce contracts and ensure fair business practices
D. regulate government activities and protect individual rights (2 marks)
36. The following are necessary elements to prove a negligence claim, **EXCEPT** _____.
A. duty of care
B. breach of duty
C. causation
D. remoteness of damage (2 marks)

37. Strict liability is a type of tort liability that does not require _____.
A. proof of intent to cause harm
B. proof of negligence
C. causation between the defendant's activity and the plaintiff's harm
D. proof of actual damage (2 marks)
38. The following are defenses to a defamation claim, **EXCEPT** _____.
A. damages
B. truth
C. privileged communication
D. fair comment (2 marks)
39. The effect of the principle of contributory negligence is that it _____.
A. reduces the plaintiff's recoverable damages to reflect their own role in causing the harm
B. bars the plaintiff from recovering any damages if they contributed to their own harm
C. only applies in cases of intentional torts
D. does not exist in most legal systems (2 marks)
40. The purpose of punitive damages in tort cases is to _____.
A. compensate the plaintiff for their actual losses
B. punish the defendant for particularly egregious conduct
C. compensate the state for expenses incurred in gathering evidence
D. acknowledge that the defendant has been wronged (2 marks)
41. During a heated argument, Mutiso calls Kamau a "liar" in front of their co-workers. Kamau feels embarrassed but does not experience any significant financial or reputational damage. What would this situation be considered in tort?
A. Slanderous and actionable
B. Defamatory but not actionable
C. Not defamation at all
D. Libelous (2 marks)
42. An essential element for a valid contract to exist is _____.
A. a monetary consideration
B. an agreement
C. an aptitude
D. a literacy (2 marks)
43. Which one of the following activities is a valid form of acceptance in contract law?
A. Silence
B. A counter offer
C. A revocation
D. An affirmative email response (2 marks)
44. The term used to describe a contract that has been fully performed by both parties is _____.
A. executed contract
B. executory contract
C. unilateral contract
D. bilateral contract (2 marks)
45. In relation to the law of contract, "consideration" refers to _____.
A. something of value exchanged between parties
B. price paid for the goods or services
C. mental capacity of the parties involved
D. legality of the contract (2 marks)
46. Which one of the following contracts must be in writing to be enforceable?
A. Oral contracts for personal services
B. Lease agreements for less than one year
C. Hire-purchase agreements
D. Employment contracts (2 marks)

47. Undue influence occurs in a contract when _____.
A. there is a mistake in the contract
B. one party has significant power over another
C. the contract is unconscionable
D. there is lack of consideration (2 marks)
48. Which one of the following statements is an example of a voidable contract?
A. A contract entered into by a minor
B. A contract with illegal subject matter
C. A contract with a minor that has been ratified
D. A contract with no consideration (2 marks)
49. When can a private company commence its business?
A. After obtaining the certificate of incorporation
B. After applying for registration
C. Any time it deems fit
D. After obtaining the certificate of commencement of business (2 marks)
50. Which one of the following doctrines allows a court to allow parties to rewrite a contract to reflect the parties' true intentions when the contract language is unclear or ambiguous?
A. Rescission
B. Reformation
C. Accord and satisfaction
D. Novation (2 marks)
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

TUESDAY: 22 April 2025. Afternoon Paper.

Time Allowed: 2 hours.

This paper consists of fifty (50) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks. Do NOT write anything on this paper.

1. Which one of the following statements represents a right of a tenant?
 - A. Transfer the property to a new owner
 - B. Sell the property
 - C. Make improvements without consent
 - D. Quiet enjoyment of the property(2 marks)
2. The principle of "separation of powers" in the constitution refers to the division of powers _____.
 - A. among executive, judiciary and legislature
 - B. between parliament and county assemblies
 - C. between national assembly and senate
 - D. between president and governors(2 marks)
3. Which one of the following statements is **TRUE** about ethical principles?
 - A. They are developed from religious beliefs, experience and cultural background
 - B. They are usually a set of lower standards of behaviour than laws
 - C. They are static and unchanging
 - D. They are determined by congress(2 marks)
4. Which one of the following bodies is responsible for promoting ethics and integrity in public service?
 - A. Office of the Director of Public Prosecutions (ODPP)
 - B. Ethics and Anti-Corruption Commission (EACC)
 - C. Judicial Service Commission (JSC)
 - D. Independent Electoral and Boundaries Commission (IEBC)(2 marks)
5. What are the goals of the Code of Ethics for Public Officers?
 - A. Public loyalty and secrecy
 - B. Public service as a means of gaining wealth
 - C. Political favoritism
 - D. Ethical conduct, accountability and professionalism(2 marks)
6. Which one of the following actions is classified as a crime under criminal law?
 - A. Divorce
 - B. Defamation
 - C. Breach of contract
 - D. Murder(2 marks)
7. Which one of the following laws allows for the prosecution of an individual found guilty of violating human rights?
 - A. Constitutional law
 - B. The penal code
 - C. International law only
 - D. Customary law(2 marks)

8. Which one of the following statements represents ethical duties that an accountant must fulfill?
A. Represent only high-profile clients
B. Serve the government
C. Keep client information confidential
D. Act in ways that benefit personal interests (2 marks)
9. The tort of negligence involves _____.
A. violating a contract
B. harm caused by intentional wrongdoing
C. failure to act with reasonable care resulting in harm
D. taking someone else's property (2 marks)
10. Which one of the following classifications of tort is described as a wrongful interference with a person's enjoyment of their land?
A. Trespass to land
B. Nuisance
C. Defamation
D. Vicarious liability (2 marks)
11. Which one of the following statements is **NOT** a requirement when forming a partnership?
A. Sharing of profits
B. Agreement between the parties
C. Intention to carry on business together
D. Registration with the Registrar of Companies (2 marks)
12. Which one of the following statements is a way in which partners can settle disagreements?
A. Mediation or arbitration
B. Litigation only
C. A third-party shareholder
D. Requesting government intervention (2 marks)
13. Which one of the following statements is **NOT** an implied term under the Sale of Goods Act in Kenya?
A. The goods must be of merchantable quality
B. The buyer must inspect the goods before accepting them
C. The seller must be able to transfer ownership of the goods
D. The goods must correspond with the description (2 marks)
14. Which one of the following information should be specified in a contract of sale of goods?
A. The buyer's intended use for the goods
B. The payment terms only
C. Both the price and quantity of goods
D. The quantity of goods (2 marks)
15. Equity is based on _____.
A. fairness
B. rules
C. certainty
D. duties (2 marks)
16. An individual issuing a civil claim is referred to as _____.
A. litigator
B. proposer
C. pursuer
D. claimant (2 marks)
17. One of the "defenses" in Criminal law where there has been a total destruction of voluntary control is known as _____.
A. intoxication
B. insanity
C. automatism
D. self defence (2 marks)

18. The following are ways in which a contract may terminate, **EXCEPT** _____.
A. voluntary dissolution
B. frustration
C. breach of contract
D. by performance (2 marks)
19. Which one of the following statements **CANNOT** be considered a breach of contract?
A. Failure to perform on the due date
B. Performing the entire contract
C. Performing part of the contract
D. Substituting a different contract (2 marks)
20. Which one of the following statements is **TRUE** about the Magistrates' Court in Kenya?
A. It is the highest court in Kenya
B. It only deals with civil cases
C. It handles both civil and criminal cases
D. It has no jurisdiction over criminal matters (2 marks)
21. Which one of the following is required for registering a partnership business?
A. Shareholders' Agreement
B. Memorandum of Association
C. Certificate of Incorporation
D. Partnership Agreement (2 marks)
22. If a seller sells goods that he does not own, the buyer may _____.
A. automatically become the legal owner if the seller delivers the goods
B. receive the goods but be responsible for any legal claims from the true owner
C. reject the goods and the contract is void
D. demand damages from the seller specifically (2 marks)
23. Which one of the following statements highlights the role of the Chief Justice?
A. To appoint magistrates
B. To prosecute criminal cases only
C. To make new laws
D. To lead the Supreme Court and oversee the Judiciary (2 marks)
24. Which of the following are the primary legal documents for registering a company in Kenya?
A. Memorandum and Articles of Association
B. Certificate of Good Conduct and personal identification number
C. Business Permit and public health certificate
D. Tax Registration Certificate and confidential business questionnaire (2 marks)
25. Who among the following holds the ownership of the goods until the final installment is paid under hire purchase agreement?
A. The buyer
B. The seller
C. The lender
D. The manufacturer (2 marks)
26. The Court of Appeal in Kenya has jurisdiction to hear appeals from the following courts, **EXCEPT** _____.
A. The High Court
B. The Employment and Labour Relations Court
C. Copyright Tribunals
D. The Environment and Land Court (2 marks)
27. Which one of the following statements is **NOT** true about Kadhi's court in Kenya?
A. For one to be appointed as Kadhi, he must profess the Muslim faith
B. The Chief Kadhi is the head of Kadhi's Court
C. The decision of the Kadhi's Court is final and cannot be appealed against
D. The Judicial Service Commission (JSC) appoints the Chief Kadhi (2 marks)

28. The pecuniary jurisdiction of the Chief Magistrate Court in Kenya is _____.
A. civil cases where the amount in dispute does not exceed Kenya Shillings 20 million
B. civil cases where the amount in dispute does not exceed Kenya Shillings 10 million
C. civil cases where the amount in dispute does not exceed Kenya Shillings 5 million
D. civil cases where the amount in dispute does not exceed Kenya Shillings 30 million (2 marks)
29. The jurisdiction of the Kenya National Environment Tribunal is to _____.
A. hear disputes relating to land and environment
B. hear appeals from the Environment and Land's Court
C. hear criminal matters relating to the environment
D. hear appeals against decisions by the National Environment Management Authority (NEMA) (2 marks)
30. The following are disciplinary Tribunals in Kenya, **EXCEPT** _____.
A. Accountant's and Auditors Disciplinary Tribunal
B. Law Society of Kenya Disciplinary Tribunal
C. Medical Practitioners and Dentists Disciplinary Tribunal
D. Kenya Veterinary Board Tribunal (2 marks)
31. An artificial person might be brought into existence by _____.
A. manufacturing
B. birth or by naturalisation
C. registration or by statute or by Acts of parliament or by a Charter
D. marriage (2 marks)
32. A statutory corporation may be created by _____.
A. registration under the Companies Act
B. a specific Act of Parliament
C. a Charter granted by the president
D. a court order (2 marks)
33. Which one of the following statements is **NOT** a feature of an incorporated association?
A. It terminates upon death of a member
B. It has a distinct legal personality
C. It has perpetual succession
D. It can own property in its own name (2 marks)
34. Which one of the following documents is **NOT** required for the registration of a corporation?
A. Memorandum and articles of association
B. Statement of nominal capital
C. Tax clearance certificate
D. Declaration of beneficial owners (2 marks)
35. _____ is the legal framework governing citizenship in Kenya.
A. Penal Code
B. Citizenship and Immigration Act
C. Constitution of Kenya, 2010
D. African Union Charter (2 marks)
36. A child born outside Kenya to a Kenyan parent automatically acquires Kenyan citizenship under which condition?
A. Only if the parent registers them
B. Regardless of where they are born
C. If either parent is a citizen by birth
D. If the child resides in Kenya for 7 years (2 marks)
37. At what age can an application for naturalisation in Kenya be made?
A. At birth
B. 16 years
C. 18 years
D. 21 years (2 marks)

38. Which one of the following statements best describes the distinction between a tort and a contract?
- The duty in a tort is fixed by law while the duty in a contract is fixed by the parties
 - One can sue for breach of contract while one cannot sue for breach of a tort
 - The duty under a tort is owed to everyone while the duty under a contract is owed to a party to the contract
 - Remedies under tort are less than in a contract
- (2 marks)
39. Which one of the following statements **MUST** the defendant prove in a defense of contributory negligence?
- The plaintiff was not at fault or negligent
 - That the defendant's negligence contributed to the plaintiff's suffering
 - That the defendant exposed the plaintiff to the danger/risk by act or omission
 - That plaintiff exposed himself to the danger/risk by act or omission
- (2 marks)
40. Which one of the following is an effect of *Res Ipsa*?
- There must be a logical explanation of how and who caused the act
 - It provides prima facie evidence on the part of the defendant and shifts the burden of proof from the plaintiff to the defendant
 - The plaintiff must prove on a balance of probability that the defendant caused the tort.
 - The plaintiff need not have suffered any loss
- (2 marks)
41. Under what circumstance might an employer be liable for torts committed by an independent contractor?
- An employer is not liable for the tortious acts of an independent contractor
 - Where the employer was present at the time the tort was committed
 - Where the employer authorises the commission of the tort
 - Where the employer is not available to give instructions
- (2 marks)
42. Which one of the following contracts may be binding on a minor?
- Contract to lend money
 - Contract for the purchase of a car
 - Contract for the purchase of food and clothing
 - Contract to lease a business premises
- (2 marks)
43. Which one of the following statements is **TRUE** about consideration?
- Consideration must be something of value in the eyes of the law
 - Mutual love and affection are sufficient considerations
 - Consideration need not be lawful
 - Past consideration is sufficient consideration
- (2 marks)
44. Privity of contract refers to _____.
- a doctrine to the effect that contracts must be kept private and not public
 - a doctrine to the effect that only a person who is party to a contract can sue or be sued on it
 - a doctrine to the effect that a contract is based on a promise to do something that is not a public duty
 - a doctrine to the effect that certain terms may be implied in a contract
- (2 marks)
45. The exemption clause might be incorporated in a contract by _____.
- notice or signature
 - a person not privy to the contract
 - insertion after signature
 - implication
- (2 marks)
46. Which one of the following statements is a condition for a seller to exercise his/her lien under the Sale of Goods Act?
- The buyer refuses to accept delivery of goods
 - The goods are still in the possession of the buyer
 - The buyer has not paid for the goods
 - The goods have been delivered to a third party
- (2 marks)
47. Which one of the following is a personal remedy available to the seller under a sale of goods contract?
- Right of lien
 - Action for the price
 - Right of stoppage in transit
 - Rescission of the contract
- (2 marks)

48. Real remedies in a sale of goods contract primarily deal with _____.
A. monetary compensation for losses
B. retention or recovery of the goods
C. termination of the contract
D. enforcement of warranties (2 marks)
49. Which one of the following statements is **NOT** true about determination of price under the sale of goods contract?
A. The price can be expressly agreed upon by the buyer and the seller at the time of entering into the contract
B. Price may be implied based on the parties' prior dealings or trade customs
C. Parties may agree that the price will be determined by a third party or valuer
D. Where the price is not determined by agreement, by implication or by a third party, the buyer is required to pay anything (2 marks)
50. When does risk pass to the buyer under a contract for the sale of goods?
A. It passes to the buyer when ownership in the goods is transferred to the buyer
B. Risk remains with the seller if it is agreed otherwise
C. For unascertained or future goods or goods not identified at the time of the contract, risk passes to the buyer once the contract is signed
D. If the contract requires the seller to deliver goods to a particular destination, risk passes to the buyer once the goods leave the sellers destination (2 marks)
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 2 December 2024. Afternoon Paper.

Time Allowed: 2 hours.

This paper consists of fifty (50) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks. Do NOT write anything on this paper.

1. A legally binding contract is defined by _____.
A. written agreement
B. offer and acceptance
C. oral agreement
D. witness presence (2 marks)
2. Which one of the following laws regulates the formation and operations of corporations?
A. Procedural law
B. Company law
C. Civil law
D. Labour law (2 marks)
3. What is the main purpose of intellectual property law?
A. To enforce contracts
B. To settle and prevent disputes
C. To regulate sales
D. To protect creative works (2 marks)
4. Which one of the following classifications of law deals with disputes between individuals and organisations?
A. Criminal law
B. Corporate law
C. Administrative law
D. Civil law (2 marks)
5. Where a defendant is compelled by court to carry out particular actions, that remedy is referred to as _____.
A. injunction
B. specific performance
C. recession
D. damages (2 marks)
6. A contract that amounts to nothing and has no legal effect is referred to as _____.
A. unilateral contract
B. bilateral contract
C. voidable contract
D. void contract (2 marks)
7. In a civil action, what term is used on the defendant if the plaintiff wins his/her case?
A. Liable
B. Guilty
C. Not liable
D. Not guilty (2 marks)

8. Under which condition can a contract be considered void?
A. Lack of witness
B. When signed under duress
C. If notarised improperly
D. If not dated (2 marks)
9. A person to whom an offer is made is known as _____.
A. promisor
B. offeree
C. offeror
D. promise (2 marks)
10. An agreement entered into with a minor is considered as _____.
A. valid
B. void only when the court decides so
C. voidable
D. void from the beginning (2 marks)
11. Which one of the following statements is **TRUE** on what might happen to an agent who contracts for a principal who is not competent to contract?
A. The agent will be personally liable
B. The agent will not be personally liable
C. The agent will have exceeded his authority
D. The agent will get commission (2 marks)
12. A sale of goods contract includes _____.
A. barter trade
B. a sale and agreement to sell
C. a sale only
D. agreement to sell only (2 marks)
13. A company incorporated by an Act of parliament is referred to as _____.
A. government company
B. private company
C. public company
D. statutory company (2 marks)
14. Which one of the following statements is a duty of the principal in an agency relationship?
A. Duty to indemnify the agent
B. Duty of reasonable care
C. Duty to follow instructions
D. Duty not to make secret profits (2 marks)
15. Which one of the following elements is **NOT** essential for a contract of sale?
A. The goods
B. The price
C. The time
D. Transfer of property (2 marks)
16. Who among the following parties appoints a sub-agent?
A. The third party
B. The principal
C. The agent
D. Both the principal and third party (2 marks)
17. Which one of the following statements is **NOT** a right of a partner in a partnership?
A. To be indemnified
B. To have access to accounts
C. To be just and faithful to each other in mutual dealings
D. To share profits (2 marks)

18. Which one of the following statements is **NOT** a feature of a void contract?
A. It creates legal rights
B. It is unenforceable
C. It creates no obligations on any party
D. There is no compensation to be paid by any party (2 marks)
19. Which one of the following actions is an attack on the reputation of a person?
A. Nervous shock
B. Malicious prosecution
C. Defamation
D. Bodily harm (2 marks)
20. What is the purpose of punitive damages in tort law?
A. To reimburse the plaintiff for legal expenses
B. To compensate the plaintiff for pain and suffering
C. To punish the defendant and deter others from similar actions
D. To compensate the plaintiff for actual monetary losses (2 marks)
21. What is the “Res ipsa loquitur” doctrine?
A. A concept used to establish causation when there is direct evidence of negligence
B. A rule that shifts the burden of proof to the defendant stating that facts speak for themselves
C. A principle that holds employers responsible for the actions of their employees
D. A rule requiring plaintiffs to prove specific intent to cause harm (2 marks)
22. Which one of the following elements is **NOT** required in the tort of defamation?
A. A defamatory statement
B. Wrongful intention
C. A publication
D. Reference to the plaintiff (2 marks)
23. Truth can be used as a defense in defamation if it is proved that the statement was true in terms of _____.
A. contents only
B. substance only
C. both content and substance
D. its natural meaning (2 marks)
24. Which one of the following liabilities refers to where a person may be held liable for tort committed by another like a master is for the tort of his servant?
A. General liability
B. Strict liability
C. Absolute liability
D. Vicarious liability (2 marks)
25. When a defendant trespasses on the land of a plaintiff to stop the engulfing fire, the defense applicable is _____.
A. inevitable accident
B. act of god
C. necessity
D. private defense (2 marks)
26. The following are defenses to a claim of trespass to land, **EXCEPT** _____.
A. privilege
B. consent
C. self-defense
D. necessity (2 marks)
27. The following are defenses to a claim of assault, **EXCEPT** _____.
A. self-defense
B. defense of others
C. provocation
D. consent (2 marks)

28. Which one of the following statements describes the legal concept of abatement?
- An action taken to reduce a nuisance or hazard
 - A defense to trespass involving consent
 - A remedy for breach of contract
 - A method to transfer property rights
- (2 marks)
29. The following are recognised sources of law in Kenya, **EXCEPT** _____.
- the Constitution
 - common Law
 - religious texts
 - statutory Law
- (2 marks)
30. Which one of the following statements defines case law?
- Laws enacted by Parliament
 - Legal principles established through judicial decisions
 - Regulations issued by government agencies
 - International treaties ratified by the government
- (2 marks)
31. The following are required elements of a valid contract under contract law, **EXCEPT** _____.
- offer
 - acceptance
 - consideration
 - money
- (2 marks)
32. Appeals of the Court Martial goes to the _____.
- Supreme Court
 - Court of Appeal
 - Court Martial Appeals Court
 - High Court
- (2 marks)
33. What is the role of the Director of Public Prosecutions in Court?
- To prosecute civil cases before the court
 - To prosecute criminal cases before the court
 - To investigate cases
 - To arrest suspects
- (2 marks)
34. Which one of the following actions indicates how an incorporated association is brought to life?
- By Registration
 - By Registration of the Directors
 - By transfer of shares
 - By an Act of Parliament
- (2 marks)
35. What is the rule in Salomon -V- Salomon?
- It provides that once a corporation is incorporated it becomes one and the same with the shareholders
 - It provides that promoters of a company are responsible for the debts of the company once it is incorporated
 - It provides that a corporation once incorporated is separate from the shareholders
 - It provides that shareholders are responsible for the debts of the company as long as they remain shareholders in the company
- (2 marks)
36. Under what circumstances can a person apply for Kenyan citizenship?
- By marriage, lawful residence and adoption
 - By education, by work and by relation
 - By diplomatic immunity, by contract and by litigation
 - By a court order, by parliamentary directive and by executive order
- (2 marks)
37. Which one of the following defenses is **NOT** a general defence in tort?
- Volenti non fit injuria
 - Contributory negligence
 - Necessity
 - Lack of capacity
- (2 marks)

38. Which one of the following statements is **TRUE** in relation to torts by or against minors?
- A. A minor can sue and be sued for a tort committed against him or by him in his own name
 - B. A minor cannot sue or be sued for torts
 - C. A minor can sue and be sued for a tort committed against him or by him in the name of his guardian
 - D. A minor is immune from being sued
- (2 marks)
39. Which one of the following statements is **TRUE** about the eggshell skull rule in tort?
- A. A defendant in a personal injury case will be responsible for the damage caused as-is, even if the victim had a pre-existing condition that made him or her predisposed to serious injury
 - B. The defendant owes a duty of care to the plaintiff at all times
 - C. An occupier owes every visitor a duty of care when the visitor is lawfully in his premises
 - D. The defendant's actions must be closely connected enough to the harm for a defendant to be liable
- (2 marks)
40. Under what circumstances can an employer be liable for the tortious acts of an employee?
- A. An employer is liable for the acts of an employee irrespective of the circumstances
 - B. An employer is liable where the tortious act is committed in the course of employment
 - C. An employer is never liable for the tortious acts of an employee
 - D. An employer or employee cannot be liable for tortious actions
- (2 marks)
41. Which one of the following statements amounts to force in the tort of battery?
- A. Any unwelcome physical contact with the body of the plaintiff or with his clothing is sufficient to amount to force
 - B. Force must be aggressive force which causes physical harm
 - C. Battery does not involve force
 - D. Force must be one that causes the plaintiff reasonable apprehension
- (2 marks)
42. Which one of the following statements is **NOT** an ingredient in the tort of false imprisonment?
- A. It is not necessary for the plaintiff to have been aware of the restraint
 - B. Negligent imprisonment does not amount to false imprisonment
 - C. There must be total restraint of the defendant
 - D. The defendant must have voluntarily agreed to the restraint
- (2 marks)
43. Which one of the following elements is considered a vitiating factor in contract law?
- A. Performance of the contract
 - B. Mutual agreement
 - C. Misrepresentation
 - D. Fulfilment of conditions
- (2 marks)
44. What is the primary remedy for a contract affected by duress?
- A. The contract is automatically void
 - B. The contract may be rescinded by the party affected by duress
 - C. The contract is enforceable but with reduced damages
 - D. The contract must be renegotiated
- (2 marks)
45. What is the legal effect if a counter-offer is made after the original offer has already been accepted?
- A. The original offer remains valid
 - B. The counter-offer is void because a contract has already been formed
 - C. The counter-offer replaces the original offer
 - D. Both offers are automatically revoked
- (2 marks)
46. Which one of the following statements refers to "statute-barred debt"?
- A. Debt can be enforced anytime
 - B. Debt is no longer legally recoverable due to the expiration of a statutory time limit
 - C. Debt has been acknowledged by the debtor
 - D. Creditor has written off the debt
- (2 marks)

47. Under the nemo dat rule, if a person buys stolen goods in good faith, what is the legal status of their ownership?
- A. The buyer acquires valid ownership
 - B. The buyer holds the goods on trust for the original owner
 - C. The buyer cannot acquire better title than the thief had, so the goods must be returned to the original owner
 - D. The buyer can keep the goods since they acted in good faith
- (2 marks)
48. Which one of the following statements is a legal requirement for a valid hire purchase agreement in Kenya?
- A. It must be in writing and signed by both parties
 - B. It can be oral if agreed by both parties
 - C. It must be witnessed by a lawyer
 - D. It must be registered with the Registrar of Companies
- (2 marks)
49. What is the hirer's right if they wish to purchase the goods outright before the end of the hire purchase term?
- A. The hirer can only wait until all instalments are paid
 - B. The hirer must pay a penalty for early payment
 - C. The hirer can purchase the goods by paying off the outstanding balance and any other charges
 - D. The hirer is not allowed to pay off the goods early
- (2 marks)
50. Which one of the following statements is a method of terminating an agency relationship?
- A. Mutual agreement between the principal and agent
 - B. The agent decides to act independently
 - C. The principal hires a new agent
 - D. The agent goes on a holiday
- (2 marks)
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 19 August 2024. Afternoon Paper.

Time Allowed: 2 hours.

This paper consists of fifty (50) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks. Do NOT write anything on this paper.

1. Which one of the following statements provides the **BEST** definition of "natural law"?
 - A. Law created by legislative bodies in a country
 - B. Law based on customs and traditions of a society
 - C. Law derived from moral principles and human nature
 - D. Law enforced by armed forces in a country(2 marks)
2. One of the characteristics of statutory law is that it is _____.
 - A. created by judges through their rulings
 - B. based on long-standing customs and traditions of a country
 - C. enacted by legislative bodies in a country
 - D. developed through international treaties(2 marks)
3. The legal principle where prior judicial decisions are used to resolve current cases with similar facts is known as _____.
 - A. habeas corpus
 - B. stare decisis
 - C. ultra vires
 - D. res ipsa loquitur(2 marks)
4. Public law is a branch of law that _____.
 - A. governs relationships between private individuals
 - B. deals with disputes between private parties
 - C. governs relationship between individuals and government
 - D. deals with international treaties and agreements(2 marks)
5. The government of Kenya has three branches which include _____.
 - A. executive, legislative and administrative
 - B. executive, judiciary and administrative
 - C. legislative, judiciary and executive
 - D. legislative, administrative and judicial(2 marks)
6. Which one of the following statements is the definition of the term "ethics"?
 - A. Human behaviour in the society
 - B. Laws and regulations that govern people
 - C. Moral principles that govern a person's behaviour
 - D. Economic principles that govern people in the society(2 marks)
7. Which one of the following provisions is **NOT** addressed by a company's code of ethics?
 - A. Confidentiality and privacy policies
 - B. Professional conduct and integrity
 - C. Institutional marketing strategies
 - D. Conflict of interest guidelines(2 marks)

8. The role of a mediator in alternative dispute resolution is to _____.
 A. make a binding decision on the dispute
 B. facilitate negotiation between parties
 C. enforce legal judgments
 D. provide legal advice to one party (2 marks)
9. Which one of the following forms of alternative dispute resolution involves a neutral third party making a binding decision after hearing both sides of the dispute?
 A. Mediation
 B. Negotiation
 C. Arbitration
 D. Conciliation (2 marks)
10. In which situations can the decisions of the Kadhis' Courts be appealed?
 A. Only within the Islamic community
 B. They cannot be appealed
 C. They can be appealed to the High Court of Kenya
 D. Only if both parties agree to an appeal (2 marks)
11. Which one of the following types of cases can be handled by a Principal Magistrate in Kenya?
 A. Only criminal cases within their jurisdictions
 B. Both civil and criminal cases within their jurisdictions
 C. Only civil cases within their jurisdictions
 D. Appeals from the Court of Appeal (2 marks)
12. Which one of the following statements is **TRUE** about the management of an incorporated association?
 A. Managed by a board elected by members
 B. Managed by a single individual
 C. Managed by its members
 D. Managed by external stakeholders (2 marks)
13. Which one of the following principles allows a person to acquire nationality based on the nationality of their parents?
 A. Jus soli
 B. Jus sanguinis
 C. Jus matrimonii
 D. Jus ecclesiae (2 marks)
14. Naturalisation is the process of _____.
 A. losing one's nationality
 B. acquiring a new citizenship
 C. moving to a new domicile
 D. registering to vote (2 marks)
15. Which one of the following elements is a required proof of negligence?
 A. Intent to harm
 B. Breach of duty causing harm
 C. Consent of the victim
 D. A written contract (2 marks)
16. A contract that is voidable due to a mutual mistake mean that _____.
 A. both parties understood the contract perfectly
 B. one party was aware of the mistake and took advantage of it
 C. both parties were mistaken about a fundamental fact at the time of agreement
 D. the mistake was made by a third party (2 marks)
17. A contract entered into as a result of undue influence can be _____.
 A. enforced by the party who exerted the influence
 B. void from the beginning
 C. ratified without any changes
 D. set aside by the influenced party (2 marks)

18. Which one of the following features of a negotiable instrument allows it to be transferred from one person to another?
- A. Portability
 - B. Endorsement
 - C. Collateral
 - D. Registration
- (2 marks)
19. Which one of the following statements refers to the principle of indemnity in insurance law?
- A. The insurer must compensate the insured for more than the actual loss
 - B. The insured cannot receive compensation
 - C. The insurer must restore the insured to their original financial position before the loss
 - D. The insured must pay the insurer for any claims
- (2 marks)
20. Which one of the following distributions of liability among partners is **TRUE** in a general partnership in Kenya?
- A. Limited liability for all partners
 - B. Unlimited liability for all partners
 - C. Limited liability for some partners and unlimited liability for others
 - D. No liability for any partners
- (2 marks)
21. The following are components of natural justice **EXCEPT** _____.
- A. right to a fair hearing
 - B. right to legal representation
 - C. right to unbiased decision-making
 - D. right to swift judgment
- (2 marks)
22. The following are national values and principles of governance according to Article 10 of the Constitution of Kenya, 2010. Which one is **NOT**?
- A. Patriotism
 - B. Centralisation of power
 - C. Democracy and participation
 - D. Equality
- (2 marks)
23. Which one of the following actions is **NOT** applied by a professional body against a member who breaches professional code of conduct?
- A. Issue a warning letter
 - B. Impose a fine
 - C. Suspend or revoke membership
 - D. Provide additional training
- (2 marks)
24. You discover that a colleague has been consistently inflating their sales numbers to meet targets and receive bonuses. Which one of the following statements is the most appropriate course of action that you can take?
- A. Confront the colleague directly and demand an explanation
 - B. Ignore the situation since it does not directly affect your work
 - C. Report the colleague's behaviour to the appropriate authority within the company
 - D. Cover for your colleague to maintain a harmonious work environment
- (2 marks)
25. Which one of the following statements is a benefit of using the government of Kenya's E-citizen payment platform for citizens?
- A. It offers discounts on public service fees
 - B. It provides access to exclusive government services
 - C. It allows for convenient and secure online payment for various public services
 - D. It offers cashback rewards for frequent users
- (2 marks)
26. The Public Benefit Organisations Act, 2013 came into force in 14 May 2024 repealing the Non-Governmental Organisations Co-ordination Act, 1990. Which one of the following objectives is the **MAIN** purpose of this Act?
- A. To promote government control over Non-Governmental Organisations in Kenya
 - B. To establish administrative and regulatory framework for the establishment and operation of public benefit organisations in Kenya
 - C. To encourage foreign investment in Non-Governmental Organisations in Kenya
 - D. To abolish International Non-Governmental Organisations from operating in Kenya
- (2 marks)

27. Which one of the following roles is played by courts in Kenya in the application of African Customary Law?
- A. They exclusively apply statutory law and do not recognise customary law
 - B. They interpret and apply customary law alongside statutory law, especially in matters where customary law is relevant
 - C. They override customary law in all matters
 - D. They are not involved in matters concerning customary law
- (2 marks)
28. Several jurisdictions like the United Kingdom have a common law system. Which one of the following statements describes the meaning of common law?
- A. Law that is derived from statutes and legislation
 - B. Law that is developed through previous court decisions and judicial rulings
 - C. Law that is based on international treaties
 - D. Law that is created by executive orders
- (2 marks)
29. The purpose of law in a context where it is designed to resolve disputes is to _____.
- A. prevent all conflicts from occurring
 - B. provide a structured process for resolving conflicts and disputes peacefully
 - C. encourage individuals to take the law into their own hands
 - D. create more conflicts in society
- (2 marks)
30. The Cabinet Secretary for the National Treasury and Economic Planning in Kenya has published the Government Owned Enterprises Bill 2024, which seeks to cut the reliance of state enterprises on taxpayers through improved governance structures. In the context of public sector governance, which one of the following roles belongs to Board of Directors in a state-owned enterprise?
- A. Managing day-to-day operations of the enterprise
 - B. Providing strategic direction and oversight to ensure alignment with public interest and policy goals
 - C. Auditing financial statements annually
 - D. Implementing all government policies without question
- (2 marks)
31. Jonny Mark threw a Stone at Ben Kagia, intending to severely injure him. However, Jonny missed Ben. Ben saw the stone just as it whizzed by his head, missing it by about one inch. As a result, Ben was very scared. Ben intends to sue Jonny and has come to you for advice. Which one of the following torts applies to his case?
- A. Negligence
 - B. Assault
 - C. Battery
 - D. Attempted manslaughter
- (2 marks)
32. Which one of the following sentences describes a “custom” as a source of law?
- A. Established practices or unwritten rules that have acquired their validity and binding character over the years
 - B. Unwritten constitutional principles governing a nation
 - C. Legal rules and regulations created by judges over the years
 - D. Laws passed by the legislature over the years
- (2 marks)
33. Which one of following terms is the opposite of normative ethics?
- A. Beta ethics
 - B. Codes of ethics
 - C. Virtue ethics
 - D. Meta ethics
- (2 marks)
34. The professional ideal and character of a person may be recognised from different ethical perspectives including the following **EXCEPT** _____.
- A. his sense of duty
 - B. his virtues and character
 - C. the consequences he effects
 - D. his sense of profit maximisation
- (2 marks)
35. The following are characteristics of organisational culture **EXCEPT** _____.
- A. common language, terminology and norms of behaviour
 - B. preference for formal or informal communication
 - C. rulebook of do’s and don’ts for staff
 - D. sustainability policies
- (2 marks)

36. Which one of the following procedures is **TRUE** about a negotiation procedure?
- A. It is a binding procedure
 - B. It is a non-binding procedure
 - C. It is prospectively binding
 - D. It is retrospectively binding
- (2 marks)
37. Anne Korir had come up with a new way of processing milk so that there is no fat in any cheese made from it. Which one of the following intellectual property rights is the most applicable for her?
- A. Copy rights
 - B. Trade mark
 - C. Patent
 - D. Industrial design
- (2 marks)
38. The document which embodies the contract in insurance is called _____.
- A. security
 - B. policy
 - C. certificate
 - D. claim notification
- (2 marks)
39. The legal position of Promoter is _____.
- A. trustee to a company
 - B. agent of a company
 - C. master servant relationship to the company
 - D. fiduciary relationship to the company
- (2 marks)
40. Which one of the following documents regulates the management of internal affairs of a Trust?
- A. Trust deed
 - B. Prospectus
 - C. Memorandum of association
 - D. Deed of association
- (2 marks)
41. Kamau Kamuri purchased a phone from Benma Mwema Phones and accessories on his 16th birthday. They agreed that he will be paying the phone in monthly installments of Sh.5,000 for four months. A month later the phone was stolen and was never recovered. Which one of the following statements is correct in regards to the case?
- A. The phone theft will lead to an automatic ratification of the contract
 - B. The contract will be discharged
 - C. Kamau can request for a new phone since ownership had not been transferred
 - D. Kamau can dismiss the contract on basis of non-capacity since he is a minor
- (2 marks)
42. Which one of the following laws is an example of delegated legislation?
- A. Laws made by an individual
 - B. Laws made by a professional body
 - C. Laws made by court
 - D. Laws provided for in the constitution
- (2 marks)
43. Who among the following state officers appoints the Attorney General?
- A. The prime minister
 - B. The president
 - C. The ombudsman
 - D. The chief justice
- (2 marks)
44. Which one of the following statements refers to the doctrine of “res judicata”?
- A. A judge’s final decision
 - B. A matter that is already judged and decided
 - C. A matter that has no resolution
 - D. A decision of a higher court
- (2 marks)
45. A loud bass beat that can be heard through an apartment wall from another apartment at midnight can be classified as which type of tort?
- A. Nuisance
 - B. Trespass
 - C. Interference with contractual relations
 - D. Conversion
- (2 marks)

46. A person named in the instrument to whom money is directed to be paid is known as _____.
A. drawer
B. acceptor
C. maker
D. payee (2 marks)
47. Which one of the following statements defines an offer?
A. It is a suggestion by one person to another to improve a process or product
B. It is an expression of willingness by a person to another to do something in order to obtain assent of the other person
C. It is a communication of willingness of a person to another person
D. It is an intention of a person to do or to abstain from doing an act (2 marks)
48. A contract to perform the promise or discharge the liability of a third person in case of his default is called _____.
A. guarantee
B. indemnity
C. agency
D. consideration (2 marks)
49. Which one of the following rights is a bailee entitled to?
A. A right of particular lien over the goods bailed
B. A right of general lien
C. A right of both particular and general lien
D. No lien at all over the goods bailed (2 marks)
50. Which one of the following alternative dispute resolution mechanisms is quasi – judicial?
A. Arbitration
B. Negotiation
C. Conciliation
D. Mediation (2 marks)
-



CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 22 April 2024. Afternoon Paper.

Time Allowed: 2 hours.

This paper is made up of fifty (50) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks. Do NOT write anything on this paper.

1. What does the term “jurisprudence” refer to in the context of law?
 - A. The study of legal philosophy and theory
 - B. Legal precedents and decisions
 - C. Criminal law only
 - D. Legal procedures and protocols(2 marks)
2. Which of the following statements is **NOT** a characteristic of a just legal system?
 - A. Equality before the law
 - B. Access to legal representation
 - C. Discrimination based on race
 - D. Impartial and fair legal proceedings(2 marks)
3. Which of the following courts’ decisions would be binding on the Court of Appeal?
 - A. The Supreme Court
 - B. The High Court
 - C. The Kadhi’s Court
 - D. The Magistrate Court(2 marks)
4. Who among the following judges is ranked the highest?
 - A. The Court of Appeal Judge
 - B. The Chief Justice
 - C. The Chief Registrar
 - D. The Supreme Court Judge(2 marks)
5. Identify the fundamental source of common law?
 - A. Legislation
 - B. Judicial decisions and precedents
 - C. Constitutional provisions
 - D. Administrative regulations(2 marks)
6. The principle of “audi alteram partem” requires an administrative agency to _____.
 - A. Act in good faith
 - B. Collect sufficient evidence
 - C. Follow established procedures
 - D. Hear both sides before making a decision(2 marks)
7. Which one of the following factors is Equity based on?
 - A. Rules
 - B. Certainty
 - C. Fairness
 - D. Facts(2 marks)

8. Appeals against decisions made by tribunals can be filed to _____.
A. The Court of Appeal of Kenya
B. The High Court of Kenya
C. The relevant tribunal itself for reconsideration
D. Any magistrate's court within the jurisdiction (2 marks)
9. Which one of the following Alternative Dispute Resolution (ADR) methods is the **LEAST** formal?
A. Arbitration
B. Negotiation
C. Mediation
D. Conciliation (2 marks)
10. Which of the following terms **BEST** describes law derived from written statutes and regulations?
A. Common law
B. Statutory law
C. Case law
D. Civil law (2 marks)
11. Which one of the following is the **MOST** fundamental right?
A. Right to education
B. Right to property
C. Right to life
D. Freedom of worship (2 marks)
12. Which one of the following elements is **NOT** a feature of a contract of sale?
A. Subject matter
B. Condition
C. Integrity
D. Price (2 marks)
13. Judicial review of administrative actions can be sought through _____.
A. Legislative oversight committees
B. Public protests and demonstrations
C. Legal remedies like writs of certiorari or mandamus
D. Internal agency appeals only (2 marks)
14. Like ethics, which of the following terms is also concerned with values guiding behaviour?
A. Morality
B. Loyalty
C. Principle
D. Integrity (2 marks)
15. Which one of the following behaviours is a representation of law?
A. Ethical
B. Moral
C. Compliance based
D. Legal (2 marks)
16. Which branch of ethics focuses on understanding of how people actually make moral decisions, regardless of whether they are considered right or wrong?
A. Normative Ethics
B. Meta-ethics
C. Applied Ethics
D. Descriptive Ethics (2 marks)
17. Which of the following principles does utilitarianism prioritise?
A. The greatest good for the greatest number
B. Duty and obligation to universal moral principles
C. Personal happiness and fulfillment
D. Fairness and justice for all individuals (2 marks)

18. Which one of the following statements refers to the meaning of “ethical dilemma”?
- A. A situation involving moral principles where a person must choose between conflicting options
 - B. Any decision that brings personal benefit without considering the consequences
 - C. A circumstance where the right and wrong choices are clearly defined
 - D. A situation where ethics are irrelevant
- (2 marks)
19. Which of the following refers to the part of law in which **MOST** harm committed is neither criminal nor based on a contract.
- A. Property law
 - B. Tort law
 - C. Labour law
 - D. Divorce and family law
- (2 marks)
20. Obtaining Kenyan citizenship does **NOT** automatically grant someone the right to_____.
- A. Vote in Kenyan elections
 - B. Own land in Kenya
 - C. Hold public office in Kenya
 - D. Bear and use arms
- (2 marks)
21. Unethical conduct in a professional setting can result in_____.
- A. Increased trust among colleagues
 - B. Improved reputation
 - C. Legal consequences and damage to one's professional credibility
 - D. Enhanced job opportunities
- (2 marks)
22. Which of the following reasons is **NOT** a necessary element to prove a negligence claim?
- A. Duty of care
 - B. Breach of duty
 - C. Causation
 - D. Remoteness of damage
- (2 marks)
23. In a dispute between two parties, which of the following methods results in a binding decision that both parties must follow?
- A. Arbitration
 - B. Mediation
 - C. Negotiation
 - D. Traditional Dispute Resolution Mechanism
- (2 marks)
24. Money that the court orders the defendant to pay the plaintiff is called_____.
- A. Remuneration
 - B. Costs
 - C. Damages
 - D. Honorarium
- (2 marks)
25. Which type of agency is created in relation to husband and wife?
- A. Agency of implication
 - B. Agency of estoppel
 - C. Agency of presumption
 - D. Agency of appointed
- (2 marks)
26. The purpose of protecting intellectual property rights is for what value?
- A. Moral value
 - B. Social value
 - C. Cultural value
 - D. Commercial value
- (2 marks)
27. A company is found to have engaged in bribery to secure a large contract. Which of the following statements is the **MOST LIKELY** consequence of this unethical conduct?
- A. A public apology and a commitment to ethical practices
 - B. A significant financial penalty levied by a regulatory body
 - C. Termination of the contract and potential legal action
 - D. A minor internal reprimand for the individuals involved
- (2 marks)

28. Which of the following characteristics is **NOT** associated with a natural person?
- A. Can own property
 - B. Can enter into contracts
 - C. Can be held criminally liable
 - D. Can be dissolved
- (2 marks)
29. Integrity in a professional context refers to_____.
- A. Achieving personal goals at any cost
 - B. Consistency in one's actions and adherence to ethical principles
 - C. Ignoring ethical considerations
 - D. Focusing solely on financial gains
- (2 marks)
30. Which of the following **BEST** describes an example of a corporation?
- A. A natural person
 - B. An artificial person created by an agreement
 - C. An artificial person created by legislation
 - D. An artificial person created by both an agreement and registration
- (2 marks)
31. Municipal law is also known as_____.
- A. National law
 - B. Public law
 - C. Customary law
 - D. Regional law
- (2 marks)
32. Which of the following roles is performed by the Judiciary?
- A. To make the law
 - B. To interpret the law
 - C. To implement the law
 - D. To uphold the separation of powers
- (2 marks)
33. Which one of the following principles is **NOT** an equitable maxim?
- A. He who seeks equity must do equity
 - B. Delay defeats equity
 - C. Equity follows the law
 - D. Equity acts in rem
- (2 marks)
34. Which response is **CORRECT** set of advantages of Negotiation?
- A. Its quick, cheap process and offers privacy
 - B. Cheap process and might not come to a decision
 - C. Privacy and lack of certainty
 - D. Might not come to a decision and its quick
- (2 marks)
35. Which of the following products **CANNOT** be patented?
- A. Composition of matter
 - B. Plant breed
 - C. Machine
 - D. Processes of making work easy
- (2 marks)
36. The act of a manager in an organisation making inappropriate advances towards another employee on several occasions in return of favour can be referred to as_____.
- A. Coercion
 - B. Harassment
 - C. Flirtation
 - D. Exploitation
- (2 marks)
37. Which doctrine allows a court to permit to rewrite a contract to reflect the parties' true intentions when the contract language is unclear or ambiguous?
- A. Rescission
 - B. Reformation
 - C. Accord and satisfaction
 - D. Novation
- (2 marks)

38. In a contract, what is the term for the act of replacing or substituting an old obligation with a new one?
A. Accord and satisfaction
B. Novation
C. Rescission
D. Reformation (2 marks)
39. What is the doctrine of promissory estoppel?
A. A promise made without the intent to be legally bound
B. A promise made in a formal contract
C. A promise enforced to prevent injustice when the promise relies on it
D. A promise made under duress (2 marks)
40. At what time does ownership of goods under hire purchase transferred?
A. After payment of the first installment
B. After registration of the hire purchase
C. After paying three-quarter of the cash price
D. After payment of full and final installment (2 marks)
41. Which one of the following branches of law consists of rules which regulate relations between states/nations?
A. Substantive law
B. Public law
C. International law
D. Municipal law (2 marks)
42. If there is a fraudulent misrepresentation as to the contents of a document, the contract is said to be _____.
A. Void
B. Voidable
C. Valid
D. Illegal (2 marks)
43. In law of contract, what does “consideration” refer to?
A. Something of value exchanged between the parties
B. The price paid for the goods or services
C. The mental capacity of the parties involved
D. The legality of the contract (2 marks)
44. Which one among the following characteristics belongs to a profession?
A. Restrictions
B. Remedies
C. Conflict of interest
D. Legality (2 marks)
45. What is the term used to describe a contract that has been fully performed by both parties?
A. Executed contract
B. Executory contract
C. Unilateral contract
D. Bilateral contract (2 marks)
46. Written defamation is known as _____.
A. Tort
B. Libel
C. Slander
D. False publication (2 marks)
47. Which of the following acts can be rectified by a principal?
A. Illegal acts
B. Criminal acts
C. Void acts
D. Legal acts (2 marks)

48. The online sale of goods is covered under the Sale of Goods Act. This Act applies to_____.
A. Movable property
B. Immovable property
C. Invisible property
D. All types of property (2 marks)
49. The Employment and Labor Relations Court (ELRC) of Kenya was established primarily to_____.
A. Handle all legal matters related to divorce and family law
B. Mediate disputes between employers and employees outside of the court system
C. Adjudicate cases concerning employment contracts, unfair dismissals and other labour matters
D. Investigate workplace accidents and issue safety regulations (2 marks)
50. Which of the following documents provides the amount of minimum subscription of a public company?
A. Records of general meetings
B. Memorandum of association
C. Prospectus
D. Articles of association (2 marks)
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 4 December 2023. Afternoon Paper.

Time Allowed: 2 hours.

This paper is made up of fifty (50) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks. Do NOT write anything on this paper.

1. Which of the following is an example of substantive law?
A. Procedural rules for filing a lawsuit
B. Laws governing formation of contracts
C. Regulations outlining penalties for theft
D. Rules for presenting evidence in court (2 marks)
2. Which branch of law deals with the relationship between individuals and the government?
A. Constitutional law
B. Administrative law
C. Criminal law
D. Contract law (2 marks)
3. What is a distinguishing feature of international law?
A. It applies within sovereign nations
B. It is not legally binding
C. It is primarily enforced by police and courts
D. It governs relations between countries (2 marks)
4. Which of the following is the highest source of law in Kenya?
A. Common Law
B. Constitution
C. Statutes
D. Case Law (2 marks)
5. Which of the following is **TRUE** about international treaties and conventions under the Kenyan law?
A. They have no influence on Kenyan law
B. They are automatically adopted as Kenyan law
C. They require legislative enactment to become part of Kenyan law
D. They are only relevant in cases involving foreign nationals (2 marks)
6. Which of the following is **TRUE** about judicial precedent in Kenyan law?
A. It is not considered a source of law in Kenya
B. It is binding on lower courts as a source of law
C. It only applies in criminal cases
D. It is used exclusively in civil litigation (2 marks)
7. Which branch of ethics below is concerned with determining what is right or good?
A. Metaethics
B. Normative ethics
C. Applied ethics
D. Descriptive ethics (2 marks)

8. Which of the following is a key objective of the Public Officers Ethics Law in Kenya?
A. To promote corruption and unethical behavior among public officers
B. To provide legal protection for public businesses
C. To establish a framework for promoting and upholding ethical conduct among public officers
D. To limit access to public information (2 marks)
9. What is the role of Ethics and Anti-Corruption Commission?
A. To facilitate tax collection for the government
B. To investigate and prevent corruption among public officers
C. To provide legal advice to government officials
D. To manage public resources (2 marks)
10. Which Kenyan legislation aims to promote integrity, ethics, and values in public service?
A. Public Officers Ethics Act
B. Anti-Corruption and Economic Crimes Act
C. Leadership and Integrity Act
D. Public Procurement and Asset Disposal Act (2 marks)
11. Which government agency in Kenya is responsible for promoting and regulating Alternative Dispute Resolution methods?
A. The Judiciary
B. The Kenya Law Reform Commission
C. The Alternative Dispute Resolution Taskforce
D. The Center for Alternative Dispute Resolution (2 marks)
12. The following are unethical practices in online business transactions, **EXCEPT** _____.
A. Unreliability
B. Dishonesty
C. Trust
D. Account manipulation (2 marks)
13. Which government agency is responsible for business registration in Kenya?
A. Kenya Investment Authority (KenInvest)
B. Business Registration Service (BRS)
C. Kenya Revenue Authority (KRA)
D. Capital Markets Authority (CMA) (2 marks)
14. Who among the following presides over a Court's Martial proceeding in Kenya?
A. Civilian judge
B. Military officer
C. Chief Justice of Kenya
D. President of Kenya (2 marks)
15. Which of the following **BEST** describes a tort in legal terms?
A. It is a criminal offense
B. It is a civil wrong or injury
C. It is a breach of contract
D. It is a breach of trust (2 marks)
16. Which of the following is an example of strict liability tort?
A. Product liability
B. Defamation
C. Assault
D. Fraud (2 marks)
17. Under the law of tort, which of the following is considered a general defense that may excuse or mitigate a defendant's liability for a tortious act?
A. Necessity
B. Strict liability
C. Contributory negligence
D. Proximate cause (2 marks)

18. Which of the following is an example of a unilateral contract?
A. Sale of goods
B. Lease agreement
C. Reward offer for lost property
D. Partnership agreement (2 marks)
19. Which of the following describes undue influence in contract law?
A. It occurs when one party exerts pressure on the other party in an unfair manner, leading to lack of free will in making the contract
B. It is a type of misrepresentation involving false statements of fact
C. It refers to the failure to disclose important information during contract negotiations
D. It involves making threats to force a party into a contract (2 marks)
20. In a sale of goods contract, what does "implied condition as to quality or fitness" mean?
A. Goods must be of satisfactory quality and fit for their purpose
B. Goods must be of highest quality available in the market
C. Goods must meet the buyer's subjective expectations
D. Goods must be brand new and never used (2 marks)
21. The body of law which establishes rights between persons and provides for redress for violation of those rights is known as _____.
A. Civil law
B. Equity law
C. Criminal law
D. Substantive law (2 marks)
22. In relation to the law of contract, the advertisement under consideration in *Carlill v Carbolic Smoke Ball Company* was determined by the court to be which of the following?
A. A statement of intention
B. An offer
C. An invitation to treat
D. Of no legal effect whatsoever (2 marks)
23. A patent is an intellectual Property Right given for _____.
A. Company names
B. Trade marks
C. Inventions
D. Artistic works (2 marks)
24. An invitation to treat may take the following forms, **EXCEPT** _____.
A. Sale of necessities
B. Auction
C. Display of goods in a shop window
D. Advertisement of goods periodically (2 marks)
25. Winding up of a company may be initiated in the following ways, **EXCEPT** _____.
A. Member's winding up
B. Creditor's winding up
C. Winding up subject to supervision of the court
D. Winding up due to complaints of the liquidator (2 marks)
26. Which of the following is **NOT** a characteristic of Criminal law?
A. A prosecutor initiates a case
B. Its proof is beyond reasonable doubt
C. Remedies include specific performance
D. It maintains order in the society (2 marks)
27. Which of the following is **NOT** a way of determining if a matter is of a criminal or civil nature?
A. Law
B. Parties
C. Burden of proof
D. Remedies (2 marks)

28. Statute law refers to _____.
A. Laws created by the judges through the deciding of cases
B. The doctrine that seeks to mitigate the harshness of the common law by deciding cases based on fairness and equality
C. The body of law that regulates the relationship between the State and its citizens
D. The body of laws created by Parliament in the form of legislation (2 marks)
29. Which of the following is a set of principles and expectations that are considered binding on any person who is a member of a particular group?
A. Ethics
B. Code of ethics
C. Morality
D. Values (2 marks)
30. In an instance of an accepted bill of exchange, the liability of the drawee is _____.
A. Secondary and conditional
B. Secondary and unconditional
C. Primary and unconditional
D. Primary and conditional (2 marks)
31. In the absence of a partnership deed, how are profits divided among the partners in a partnership?
A. Depending on work load
B. Equally
C. Unequally
D. Depending on capital invested (2 marks)
32. Which of the following agents gets extra remuneration?
A. Del credere agent
B. Sub agent
C. Broker
D. General agent (2 marks)
33. In which scenario is a sole proprietorship most favorable to form?
A. In large scale operations
B. In medium scale operations
C. In small scale operations
D. In big scale operations (2 marks)
34. A conciliator is appointed by _____.
A. The parties to the dispute
B. The Chief Justice
C. The Civil Court
D. Attorney General (2 marks)
35. Copyright, patents and trademarks are examples of _____.
A. Protocols
B. Cyber laws
C. Ethics
D. Intellectual property rights (2 marks)
36. Which of the following two branches of civil law are the most relevant in the context of insurance?
A. Torts and trust law
B. Contract and property law
C. Property and trust law
D. Torts and contract law (2 marks)
37. Which of the following is **NOT** an interest in land?
A. Estate
B. Ownership
C. Servitude
D. Encumbrance (2 marks)

38. Which of the following is a way of terminating an agency contract by act of the parties?
A. Ratification
B. Renunciation
C. Death of a party
D. Bankruptcy (2 marks)
39. Which of the following is **NOT** a domestic source of law?
A. Case law
B. Legislation
C. Treaties
D. Delegated legislation (2 marks)
40. Which of the following is **NOT** within the power and jurisdiction of an arbitral tribunal to issue?
A. An ex-parte order
B. An interim award
C. An insolvency award
D. An award (2 marks)
41. Which statement **BEST** describes a Bill in the law-making process?
A. It is a statute in draft
B. It is a statute assented by the president
C. It is an amendment of existing law
D. It is a policy statement (2 marks)
42. Which of the following is **NOT** a condition which must be met for an African Custom to be relied upon as law?
A. It must be reasonable
B. It must have been observed since time immemorial
C. It must be evidenced in writing
D. It must conform with statute law (2 marks)
43. Which one the following statements is **TRUE** in relation to domicile of origin?
A. An infant born legitimate acquires the domicile of the mother
B. An infant adopted by spouses acquires the domicile of the mother
C. An infant adopted acquires the domicile of the adopter
D. An infant born after the father's death adopts the domicile of the mother as at the date of death (2 marks)
44. Which of the following is **NOT** a ground for judicial review?
A. Unreasonableness
B. When there is a judicial error
C. When there is abuse of power
D. Over demanding processes (2 marks)
45. Which one of the following reasons explains why independence of the judiciary should be promoted?
A. It allows judges to rule according to their personal beliefs
B. It ensures the members of the judiciary have no accountability for their actions
C. It promotes the rule of law
D. It enables judges to be in office for an unlimited period of time (2 marks)
46. Which one of the following is **NOT** an advantage of tribunals over courts?
A. It is cheaper to handle a dispute through tribunals
B. Tribunals may have unregulated discretion
C. Tribunals are less technical
D. Tribunals are specialised and rely on expert knowledge (2 marks)
47. Which one of the following is **NOT** a function of the rent tribunal?
A. To facilitate appeals to the court
B. To facilitate recovery of rent arrears
C. To assess the standard rent of premises
D. To facilitate vacant possession of premises (2 marks)

48. The following are reasons why parliament delegates law making powers to other persons, **EXCEPT** _____.
A. Parliament is not always in session
B. Parliament is not composed of experts in all fields
C. Delegated legislation is simpler to understand
D. Inadequate parliamentary time (2 marks)
49. Which one of the following is a **MERIT** of mediation?
A. Mediation is conducted in private
B. Mediation does not create precedents
C. Mediation is voluntary and the parties may refuse to enter into it
D. Mediation does not give binding decisions (2 marks)
50. Which one of the following is **TRUE** about private companies?
A. There must be a minimum of two persons
B. Shares are freely transferrable
C. They limit the number of members to twenty
D. They prohibit the members of the public from subscribing to their shares (2 marks)
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 21 August 2023. Afternoon Paper.

Time Allowed: 2 hours.

This paper is made up of fifty (50) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks. Do NOT write anything on this paper.

1. From which Greek word is the term “ethics” derived?
A. Ethies
B. Ethiaos
C. Ethees
D. Ethos
(2 marks)
2. Which of the following **BEST** explains the meaning of '*Delegatus non potest delegare*'?
A. The delegate cannot protest against the authority
B. The delegate cannot further delegate
C. The delegate does not have potential for making laws
D. The delegate can further delegate
(2 marks)
3. What is the subject matter of normative science in ethics?
A. One's judgment
B. Facts
C. Standards
D. Character
(2 marks)
4. What is the term used to describe the practical aspect of ethics?
A. Normative ethics
B. Meta ethics
C. Applied ethics
D. Practical ethics
(2 marks)
5. In regards to criminal liability, the proof against the defendant must be _____.
A. Proof of balance of probability
B. Proof of Malice
C. Proof beyond reasonable doubt
D. Proof with benefit of doubt
(2 marks)
6. Which of the following statements **BEST** defines what “Caveat emptor” means?
A. Let the trader beware
B. Let the agent beware
C. Let the seller beware
D. Let the buyer beware
(2 marks)
7. Which of the following is **NOT** a way of formation of an agency?
A. Estoppel
B. Necessity
C. Court
D. Agreement
(2 marks)

8. Which of the following **BEST** represents a company's capital?
A. Shares
B. Profit
C. Properties
D. Balance sheet (2 marks)
9. What is the **CORRECT** sequence in the formation of a contract?
A. Offer, acceptance, agreement, consideration
B. Agreement, consideration, offer, acceptance
C. Offer, consideration, acceptance, agreement
D. Offer, acceptance, consideration, agreement (2 marks)
10. Future goods mean goods to be manufactured or produced or acquired by the seller_____.
A. After making of contract
B. In future prescribed time
C. Before making of contract
D. At the time of making the contract (2 marks)
11. Which rights are recognised and enforced by law?
A. Moral rights
B. Ethical rights
C. Legal rights
D. Natural justice rights (2 marks)
12. Which of the following statements is **FALSE** in regard to the meaning of the Doctrine of separation of powers?
A. One organ should not request for financial support from the other organ of government
B. One organ of the government should not exercise the function of the other
C. One organ of the government should not control or interfere with the exercise of its functions by another organ
D. Same persons should not form part of more than one of the three organs of the government. (2 marks)
13. Which of the following is **NOT** a mode of voluntary dissolution of a partnership?
A. Compulsory dissolution
B. Dissolution on becoming a partner of unsound mind
C. Dissolution by agreement
D. Dissolution on the happenings of certain contingencies (2 marks)
14. Ethics is a science relating to?
A. Truth
B. Conduct
C. Business
D. Law (2 marks)
15. Which of the following is **NOT** a duty of a conciliator under alternative disputes resolution mechanisms?
A. Giving awards
B. Disclosing information
C. Providing administrative assistance
D. Issuing parties with settlement agreement (2 marks)
16. The word "limited" in a company's name can point to the fact of it being limited for its _____.
A. Assets
B. Liability
C. Profit
D. Business (2 marks)
17. Which of the following is **NOT** a characteristic of a corporation?
A. Can hold property
B. Perpetual succession
C. It is possible to transfer shares
D. Borrowing is not allowed (2 marks)

18. Which law prevails when there is conflict between laws?
A. National legislations
B. Customary law
C. The common law
D. The constitution (2 marks)
19. John, a businessman, has walked into your business premises to buy goods for his business. He offers to pay with a cheque. On depositing the cheque, the bank wrongfully dishonors the cheque. Which of the following actions may John take?
A. Sue for fraud
B. Sue for defamation
C. Sue for theft
D. Sue for insolvency (2 marks)
20. When is it acceptable for a mediator to terminate mediation?
A. When the mediator feels tired to proceed
B. When a settlement has been reached
C. When continuing a mediation that the mediator knows settlement will be unenforceable and would make him liable for damages
D. When the decision made would lead to a lot of risk on the parties and the mediator cannot for that reason stop mediation process (2 marks)
21. A new partner can be introduced as a partner into a firm through which of the following?
A. With the consent of registrar
B. At the discretion of active partner
C. At the decision of partners authorized on his behalf
D. With the consent of all existing partners (2 marks)
22. How is business ethics applicable?
A. Practically
B. Physically
C. Universally
D. Naturally (2 marks)
23. Which of the following organs can be used to review decisions of an administrative body?
A. The High Court
B. The Supreme Court
C. The Ombudsman
D. The Executive (2 marks)
24. Which of the following is **NOT** a type of judicial precedent?
A. Devoted precedent
B. Binding precedent
C. Obiter Dictum
D. Distinguishing precedent (2 marks)
25. Which of the following is an advantage of using mediation as opposed to litigation?
A. There are no rules in mediation unlike in litigation
B. There is confidentiality in mediation
C. In mediation, you are guaranteed of winning your case unlike litigation
D. In mediation, the mediator makes the final decision while a judge makes a decision in litigation (2 marks)
26. The following are theories of ethics, **EXCEPT**?
A. Utilitarian ethics theory
B. Deontological ethics theory
C. Capitalistic ethics theory
D. Virtue ethics theory (2 marks)

27. In relation to ethics, a state officer is expected to behave in a manner that _____.
 A. Avoids any conflict between personal interests and public or official duties
 B. Compromises public or official interest in favor of a personal interest
 C. Glorifies his appointing authority
 D. Ensures that he/she retires in abundant riches (2 marks)
28. Under what circumstances may courts of law use traditional dispute resolution mechanisms to resolve disputes before them?
 A. Court can use traditional dispute resolution mechanisms in any dispute as it deems fit
 B. Where the dispute involves grave criminal act
 C. If they do not contravene the Bill of Rights, they are not repugnant to justice and if they are not inconsistent with the constitution or any written law
 D. Where the elders in a community resolve that the court resolves a dispute using traditional dispute resolution mechanisms (2 marks)
29. What is the meaning of professional code of ethics?
 A. It is a secret code that is used to allow access to an organisation's confidential information
 B. It consists of an organisation's rules and regulations
 C. It is a guide of principles designed to help professionals conduct business honestly and with integrity
 D. It comprises of standards of principles of right and wrong as taught by the Bible (2 marks)
30. Which of the following is **NOT** a universal ethical principle?
 A. Integrity
 B. Confidentiality
 C. Independence
 D. Loyalty (2 marks)
31. Which of the following statements explain how professional bodies and other regulatory bodies enforce ethical conduct?
 A. Setting ethical standards that must be followed and ensure they are maintained within the profession
 B. Prosecuting professionals who fail to comply with professional ethics
 C. Creating and passing legislations and laws governing professions
 D. Acting as dispute resolution bodies with the same powers as the High Court (2 marks)
32. Which of the following is **NOT** a requirement in the online business registration system in Kenya?
 A. Proposed business name
 B. Marital status of the applicant
 C. Proprietor's identification number
 D. Passport sized photograph of the proprietor (2 marks)
33. What is the main advantage of online business registration system in Kenya?
 A. Ease of accessibility of the online service
 B. Cheap
 C. One can avoid taxation
 D. Perpetual existence of the business (2 marks)
34. Which court can a person aggrieved by the outcome of a Governor's election in Kenya challenge the election in?
 A. High Court
 B. Election Petitions Tribunal
 C. Political parties dispute tribunal
 D. Supreme Court (2 marks)
35. Which of the following is **NOT** a jurisdiction of the Chief Magistrate's Court in Kenya?
 A. Hearing all criminal cases other than murder, treason and crimes under international law
 B. To hear any question respecting the interpretation of the constitution
 C. Disputes of civil nature in which the value of the subject matter in dispute does not exceed Sh50 million
 D. It has unlimited jurisdiction in dispute relating to trespass, conversion and damage to property (2 marks)

36. Which court or tribunal can adjudicate a dispute between a tenant of a commercial property and his landlord over unpaid rent?
A. The Lands and Environment Court
B. Rent Restriction Tribunal
C. Business Premises Rent Restriction Tribunal
D. The High Court (2 marks)
37. Which other mechanism, other than the court, may two business people use to effectively resolve a dispute between themselves?
A. Divine intervention
B. Mediation
C. Silence
D. Prayers (2 marks)
38. Which one of the following is **NOT** a characteristic of unincorporated Association?
A. It has perpetual existence
B. It has unlimited liability
C. Its shares are freely transferable
D. It has legal personality (2 marks)
39. Which one of the following is **NOT** a guiding principle that guides judicial and quasi-judicial bodies while exercising their judicial authority?
A. Justice shall be granted with due regard to biblical teachings
B. Justice shall not be delayed
C. Alternative forms of dispute resolution shall be promoted
D. Justice shall be administered without undue regard to procedural technicalities (2 marks)
40. When would citizenship acquired by registration be revoked in Kenya?
A. When a person acquired citizenship through fraud
B. When a person marries someone who is not a Kenyan citizen
C. When a person engages in industrial action
D. When a person registers a business or company out of Kenya (2 marks)
41. Which of the following statements describe domicile of origin?
A. It arises where a person chooses to be permanently domiciled at the place
B. It arises where a person is dependent on another person who is domiciled at a particular place
C. It arises where a person was domiciled at the place at the time of birth
D. It arises where a person is married to person who is domiciled at the place (2 marks)
42. Which of the following is **NOT** a sanction for unethical conduct in the work place?
A. Payment of damages
B. Reprimand
C. Suspension
D. Termination (2 marks)
43. Which of the following conditions is necessary for *Volenti non-fit injuria* to be available?
A. The plaintiff knows that the risk is there, cannot recover from any resulting injury
B. The plaintiff agrees to suffer the harm
C. The plaintiff knowing that the risk is there, agrees to suffer the harm
D. The plaintiff agrees to be paid damages (2 marks)
44. Which of the following terms did Justice Blackburn use in the case of *Rylands v/s Fletcher*?
A. Strict Liability
B. Absolute liability
C. Strict and absolute liability
D. Liability with conditions (2 marks)

45. Which of the following is the **BEST** definition of the term “negligence”?
- A. Desiring the consequences of the act which a reasonable person would have desired
 - B. Not foreseeing the consequences of an act which a reasonable person would have foreseen
 - C. Knowing the consequences of the act but not desiring them
 - D. Doing the act recklessly with knowledge
- (2 marks)
46. The following are functions of administrative law, **EXCEPT**?
- A. To regulate the relation between the government and its agencies and citizens
 - B. To study international bodies which translate global policy
 - C. To ensure transparency and openness in the administration
 - D. To provide an effective redress system for citizens’ grievances
- (2 marks)
47. Which of the following courts is **NOT** at the same level with the rest?
- A. Land and Environment Court
 - B. High Court
 - C. Employment and Labor Relations Court
 - D. Tribunal Court
- (2 marks)
48. Which of the following remedies is for a Tort?
- A. Fines
 - B. Damages
 - C. Retaliation
 - D. Redress
- (2 marks)
49. Which of the following is a right guaranteed under the Bill of Rights in the Kenya Constitution 2010?
- A. Right to access any government and public office
 - B. Right to freedom of conscience, religion, thought, belief and opinion
 - C. Right to a foreign Visa
 - D. Right to bear arms
- (2 marks)
50. Which of the following statements does **NOT** signify the meaning of law?
- A. Law is an instrument which regulates human conduct/behavior
 - B. Law means Justice, Morality, Reason, Order, and Righteous from the view point of the society
 - C. Law means Statutes, Acts, Rules, Regulations, Orders, and Ordinances from point of view of legislature
 - D. Law means an individual’s intrinsic beliefs
- (2 marks)
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 24 April 2023. Afternoon Paper.

Time Allowed: 2 hours.

This paper is made up of fifty (50) Multiple Choice Questions. Answer ALL the questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated two (2) marks. Do NOT write anything on this paper.

1. What is the standard of proof in criminal cases?
 - A. Proof beyond reasonable doubt
 - B. Proof on a balance of probability
 - C. Proof to the satisfaction of the other party
 - D. Proof to the satisfaction of both parties(2 marks)
2. Which of the following definitions best describes ethics?
 - A. It is a rule of law passed by parliament that must be followed by all
 - B. It is a belief based on religious teachings
 - C. It is a set of standards that a society uses to decide what is right or wrong behavior
 - D. It is a rule which if broken leads to punishment by the state(2 marks)
3. Under what level is the Sovereignty of the People of Kenya exercised?
 - A. The national and the county level
 - B. The Senate
 - C. The independent electoral and boundaries commission
 - D. Independent tribunals(2 marks)
4. In which of the circumstances would parliament delegate its legislative powers?
 - A. Where there is no quorum in parliament
 - B. Where the speaker of parliament is not available during legislative process
 - C. Where there is inadequate time to make laws during an emergency
 - D. Where the president directs parliament to delegate the powers(2 marks)
5. Which one of the following bodies cannot make delegated legislation?
 - A. Statutory bodies
 - B. County Assembly
 - C. Cabinet Secretary
 - D. A judge of the Supreme Court(2 marks)
6. In which of the ways below might an incorporated association be brought into existence?
 - A. By a constitution
 - B. By declaration
 - C. By agreement
 - D. By an Act of Parliament(2 marks)
7. Which of the following statements is the best distinction between “substantive ultra vires” and “procedural ultra vires” in administrative law.
 - A. Substantive ultra vires and procedural ultra vires mean one and the same thing
 - B. Substantive ultra vires means that the substance of the administrative action is not procedural while procedural ultra vires means that the act is procedural
 - C. Substantive ultra vires is acting in excess of powers with regard to matters of substance while procedural ultra vires is where administrative bodies fail to follow prescribed procedure
 - D. Substantive ultra vires means that the administrative action is proper before the law while procedural ultra vires means that it is not(2 marks)

8. Which one of the following does not reveal ethical conduct of a public officer in leadership?
A. Where the leader defends his team when they are accused of an offence
B. Where the leader supports the team, even under pressure
C. Where the leader takes responsibility for their problems
D. Where the leader helps others without expecting something in return (2 marks)
9. Which one of the following is a jurisdiction of the Business Rent Restriction Tribunal?
A. To hear rent disputes between the government and other agencies
B. Timely hearing and determination of tenancy disputes in controlled tenancies
C. To hear offences relating to landlord and tenant
D. To hear appeals from the courts relating to rent (2 marks)
10. Which one of the following is a jurisdiction of the Kadhis Court?
A. Disputes between landlord and tenant who are Muslims
B. Appeals from the Court of Appeal
C. Determination of questions of Muslim Law relating to personal status, marriage, divorce or inheritance in proceedings in which all the parties profess the Muslim Religion
D. Appeals from any Tribunal as may be prescribed by an Act of Parliament (2 marks)
11. Which one of the following is **NOT** a threat to the five fundamental principles of ethics?
A. Intimidation
B. Conflict of interest
C. Self-review
D. Self-awareness (2 marks)
12. Which set of words reflects advantages of Alternative Dispute Resolution?
A. Binding, popular, safe, direct and complete
B. Compelling, durable decision, convenient and clear
C. Voluntary, cheap, confidential, good faith and expedient
D. Compensatory, durable, balanced, loser pays winner and is final (2 marks)
13. Which one of the following is an online government service available in Kenya?
A. Registration of business names
B. Criminal arrests
C. Purchase of fixed property
D. Driving tests (2 marks)
14. Which one of the following is NOT contained in a partnership deed?
A. Name of the firm as determined by all the partners
B. Name and details of all the partners of the firm
C. The date on which business commenced
D. The net worth of each of the partners (2 marks)
15. Which one of the following is NOT a tort?
A. Defamation
B. Trespass
C. Murder
D. Negligence (2 marks)
16. Which one of the following is a distinction between a tort and a contract?
A. In a tort, the duty is fixed by law while in a contract the duty is fixed by agreement
B. A tort is punishable as a crime while a contract is not
C. A tort is enforceable even when not written while a contract must be written for it to be enforced
D. A tort and a contract are similar (2 marks)
17. Identify under which of the circumstances below, a contract may be frustrated.
A. Institution of a suit
B. Performance
C. Destruction of the subject matter
D. Delay in performance (2 marks)

18. Which one of the following **CANNOT** render a contract voidable due to undue influence?
- Where parties have a special relationship
 - Where one party is susceptible to persuasion
 - Where there is unconscionable or unfair bargain
 - Where both parties are of equal bargaining power
- (2 marks)
19. Identify in which way below, a party can lose the right to rescind a contract?
- Where he delays in exercising the right
 - Where restoration to the original or pre-contractual position is possible
 - Where the contract is a written contract
 - Where the contract is an oral contract
- (2 marks)
20. Which one of the following is **NOT** an advantage of mediation over litigation?
- It is flexible
 - It is cost-efficient
 - It gives the parties more control over the process and the results
 - The outcome is binding
- (2 marks)
21. A person's contractual capacity refers to?
- The extent to which that person can enter into a legally binding contract
 - The number of contracts that person is allowed to enter into
 - The formalities that that person must adhere to in order to create a legally binding contract
 - The minimum amount of consideration that person must provide in order to create a legally binding contract
- (2 marks)
22. Which of the requirements below are essential for a valid and binding contract?
- Offer, acceptance, consideration, and intention to create legal relations
 - Offer, acceptance, certainty, practicality, and intention to create legal relations
 - Offer, acceptance, certainty, consideration, and reasonableness
 - Offer, acceptance, certainty, consideration, and intention to create legal relations
- (2 marks)
23. Which of the following is a legal person capable of perpetual succession?
- Partnership
 - Company
 - Firm
 - Voluntary Association
- (2 marks)
24. In case of three arbitrators, the 'third arbitrator' shall act as?
- An umpire
 - A presiding arbitrator
 - Sole arbitrator
 - Assistant arbitrator
- (2 marks)
25. Stare Decisis is a legal doctrine which means?
- To stand by that which is decided
 - To make a fresh decision
 - Interpretation on self-source of knowledge
 - An agreement between the parties for peaceful solution
- (2 marks)
26. Legal matters such as crimes against humanity are beyond a country's jurisdiction and the rules of international law apply. The Headquarters of International Court of Justice is in?
- Geneva
 - New York
 - Hague
 - Washington
- (2 marks)
27. During conciliation proceeding, a party to the dispute shall not initiate any judicial proceeding except?
- With the permission of the Conciliator
 - With the permission of the Court
 - For preserving his rights
 - With the consent of the other party
- (2 marks)

28. Which of the following best defines “goods” under sale of goods?
A. All types of properties
B. Property without actionable claims and money
C. All types of movable properties
D. All types of movable property, without actionable claims and money (2 marks)
29. What is meant by the “rule of law”?
A. Everyone must respect the law
B. The Judiciary should be independent
C. Parliament makes the law
D. All laws must be the same in every state (2 marks)
30. Which of the following constitutes the maximum number of members in a private company?
A. 10
B. Unlimited
C. 15
D. 50 (2 marks)
31. Ethics determines what is right or wrong for?
A. Human thoughts
B. Human actions
C. Human judgment
D. Human omissions (2 marks)
32. What is the name given to an individual who raises ethical concerns to others, inside or outside the organisation?
A. Entrepreneur
B. Whistle blowers
C. Social entrepreneur
D. Snitch. (2 marks)
33. Which of the following documents regulates the management of internal affairs of a Company?
A. Memorandum of association
B. Articles of association
C. Prospectus
D. Certificate of Incorporation (2 marks)
34. In which of the following kinds of leadership styles is the individual or team given responsibility and authority to complete the task with minimum input from the leader?
A. Directing style of leadership
B. Consultative style of leadership
C. Participative style of leadership
D. Delegating style of leadership (2 marks)
35. Which of the following is a liability in which tort is dependent on?
A. Effect on public interest
B. Infringement of legal rights
C. Intention
D. Quantum damage suffered (2 marks)
36. Who among the following is in charge of the executive arm of government?
A. The Speaker
B. The Deputy President
C. The President
D. The Chief Justice (2 marks)
37. Which of the following is not a kind of leadership skill required for effective leadership?
A. Vision
B. Threat to fire
C. Empowerment
D. Intuition (2 marks)

38. Which of the following is not an example of a value?
A. Justice
B. Happiness
C. Ethical
D. Hard work
(2 marks)
39. David was driving his car when it collided with a Toyota van. He was on his mobile phone arguing with his friend about money and was on the wrong side of the road at the time of the collision. Which area of the law is most likely to govern this accident?
A. Contract Law
B. Criminal Law
C. Constitutional Law
D. Tort Law
(2 marks)
40. Which of the following best defines vicarious liability?
A. Vicarious liability imposes liability on an employer for the acts of his employees, providing that the employer is also in some way to blame
B. Vicarious liability refers to a situation where liability is imposed on one person for the acts of another person
C. Vicarious liability is an independent tort that creates a cause of action against the employer of an employee who has committed a tortious act
D. Where an employee commits a tort, vicarious liability provides that the employee will not be sued, but his employer will be sued instead
(2 marks)
41. Which of the following statement is **NOT** correct about the Constitution of Kenya 2010?
A. It is the Supreme law of the land
B. It provides for the rights and freedoms of the people of Kenya
C. It is subordinate to the statutes passed by Parliament
D. It provides for the establishment of independent commissions such as the Judicial Service Commission
(2 marks)
42. The Constitution vests on Parliament power to make laws, which of the following steps in the making of a Statute happens outside Parliament?
A. The 1st reading of the Bill
B. The committee stage
C. The report stage
D. Assenting to the passed Bill
(2 marks)
43. The _____ establishes The Employment and Labour Relations Court to hear and determine Labour related disputes.
A. The Trade Unions Act
B. The Judicature Act
C. The Magistrates Court Act
D. Constitution of Kenya 2010
(2 marks)
44. In the interest of addressing disputes relating to land and the environment, the Environment and Land Court was set up as a superior court. What is the name of the officer(s) that preside over this court?
A. Judge
B. Magistrate
C. Presiding officer
D. Lord
(2 marks)
45. The Magistrate Court is a _____ Court established to hear both civil and criminal cases in the first instance.
A. Subordinate
B. Superior
C. Support
D. Appellate
(2 marks)

46. The courts martial is established as a specialised subordinate court to hear criminal disputes arising from which of the following category?
A. The National police
B. The Kenya Army, Kenya Navy and Kenya Airforce
C. The Kenyan civil service
D. The Kenya Prisons service (2 marks)
47. For a plaintiff to be successful in a negligence claim, they must establish in court the elements of negligence which include; legal duty of care, breach of the duty of care and _____.
A. Loss/injury
B. Pain
C. Misfortune
D. Negligence (2 marks)
48. An occupier owes a legal duty of care to their invitees and will generally be held liable for any loss suffered by the invitees in premises except when?
A. The person injured was a stranger to the premises
B. The invitee was in course of doing what they were invited to do
C. The invitee observed all reasonable precautions
D. The invitee was not invited expressly but had a legitimate reason to be in the premises (2 marks)
49. In the context of the law of contracts, which of the following occurrences will not affect the status of an offer?
A. Death of the offeror
B. Death of the offeree
C. Request for more information
D. Failure of a condition subject to which the offer was made (2 marks)
50. What is the effect of a counteroffer on the original offer?
A. Acceptance of the original offer as it stands
B. Acceptance of the original offer with new terms introduced
C. Rejection of the original offer
D. No effect on the original offer (2 marks)
-



CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 5 December 2022. Afternoon Paper.

Time Allowed: 2 hours.

This paper is made up of fifty (50) Multiple Choice Questions. Answer ALL the questions by indicating the letter (A, B, C or D) that represents the correct answer. Do NOT write anything on this paper.

1. Which of the following is **NOT** an element of a valid contract?
 - A. Offer and acceptance.
 - B. Legality
 - C. Consideration
 - D. Utmost good faith(2 marks)
2. Which of the following statements is not true about 'morale'.
 - A. It is a form of 'attitude'
 - B. It is reflected in positive feelings about the work group
 - C. It instills confidence that difficult goals can be achieved easily
 - D. It is the knowledge of the distinction between right and wrong action(2 marks)
3. Which type of law establishes rights between natural persons and provides for redress for violation of those rights?
 - A. Criminal Law
 - B. Civil Law
 - C. The Uniform Commercial Code
 - D. Stare decisis(2 marks)
4. In the context of contract law, which of the following statements is the best description of 'agreement'?
 - A. Something of value passing from one party to another in return for a promise to do something
 - B. An offer by one party and an acceptance by the other
 - C. The amount of money paid in a contract
 - D. The parties must intend that their promises create legally enforceable obligations(2 marks)
5. Which of the following statements is correct concerning the "reasonable person" standard in tort law?
 - A. The reasonable person standard varies from person to person
 - B. The reasonable person standard focuses on the defendant's subjective mental state rather than on the defendant's behavior
 - C. A person with a physical disability must act as would a reasonable person with the same disability
 - D. A person with a mental disability must act as would a person with the same mental disability(2 marks)
6. The law as a regulatory tool in a society is important for the following number of reasons, **EXCEPT**?
 - A. Prescribes what people cannot do.
 - B. Informs people of what they can do.
 - C. Informs people what they must do.
 - D. Awards a losing party(2 marks)
7. What are the two main general sources of law?
 - A. Courts and constitution
 - B. Constitution and legislations
 - C. Governments and Parliaments
 - D. Parliament's statutes and statutes of general application(2 marks)

8. Which of the following is the most accurate meaning of the 'obiter dictum' of a case?
A. "Let the decision stand"
B. "Through lack of care"
C. "A matter which has been adjudicated upon"
D. "A saying by the way" (2 marks)
9. The diverse range of interests which the law of torts protects includes the following **EXCEPT**?
A. Liability for failure to abide by the terms of a contract.
B. Direct interferences with persons and property.
C. Liability for breach of duty to take reasonable care.
D. Breach of statutory duty (2 marks)
10. Which of the following is the correct definition of a 'tort'?
A. A right to sue another person for damages
B. An infringement of the interests of a person which entitles them to compensation
C. A civil wrong involving a claim for breach of contract
D. A civil wrong other than a claim for breach of contract (2 marks)
11. In regards to the distinction between morality and law, which of the following statements is **INCORRECT**?
A. The implementation of morality is more mandatory than law
B. Morality is produced earlier than law
C. The scope of moral adjustment is wider than that of law
D. The expression of morality is not as strict as law (2 marks)
12. Which of the following is **NOT** one of the methods which differentiates civil law from criminal law?
A. In a civil case the party bringing the action is called the Plaintiff; while in a criminal case it is the Republic
B. In a civil case the party bringing the action must establish their case on the balance of probabilities; in a criminal case they must establish their case beyond all reasonable doubt
C. The outcome of a civil trial is usually punishment of the defendant; the outcome of a criminal trial is usually compensation paid by the defendant to the victim
D. Civil law is concerned with disputes between citizen and citizen; criminal law is concerned with disputes between the State and an accused (2 marks)
13. The concept of insurance is?
A. to share losses by many
B. to make money out of death
C. to earn interest
D. to earn a status (2 marks)
14. Which of the following is the best definition of premium?
A. Payment for insurance, which the policyholder is obliged to pay to the insurer in accordance with the contract or the law
B. The amount of money paid by the insurer to the insured upon the occurrence of an insured event
C. The amount of money specified in the insurance contract or established by law in the amount of insurance liability assumed by the insurer
D. None of the above (2 marks)
15. Which is the lowest court of the land?
A. Employment and Labour relations Court
B. Court of appeal
C. Magistrate Court
D. High Court (2 marks)
16. Which of the following is **NOT** a way of terminating an agency by the parties?
A. Revocation
B. Suing in court
C. Mutual consent
D. Renunciation (2 marks)

17. Which of the following actions does not amount to breach of 'Professional Ethics'?
- A. A physician who refers patients to a specialist in return for monetary favours
 - B. An auditor who discloses fraud activities to the relevant authorities
 - C. A lawyer who lies to the Judge
 - D. A reporter who spreads fake news
- (2 marks)
18. Identify which among the following is **NOT** related to sale of goods.
- A. Stoppage in transitu
 - B. Right to lien
 - C. Right to quiet possession
 - D. Right to fair hearing
- (2 marks)
19. Which among the following is **NOT** true about a Bill of Exchange?
- A. It is a conditional order
 - B. It has 3 parties, drawer, drawee and payee
 - C. It must order the payment of a "sum certain in money"
 - D. It is addressed to the drawee
- (2 marks)
20. Which among the following is **NOT** a true essential element of a promissory note?
- A. It is a conditional written promise made by a person to another
 - B. It must be signed by the maker
 - C. It contains an engagement to pay a sum of money
 - D. The sum is payable on demand or at a fixed or determinable future time
- (2 marks)
21. One of the following is **NOT** a function of the Ethics and Anti-corruption Commission (EACC).
- A. Prosecuting corruption cases
 - B. Investigating acts of corruption
 - C. Develop a code of ethics for state officers
 - D. Development and promotion of standards and best practices in integrity
- (2 marks)
22. Which one of the following is **TRUE**?
- A. Morality is enforceable in law
 - B. Law must comply with morality
 - C. All immoral acts are illegal
 - D. Morality is not punishable by law
- (2 marks)
23. The administrative remedy of certiorari cannot be issued against one of the following bodies
- A. Administrative tribunals
 - B. Subordinate courts
 - C. The executive
 - D. Superior Courts
- (2 marks)
24. Which one of the following is **NOT** a principle of natural justice?
- A. Nemo debet esse judex in propria causa (Doctrine of bias)
 - B. Audi alterem partem (Fair hearing).
 - C. Reasoned decisions.
 - D. Nemo Dat Quod Non Habet
- (2 marks)
25. In relation to ethics, which one of the following gifts is a state officer **NOT** allowed to accept in the course of official duties under the Leadership and Integrity Act?
- A. A gift that is given as a usual expression of courtesy
 - B. A gift that does not exceed such value as may be prescribed by EACC
 - C. A gift that is not monetary
 - D. A gift given in order to fast track a service
- (2 marks)
26. A dispute cannot be referred to arbitration in one of the following ways.
- A. By one of the parties to the dispute
 - B. By agreement between the parties to the dispute
 - C. By a court of law
 - D. By a third party
- (2 marks)

27. One of the following is **NOT** an alternative dispute resolution mechanism.
- A. Mediation
 - B. Traditional dispute resolution mechanisms
 - C. Reconciliation
 - D. Judicial determination
- (2 marks)
28. Which of the following bodies enforces the code of ethics for accountants?
- A. Institute of Certified Public Accountants of Kenya
 - B. Parliamentary Committee for accountants
 - C. Law Society of Kenya
 - D. Office of the Auditor General
- (2 marks)
29. In relation to International Commercial (INCO) Terms FOB means:
- A. Fire on Board
 - B. Finished goods on Board
 - C. Free on Board
 - D. Fair Original goods on Board
- (2 marks)
30. In relation to intellectual property, copyright protection in Kenya lasts for how many years?
- A. 70 years from the end of the year in which the author dies
 - B. 50 years from the end of the year in which the author dies
 - C. It lasts for the lifetime of the author
 - D. It lasts in perpetuity
- (2 marks)
31. Which one of the following is **NOT** a form of ownership of land in Kenya?
- A. Sole ownership
 - B. Joint ownership
 - C. Common ownership
 - D. Ownership by marriage
- (2 marks)
32. One of the following is **NOT** a type of property ownership in Kenya.
- A. Private Property
 - B. Public Property
 - C. Community Property
 - D. Executive Property
- (2 marks)
33. Which one of the following fixtures can be removed from land upon expiry of a tenancy?
- A. Domestic fixtures that would cause substantial damage to the land
 - B. Agricultural fixtures affixed to the land
 - C. Trade fixtures used by the tenant in his/her trade
 - D. Ornamental fixtures of whatever nature
- (2 marks)
34. Which one of the following courts is a court of original jurisdiction?
- A. The Supreme Court
 - B. The County Court
 - C. The High Court
 - D. The Court of Appeal
- (2 marks)
35. One of the following persons nominates Judges of the Court of Appeal in Kenya.
- A. The President
 - B. The Chief Justice
 - C. The Chief Registrar of the Judiciary
 - D. The Judicial Service Commission
- (2 marks)
36. Which one of the following persons can refer a dispute to the Kadhi's Court for resolution in Kenya.
- A. Any person can refer a dispute to the Kadhi's Court
 - B. Parties to a dispute on marriage who profess the Muslim faith
 - C. The Chief justice
 - D. Any person affected by the dispute directly or indirectly
- (2 marks)

37. Under what circumstances may oral evidence be admissible to vary the terms of a written contract?
A. Oral evidence cannot be admitted to vary the terms of a contract
B. Where a party signed the contract without reading it
C. Where the contract is subject to a particular trade usage and custom
D. Where the term is contained in another contract which forms part of the contract in question (2 marks)
38. Under what circumstances is the defense of Volenti Non Fit Injuria available?
A. Where the act was caused by an act of God
B. Where the injury was caused by a third party
C. Where the plaintiff agreed to undertake the risk with full knowledge
D. Where the defendant was not fit to cause the injury (2 marks)
39. The law is a set of _____ from a recognised authority that govern the conduct of persons in society.
A. Proposals
B. Rules and regulations
C. Suggestions
D. Views (2 marks)
40. Which of the following is **NOT** a function of law in your country?
A. Provide mechanisms for resolving disputes
B. Giving binding effect to private choices
C. Protect individual rights
D. Eliminate disputes in society (2 marks)
41. Which of the following equitable remedies means that the defendant should abstain from wrongdoing?
A. Specific performance
B. Rectification
C. Injunction
D. Rescission (2 marks)
42. The principle of separations of powers is meant to ensure an accountable government, which of the following statements is **TRUE** about this principle?
A. Division of government responsibilities into distinct branches
B. Parliament can legislate to limit the powers of the executive
C. The political authority of the state is divided into legislative, executive and judicial powers
D. The three powers must be separate and act independently (2 marks)
43. Mediation is an Alternative Dispute Resolution mechanism that features a neutral third party known as the mediator. Which of the following statements is correct about a mediator?
A. The mediator appoints himself.
B. A mediator helps the disputing parties to come up with an amicable solution to their problem
C. The mediator decides on the best solution settled on the dispute at hand
D. The mediator's decision can be enforced in a court of law (2 marks)
44. Arbitration is an Alternative Dispute Resolution Mechanism used to resolve different kinds of disputes. Which of the following disputes below does **NOT** fall within the jurisdiction of arbitration?
A. A family dispute between a husband and wife
B. A contractual dispute between a buyer and seller of goods
C. A property dispute over theft of goods
D. A construction dispute between a construction contractor and the property owner (2marks)
45. The Arbitration Act requires that arbitral awards be in a certain form to be considered valid. Which of the following is **NOT** an essential element of a binding arbitration award?
A. It must be accepted by all the parties
B. It must be dated
C. It must be signed
D. It must state the place where the decision was made. (2 marks)

46. The Supreme Court of Kenya as the apex court has certain powers vested. Which of the following is **NOT** a power vested in the Supreme Court?
- A. The power to make rules to determine its procedure.
 - B. The power to advise any government organ on legal matters upon receiving an application.
 - C. The power to hear and determine election petitions relating to elections of the President of the Republic
 - D. The power to order the termination of judicial proceedings before a subordinate court (2 marks)
47. A person's domicile refers to the country of permanent residence, determining a person's domicile may be important in respect to?
- A. Determining the payment of taxes
 - B. Enjoyment of the amount of money to hold in one's bank account
 - C. Determining the tribe of a spouse
 - D. Purchase of goods and services (2 marks)
48. Kenyan citizenship may be acquired by a number of ways. Which of the methods **CANNOT** be used to acquire Kenyan citizenship?
- A. Purchase of Nationality
 - B. Birth
 - C. Registration
 - D. Naturalisation (2 marks)
49. The legal maxim of _____ is used to refer to damages without injury.
- A. Volenti non-fit injuria
 - B. Res ipsa loquitur
 - C. Damnum sine injuria
 - D. Injuria sine damnum (2 marks)
50. Vicarious liability arises where liability for losses caused by one person is transferred to another person. Under which relationship may vicarious liability not arise?
- A. Parent and Child
 - B. Instructor and Learner
 - C. Master and Servant
 - D. Husband and Wife (2 marks)
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

PILOT PAPER

November 2021.

Time Allowed: Two hours

This paper has three sections. Section One has forty (40) multiple choice questions. Section Two has twenty (20) short response questions. Section Three has one (1) essay question. All questions are compulsory.

**SECTION ONE
[40 MARKS] [40 MINUTES]**

1. The main function of law in your country is. (1 mark)
 - A. To maintain peace and order
 - B. To govern morality
 - C. To facilitate injustice
 - D. To promote social conflicts
2. Identify the type of law that falls under “private law.” (1 mark)
 - A. Criminal law
 - B. Constitutional law
 - C. Tort law
 - D. Administrative law
3. One key disadvantage of case law as a source of law is that. (1 mark)
 - A. It is rigid
 - B. It is forward looking
 - C. There is non recognition of trusts
 - D. There is writ system
4. Which of the following is not a maxim of equity? (1 mark)
 - A. He who seeks equity must do equity
 - B. Equity is equality
 - C. Equity acts in vain
 - D. Delay defeats equity
5. Which of the following is not a judicial precedent? (1 mark)
 - A. Original precedent
 - B. Declaratory precedent
 - C. Persuasive precedent
 - D. Authoritative precedent
6. The following is an exception to the “Nemo dat” rule. (1 mark)
 - A. Binding contracts
 - B. Void contracts
 - C. Voidable contracts
 - D. Invalid contracts

7. Identify the best method that would fall under traditional dispute resolution mechanisms. (1 mark)
- A. Arbitration
 - B. Use of council of elders
 - C. Conciliation
 - D. Principled negotiation
8. One power of a mediator during mediation is. (1 mark)
- A. To make a final decision on the dispute
 - B. To administer oaths
 - C. To facilitate communication between the parties
 - D. To demand security from the parties
9. Which one of the following is not one of the methods of appointing an arbitrator? (1 mark)
- A. Appointment by the parties
 - B. Appointment by an institution
 - C. Appointment by the court
 - D. Appointment by an accreditation committee
10. Indicate one power of a mediator during mediation. (1 mark)
- A. To make a final decision on the dispute
 - B. To administer oaths
 - C. To facilitate communication between the parties
 - D. To demand security from the parties
11. Outline one defence to the tort of strict liability. (1 mark)
- A. Consent of the plaintiff
 - B. Apology
 - C. Absolute privilege
 - D. Justification
12. Which of the following is not an element of defamation? (1 mark)
- A. The statement must refer to the plaintiff
 - B. The statement must be defamatory
 - C. The statement must be actuated by malice
 - D. The statement must be protected by privilege
13. Which of the following is a defence to the tort of defamation? (1 mark)
- A. Justification
 - B. Act of God
 - C. Act of a third party
 - D. Statutory authority
14. Indicate the limitation of actions for the tort of defamation? (1 mark)
- A. 3 years
 - B. 1 year
 - C. 5 years
 - D. 7 years
15. Which one of the following is not an element of the tort of negligence? (1 mark)
- A. Duty of care
 - B. Foreseeability
 - C. Breach of duty
 - D. Damage

16. Indicate one vitiating element of a contract. (1 mark)
- A. Specific performance
 - B. Misrepresentation
 - C. Restitution
 - D. Consideration
17. Select one circumstance which might cause frustration of a contract. (1 mark)
- A. Misrepresentation
 - B. Mistake
 - C. Illegality
 - D. Undue influence
18. In light of a commercial contract, identify one rule governing offers. (1 mark)
- A. An offer may be conditional or unconditional
 - B. An offer must not be communicated
 - C. An offer must flow from the promisee
 - D. An offer must be directed to a specific person only
19. Which of the following types of contracts might be considered illegal at common law? (1 mark)
- A. A contract to commit a crime or tort
 - B. A marriage brokerage contract
 - C. A contract to oust the jurisdiction of the court
 - D. A contract which encourages separation of two parties
20. The following is not one of the rules governing consideration under the law of contract. (1 mark)
- A. Mutual love and affection is not sufficient consideration
 - B. Consideration must be past
 - C. Consideration must flow from the plaintiff
 - D. Consideration must be something equal to a contractual obligation
21. Indicate one remedy for breach of contract. (1 mark)
- A. Volenti non fit injuria
 - B. Act of God
 - C. Specific Performance
 - D. Contributory negligence
22. Which of the following is not a condition of a sale by sample? (1 mark)
- A. The bulk shall correspond with the sample in quality
 - B. The buyer shall be afforded a reasonable opportunity to compare the bulk with the sample.
 - C. The goods shall be free from any defects rendering them unmerchantable
 - D. The goods shall be free from charge or encumbrance
23. Which of the following is not a condition implied by statute into a sale of goods contract? (1 mark)
- A. The goods must be fit for purpose
 - B. The goods shall be of merchantable quality
 - C. There must be quiet possession of the goods
 - D. The seller must have the right to sell
24. Indicate one remedy of judicial review which might be granted by the court. (1 mark)
- A. Rescission
 - B. Certiorari
 - C. Specific Performance
 - D. Habeas corpus

25. Identify the statement which does not reflect the doctrine of separation of powers. (1 mark)
- A. There should be different organs of government
 - B. The legislature makes the law, the judiciary interprets it and the executive administers the law
 - C. No person should be a member of more than one organ
 - D. Every organ can exercise unchecked power
26. Identify one method by which the independence of the judiciary is actualised. (1 mark)
- A. Immunity from prosecution
 - B. Economic dependence
 - C. Appointment of persons without integrity
 - D. Lack of security of tenure
27. Which of the following is not a ground for judicial review? (1 mark)
- A. When there is unfair hearing
 - B. When there is procedural flaw
 - C. When there is irrationality
 - D. When there is fair hearing
28. Identify one power of the Court of Appeal. (1 mark)
- A. To order a retrial
 - B. To hear cases for the first time
 - C. To listen to appeals from the magistrates courts
 - D. To listen to presidential petitions
29. Which of the following is not one of the jurisdictions of the High Court? (1 mark)
- A. Original jurisdiction
 - B. Appellate jurisdiction
 - C. Admiralty jurisdiction
 - D. Pecuniary jurisdiction
30. Which of the following is a dispute which might be in the Employment and Labour Relations Act? (1 mark)
- A. An environment dispute
 - B. A trade dispute
 - C. A land dispute
 - D. A constitutional dispute
31. Identify one sentence which cannot be imposed by a Court Martial. (1 mark)
- A. Reprimand
 - B. Reduction of rank
 - C. Dismissal
 - D. Probation
32. Which of the following is not an advantage of a tribunal? (1 mark)
- A. It is cheap
 - B. There is flexibility in decision making
 - C. Expert knowledge
 - D. It is a way of bypassing the court
33. Which of the following is not a tribunal in your country? (1 mark)
- A. Rent tribunal
 - B. Business premises tribunal
 - C. Insurance appeals tribunal
 - D. Trade disputes tribunal

34. Identify one advantage of a corporate personality. (1 mark)
- A. Can own property
 - B. Unlimited liability
 - C. Cannot be sued in their own name
 - D. Cannot employ persons
35. Which of the following is a characteristic of a private company? (1 mark)
- A. Can freely transfer shares
 - B. Can offer shares to the public for subscription
 - C. Can be formed by one person
 - D. Has no limit of members
36. Which of the following is not a disadvantage of a registered company? (1 mark)
- A. It is expensive to form
 - B. There are many formalities in running the company
 - C. They are open to publicity
 - D. The members are the management of the business
37. Which of the following is not a characteristic of a partnership? (1 mark)
- A. It has between 2-20 persons
 - B. It can sue or be sued in its registered name
 - C. It is formed to make profits
 - D. It has perpetual succession
38. Which of the following would not be characterised as an illegal partnership? (1 mark)
- A. A partnership formed for an illegal purpose
 - B. A professional firm with unqualified partners
 - C. A partnership formed as a limited liability partnership
 - D. A partnership formed with more than twenty persons
39. Which of the following is a domicile recognized by law? (1 mark)
- A. Domicile of dependence
 - B. Domicile of law
 - C. Domicile of destination
 - D. Domicile of home
40. Indicate which one of the following statements is an incapacity of a limited partner. (1 mark)
- A. He does not take part in the management of the firm
 - B. He cannot be considered a partner
 - C. He cannot be in a contract of good faith
 - D. He cannot leave the firm

(Total: 40 marks)

SECTION TWO

[40 MARKS] [1 Hour]

You are advised not to exceed forty words in answering each question.

41. Define the term 'Normative ethics'. (2 marks)
42. Highlight two examples of ethical norms in business. (2 marks)
43. Identify two circumstances under which professional accountants can whistle blow. (2 marks)
44. Highlight two advantages of a code of ethics. (2 marks)

45. Define the term 'conflict of interest'. (2 marks)
46. Outline two ways in which management can create an ethical culture in an organisation. (2 marks)
47. Identify two professional bodies in Kenya. (2 marks)
48. Highlight two ethical issues in business. (2 marks)
49. Highlight two ways in which a public officer can exhibit professionalism. (2 marks)
50. What are the two main roles of professional bodies in your country? (2 marks)
51. Identify two attributes of a person who possesses integrity. (2 marks)
52. Outline two national values and principles of governance. (2 marks)
53. A person who discloses wrong doing in an organisation to the public or a higher authority is known as? (2 marks)
54. State two types of offers in commercial contracts. (2 marks)
55. Highlight two types of misrepresentation in commercial contracts. (2 marks)
56. Identify two ways of terminating offers. (2 marks)
57. Identify two warranties implied in a sale of goods contract. (2 marks)
58. In a sale of goods contract, highlight two duties of a buyer. (2 marks)
59. Outline two real remedies against goods. (2 marks)
60. State two powers of an arbitrator. (2 marks)

(Total: 40 marks)

SECTION THREE

[20 MARKS] [20 MINUTES]

61. "The Constitution of Kenya, 2010 provides for the guiding principles of leadership and integrity which state officers should adhere to. However, some public officers breach these principles by engaging in unethical conduct."

In light of this statement, explain five guiding principles of leadership and integrity and five examples of unethical conduct by public officers. **(20 marks)**

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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

WEDNESDAY: 15 December 2021.

Time Allowed: 3 hours.

This paper has three sections. SECTION I has forty (40) multiple choice questions. SECTION II has twenty (20) short response questions. SECTION III has one (1) essay question. All questions are compulsory. Marks allocated to each question are shown at the end of the question.

SECTION I - 40 MARKS

1. Identify the statement that **BEST** describes “morals”.
 - (a) How all people behave.
 - (b) The way the government expects us to behave.
 - (c) How the law expects us to behave.
 - (d) Ways in which people are able to distinguish between right from wrong. (1 mark)
2. Which of the following is **NOT** a branch of civil law?
 - (a) Family law.
 - (b) Law relating to traffic offences.
 - (c) Law relating to contracts.
 - (d) Law relating to succession. (1 mark)
3. Which of the following is **NOT** a function of law?
 - (a) Law promotes good governance.
 - (b) Law provides legal remedies.
 - (c) Law assists in the maintenance of peace and order.
 - (d) Law helps citizens of a country to be morally upright. (1 mark)
4. Which of the following is **NOT** an advantage of statute law?
 - (a) It is the best source of law.
 - (b) It is dynamic.
 - (c) It is uniformly applied.
 - (d) It is democratic in nature. (1 mark)
5. Which statement **BEST** describes a declaratory precedent?
 - (a) Where parliament declares a judicial precedent as declaratory.
 - (b) Where the judge has applied an existing legal principle or proposition of law in a subsequent case.
 - (c) Where there was no previous decision on a point of law.
 - (d) Where the judges avoid following a previous decision which they would otherwise be bound to follow. (1 mark)
6. Which of the following United Kingdom statutes is **NOT** a source of law in Kenya?
 - (a) The Admiralty Offences (Colonial) Act, 1849.
 - (b) The Evidence by Commission Act, 1885.
 - (c) The Companies Act, 1862.
 - (d) The Evidence Act, 1851. (1 mark)
7. In determination of cases under Islamic Law, Kadhi’s courts **DO NOT** have jurisdiction over matters relating to:
 - (a) Personal status.
 - (b) Social development.
 - (c) Marriage.
 - (d) Inheritance. (1 mark)

8. Which of the following is **NOT** a feature of common law?
- (a) Developed as a complete system of law.
 - (b) Developed from customs, usages and practices of English people.
 - (c) Developed on the basis of principle of fairness and justice.
 - (d) Developed on the basis of the writ system and stare decisis. (1 mark)
9. Which of the following is **NOT** a way of terminating an offer of a contract?
- (a) Counter offer.
 - (b) Lapse of time.
 - (c) Rejection.
 - (d) Renegotiating the contract. (1 mark)
10. Which of the following is **NOT** a subordinate court?
- (a) Employment and labour relations court.
 - (b) Magistrate court.
 - (c) Courts Martial.
 - (d) Kadhis court. (1 mark)
11. Which of the following is **NOT** a form of delivery in relation to sale of goods?
- (a) Physical transfer of goods.
 - (b) Delivery of the means of control.
 - (c) Delivery by atonement.
 - (d) Delivery to a relative of the owner of the goods. (1 mark)
12. Which of the following is **NOT** a reason that may lead a principal under agency law to sue or take court actions against the agent?
- (a) If an agent has acted in breach of contract.
 - (b) If an agent has been declared bankrupt.
 - (c) Where the agent acted in good faith.
 - (d) To ascertain what the agent has in possession. (1 mark)
13. Which of the following is **NOT** found in Chapter Six of the Kenyan Constitution 2010 on leadership and integrity?
- (a) Conduct of state officers.
 - (b) Rights and fundamental freedoms.
 - (c) Financial integrity of state officers.
 - (d) Establishment of Ethics and Anti-Corruption Commission. (1 mark)
14. A public officer is **NOT** restricted by law from:
- (a) Retaining any gifts received in official capacity.
 - (b) Accepting a monetary gift.
 - (c) Soliciting for monetary contributions from the public.
 - (d) Operating a bank account in Kenya. (1 mark)
15. Which statement **BEST** describes “integrity”?
- (a) Quality of having strong ethical principles that are followed at all times.
 - (b) An obligation or willingness to accept responsibility or to account for one’s actions.
 - (c) The state or fact of having a duty to deal with something or of having control over someone.
 - (d) Moral principles that govern a person’s behavior or the conduct of an activity. (1 mark)
16. Which of the following statement describes deontological ethical theories?
- (a) They are based on one’s ability to predict the consequences of an action.
 - (b) The rights established by the society are protected and given the highest priority.
 - (c) A person is judged by an action that may deviate from his/her normal behavior.
 - (d) People should adhere to their obligations and duties when engaged in decision making when ethics are at play. (1 mark)
17. In dispute resolution, the High Court might appoint an arbitrator or an umpire. In which of the following cases is the High Court **NOT** empowered by the law to appoint an arbitrator?
- (a) The parties fail to appoint a single arbitrator as required.
 - (b) Where the appointed arbitrator refuses to do his job.
 - (c) Where two arbitrators appoint a third arbitrator.
 - (d) Where two arbitrators are required but only one is appointed. (1 mark)

18. Which of the following is **NOT** a dispute resolution mechanism?
 (a) Conflict resolution.
 (b) Arbitration.
 (c) Mediation.
 (d) Negotiation. (1 mark)
19. Which of the following is **NOT** a function of the Judiciary?
 (a) Interpret law.
 (b) Resolve disputes.
 (c) Protect the rules of natural justice.
 (d) Make laws. (1 mark)
20. The Court of Appeal is normally bound by its own previous decisions in civil cases as well as those of the Supreme Court.
 Which of the following instances can a Court of Appeal depart from its own decisions?
 (a) When there are two similar decisions.
 (b) When the decision will hurt either the plaintiff or the defendant.
 (c) When the facts of the case are very different from the past decision.
 (d) Where time is of essence and the case should be concluded the earliest time possible. (1 mark)
21. Which of the following is **NOT** a writ issued by the High Court while exercising its supervisory jurisdiction?
 (a) Prohibition.
 (b) Certiorari.
 (c) Ejusdem generis.
 (d) Mandamus. (1 mark)
22. Choose a content in the Memorandum of Association that relates to incorporation of companies.
 (a) A statement that the liability of its members is limited.
 (b) A statement showing the powers of the company in relation to borrowing.
 (c) A statement indicating the process of forfeiture of shares.
 (d) A statement showing how the auditor will be appointed and dismissed. (1 mark)
23. Identify one way of establishing a corporation.
 (a) By agreement between different people.
 (b) By inheriting from parents.
 (c) By registration.
 (d) By buying an already existing corporation. (1 mark)
24. Which of the following statements is true?
 A. Citizenship is not lost through marriage or the dissolution of marriage.
 B. Citizenship may only be acquired through birth.
 C. All foreigners are required to apply for citizenship for them to be allowed to work in Kenya.
 D. A person with Kenya citizenship should not be a citizen of another country. (1 mark)
25. Which of the following **CANNOT** be deduced from the rule in Ryland's Vs. Fletcher?
 (a) The defendant brings in his land for his own purpose something likely to do mischief.
 (b) The thing brought escapes.
 (c) Due to natural use of land.
 (d) The result of the thing that escapes causes foreseeable damage in the plaintiffs land. (1 mark)
26. Which of the following is **NOT** a defence to fair comment in an action for defamation?
 (a) The statement was unintentionally made.
 (b) The statement was in public interest.
 (c) The statement was an opinion not an assertion of fact.
 (d) The statement was a comment based on true facts. (1 mark)
27. Which of the following is a defence available to the occupier against liability to a trespasser?
 (a) Liability was excluded by the contract between the parties.
 (b) That the trespasser entered the premises without permission.
 (c) That the occupier was not liable in any way.
 (d) That the trespasser was already injured while he entered the premises. (1 mark)

28. Which of the following statements **BEST** describes “res ipsa loquitur”?
- (a) The plaintiff was not as physically fit as other persons.
 - (b) Things speak for themselves.
 - (c) The duty of care is not owed to the world.
 - (d) The plaintiff did not suffer much. (1 mark)
29. Which of the following is **NOT** a form of the tort of trespass?
- (a) Trespass to person.
 - (b) Trespass to land.
 - (c) Trespass to goods.
 - (d) Trespass to neighbour’s property. (1 mark)
30. In which of the following cases is Quantum Meruit **NOT** available as an equitable remedy?
- (a) Where partial performance is not accepted.
 - (b) Where contract does not specify the amount or sum payable.
 - (c) Where the contract is substantially performed.
 - (d) Where a party ready and willing to perform its part of the contract but is prevented from doing so by the other. (1 mark)
31. Which of the following is an **EXCEPTION** to the rule requiring communication of acceptance under the law of contract?
- (a) An offer made to a class of persons can be accepted only by a person of that class.
 - (b) An offer made to the general public cannot be accepted unless it is made in writing.
 - (c) An offer made to a particular person can be accepted by people who work for that particular person.
 - (d) It is not a must for an offer to be accepted for a contract to be deemed valid. (1 mark)
32. Which of the following mistakes is a ground to make a contract void?
- (a) Spelling mistakes in the contract document.
 - (b) Mistake as to the quality of the subject matter.
 - (c) Mistake relating to the delivery address of the contract document.
 - (d) Mistakes relating to under performance of the obligations created by the contract. (1 mark)
33. Which of the following is **NOT** a way in which a contract may be discharged?
- (a) Discharge by agreement.
 - (b) Discharge by performance.
 - (c) Discharge by frustration.
 - (d) Discharge by sub-contracting. (1 mark)
34. Which of the following could be the **LEAST** likely consequence of whistle blowing?
- (a) Being referred to as a traitor.
 - (b) Harm to self and close family members.
 - (c) Losing relationships at work and outside work.
 - (d) Being admonished by the employer for whistleblowing or illegitimate acts by employees. (1 mark)
35. Which of the following is a document of title in commercial transactions?
- (a) Bill of lading.
 - (b) Invoice.
 - (c) Receipt.
 - (d) Cheques. (1 mark)
36. Which of the following is an **EXCEPTION** to privity of contract rule?
- (a) The assignee of a lease.
 - (b) The doctor who gives a patient a wrong prescription.
 - (c) A seller of goods who does not deliver the contracted goods.
 - (d) Where the contract is frustrated. (1 mark)
37. Which of the following is **NOT** a remedy available to the buyer for breach of the contract for sale of goods.
- (a) Specific performance.
 - (b) Renegotiate the contract for sale of goods.
 - (c) Damages for breach of warranty.
 - (d) A right to reject the goods. (1 mark)

38. Which of the following fields is ethics less related to?
 (a) Psychology.
 (b) Sociology.
 (c) Mathematics.
 (d) Economics. (1 mark)
39. Which of the following statement is false?
 (a) A related party transaction is an arrangement between two parties that have a pre-existing business relationship.
 (b) Related party transactions could result in fraud or financial ruins for all parties involved.
 (c) All related party transactions lead to conflicts of interest.
 (d) Regulatory bodies have a role to ensure that related party transactions are checked and disclosed. (1 mark)
40. Which of the statement below **BEST** describes a “virtue”.
 (a) The philosophy of doing good.
 (b) The strength to carry on.
 (c) The moral strength of a human being’s will in fulfilling his duty.
 (d) Principles of moral conduct. (1 mark)

SECTION II - 40 MARKS

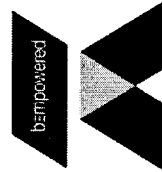
You are advised not to exceed forty words in answering questions number 41 to 60.

41. Explain two principles of natural justice. (2 marks)
42. Distinguish between “mediation” and “arbitration”. (2 marks)
43. State two ethical issues that could arise in a business today. (2 marks)
44. Summarise two roles of kasneb in the growth of professionalism in Kenya. (2 marks)
45. Explain the meaning of the term “defamation”. (2 marks)
46. In law of torts, explain the difference between “nuisance” and “negligence”. (2 marks)
47. Describe the following shortcomings of common law:
 (i) Procedural technicalities. (1 mark)
 (ii) Inadequate remedies. (1 mark)
48. Highlight two legally binding contracts to minors. (2 marks)
49. Distinguish between “ethics” and “values”. (2 marks)
50. With reference to moral behavior, explain the following:
 (a) Moral judgement. (1 mark)
 (b) Moral character. (1 mark)
51. In most cases, interpretation of what is moral is influenced by cultural norms.
 With reference to the above statement, explain the theory of cultural relativism. (2 marks)
52. Ethical standards may be different in various countries.
 Explain the above statement in the context of global distribution of Covid-19 vaccines during the early days of vaccine discovery. (2 marks)

53. Explain the intrinsic value of studying ethics. (2 marks)
54. Explain the term “ethical dilemma”. (2 marks)
55. Distinguish between “procedural” and “substantive” law. (2 marks)
56. With regards to negligence, explain the defense of contributory negligence. (2 marks)
57. Summarise two primary parties to a contract. (2 marks)
58. With reference to contracts, describe the following:
- (a) Voidable contract. (1 mark)
 - (b) Unenforceable contract. (1 mark)
59. What is administration law? (2 marks)
60. With reference to forms of business organisations, explain the term “limited partnership”. (2 marks)

SECTION III - 20 MARKS

61. (a) (i) Define the term “law”. (2 marks)
- (ii) State six purposes of law. (6 marks)
- (b) With respect to court judgements, distinguish between “Ratio decidendi” and “Obiter dicta”. (4 marks)
- (c) One of the recognised sources of law in a country is the Acts of Parliament.
- With reference to the above statement, discuss four merits of acts of parliament as a source of law. (8 marks)
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kasneb

CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 20 May 2019.

Time Allowed: 3 hours.

Answer any THREE questions in SECTION I and any TWO questions in SECTION II. ALL questions carry equal marks.

SECTION I

QUESTION ONE

- (a) Outline six functions of law in your country. (6 marks)
- (b) Outline eight distinctions between “law” and “morality”. (8 marks)
- (c) With the aid of examples, describe the following classifications of law:
 - (i) Public law. (2 marks)
 - (ii) Substantive law. (2 marks)
 - (iii) Municipal law. (2 marks)

(Total: 20 marks)

QUESTION TWO

- (a) Highlight six common features of incorporated entities. (6 marks)
- (b) In the context of artificial persons, explain two types of corporations. (4 marks)
- (c) Identify three differences between a “tort” and a “contract”. (6 marks)
- (d) List four essential features for a valid contract of sale of goods. (4 marks)

(Total: 20 marks)

QUESTION THREE

- (a) Highlight two general defences in the law of tort. (4 marks)
- (b) Explain three essential elements of the tort of defamation. (6 marks)
- (c) Summarise four maxims of equity. (4 marks)
- (d) Explain the extent to which African customary law is applicable as a source of law in your country. (6 marks)

(Total: 20 marks)

QUESTION FOUR

- (a) Describe the hierarchy of the court structure in your country. (7 marks)
- (b) State three reasons why a proposed business name might be rejected when registering a small business. (3 marks)
- (c) With reference to the law of contract:
 - (i) Explain five ways in which an offer might be terminated. (5 marks)
 - (ii) Summarise five circumstances in which a contract might be frustrated. (5 marks)

(Total: 20 marks)

SECTION II

QUESTION FIVE

- (a) Explain the meaning of the following terms:
- (i) Ethics. (2 marks)
 - (ii) Ethical norms. (2 marks)
 - (iii) Conflict of interest. (2 marks)
- (b) (i) Enumerate four objectives of a code of ethics to an organisation. (8 marks)
- (ii) Highlight three universal ethical values. (6 marks)
- (Total: 20 marks)**

QUESTION SIX

- (a) Explain five fundamental principles which a professional accountant is required to comply with. (10 marks)
- (b) (i) Define the term “whistle blowing”. (2 marks)
- (ii) Identify four features of an effective whistle blower protection mechanism. (4 marks)
- (c) Outline four ways through which management can create an ethical culture in professional organisations. (4 marks)
- (Total: 20 marks)**

QUESTION SEVEN

- (a) With specific reference to the Public Officer Ethics Act:
- (i) Explain three circumstances which might be considered as improper enrichment by a public officer. (6 marks)
 - (ii) State six ways in which a public officer is required to exhibit professionalism. (6 marks)
- (b) With reference to foundations of ethics, list four situations that might give rise to conflict of interest in an organisation. (8 marks)
- (Total: 20 marks)**
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 1 August 2022. Afternoon paper.

Time Allowed: 2 hours.

This paper is made up of fifty (50) Multiple Choice Questions. Answer ALL the questions by indicating the letter (A, B, C or D) that represents the correct answer. Do NOT write anything on this paper.

1. What is the standard of proof in civil cases?
 - A. Proof beyond reasonable doubt
 - B. Proof on a balance of probability
 - C. Proof to the satisfaction of the other party
 - D. Proof to the satisfaction of both parties(2 marks)
2. Which one of the following is **NOT** a type of a writ under common law?
 - A. Habeas corpus
 - B. Mandamus
 - C. Certiorari
 - D. Stare decisis(2 marks)
3. _____ is a principle of the rule of law.
 - A. Equality before the law and participation in decision making
 - B. Adherence to moral and ethical principles
 - C. Respect for authority and religious autonomy
 - D. Freedom from slavery and forced labour(2 marks)
4. One of the following is **NOT** a way in which the Constitution of Kenya can be amended.
 - A. By popular initiative
 - B. By parliamentary initiative
 - C. By the people and parliament
 - D. By County Assemblies(2 marks)
5. Which one of the following is **NOT** a type of judicial precedent?
 - A. Distinguishing precedent
 - B. General precedent
 - C. Declaratory precedent
 - D. Original precedent(2 marks)
6. In relation to the law of persons, one of the following is **FALSE**.
 - A. An infant found in Kenya without parents automatically acquires the domicile of Kenya
 - B. A Kenyan citizen by birth who acquires the citizenship of another country loses the Kenyan citizenship
 - C. A foreigner can acquire Kenyan nationality by registration
 - D. A person who is a national of Kenya can lose his nationality by revocation(2 marks)
7. _____ is an out of court dispute resolution mechanism in civil disputes.
 - A. Litigation
 - B. Arbitration
 - C. Judicial adjudication
 - D. Judgement(2 marks)

8. Which one of the following **CORRECTLY** describes the distinction between a Juristic person and a natural person?
- A. A Juristic person is an extra terrestrial person while a natural person is one who is naturally found on earth
 - B. A Juristic person is non existent in the eyes of the law while a natural person is a human being with intrinsic rights
 - C. A Juristic person is an abstract creation of the law granted rights of a natural person
 - D. A Juristic person is a fictional person with no legal rights while a natural person is a fictional person with rights (2 marks)
9. A tort is _____.
- A. A civil wrong whose common law remedy is action for damages
 - B. A breach of contract whose remedy is damages
 - C. A criminal wrong whose remedy is imprisonment or fine
 - D. Both a civil wrong and a breach of contract whose remedy is an action for damages (2 marks)
10. Which one of the following is **NOT** a requirement in the rule of Rylands-V-Fletcher
- A. The defendant must have brought something on to his land
 - B. The thing brought into one's land must be one likely to cause mischief
 - C. The use of the land must be non-natural
 - D. The defendant must have been negligent (2 marks)
11. Which of the following contracts needs **NOT** be in writing?
- A. A contract for the sale or transfer of an interest in land
 - B. A contract of insurance
 - C. A contract of guarantee
 - D. A contract for the sale of a motor vehicle (2 marks)
12. A change, variation or modification of a term of an offer is referred to as _____.
- A. An acceptance
 - B. A cross offer
 - C. A counter offer
 - D. A standing offer (2 marks)
13. Which one of the following is **FALSE** with reference to time limitations of a claim or award?
- A. A claim for rent based on a rental contract must be enforced within 6 years
 - B. A claim based on a breach of contract must be enforced within 6 years
 - C. An arbitral award must be enforced within 6 years
 - D. A claim for the recovery of land must be enforced within 6 years (2 marks)
14. Which one of the following **BEST** describes a contract of sale of goods?
- A. It is a contract where goods are exchanged for goods
 - B. It is a contract under which goods are delivered by one party to another where that other person holds them as directed
 - C. It is a contract whereby the seller transfers or agrees to transfer the property in the goods to the buyer for a monetary consideration
 - D. It is a contract whereby the seller transfers or agrees to transfer property in the goods to the buyer for no consideration (2 marks)
15. Which one of the following is **NOT** a void contract for the sale of goods?
- A. A contract for the sale of specific goods which have perished without the knowledge of both parties
 - B. A contract for the sale of specific goods whose price is to be fixed by a third party who fails to do so
 - C. A contract to sell specific goods which subsequently perish before risk passes without the fault of either party.
 - D. The sale of specific goods which are already in possession of a third party (2 marks)
16. Which of the following laws is correctly matched to its type?
- A. Criminal procedure code – substantive law
 - B. Law of succession – procedural law
 - C. Penal code – substantive law
 - D. Law of marriage – procedural law (2 marks)

17. When a person's civil or private rights are violated, he is said to have a cause of action. Which of the following is **NOT** an example of a cause of action?
- A. Breach of contract
 - B. Defamation
 - C. Negligence
 - D. Probation
- (2 marks)
18. Which of the following is not a rule for consideration when applying African customs as a source of law in Kenya?
- A. The law is applicable only in civil cases
 - B. The customary law will be applied only if it is NOT inconsistent with any written law
 - C. One of the parties must be subject to it or affected by it
 - D. Elders must appear in court to guide on customs
- (2 marks)
19. Which of the following is true about the Employment and Labour relations court in Kenya?
- A. It has power to make a prohibitory order
 - B. It has supervisory powers under Judicial review
 - C. It has unlimited original jurisdiction in criminal and civil matters
 - D. It has jurisdiction to determine the question whether a right or fundamental freedom in the Bill of Rights has been denied, violated, infringed or threatened
- (2 marks)
20. Which of the following is **NOT** a term in a hire purchase agreement?
- A. The cash price
 - B. The amount and when payable
 - C. The hire purchase price
 - D. Monthly credit payment
- (2 marks)
21. A company may become insolvent if _____.
- A. It cannot pay its creditors in full after realisation of its assets
 - B. It has negative working capital
 - C. It cannot meet its budgeted level of profit
 - D. It makes a loss
- (2 marks)
22. Which of the following is a way through which an agency agreement can be terminated?
- A. Right of stoppage in transit
 - B. Cessation of emergency
 - C. Withholding passing of property
 - D. Indemnity
- (2 marks)
23. Which of the following is **NOT** a right guaranteed by the Constitution?
- A. Right to expression
 - B. Right to personal liberty
 - C. Right to property
 - D. Right to protection by law
- (2 marks)
24. Which among the following is **NOT** a negotiable instrument by law?
- A. Treasury bills
 - B. Cheques
 - C. Bills of exchange
 - D. Promissory note
- (2 marks)
25. Which of the following is a defense to the tort of negligence?
- A. Injuria sin damnum
 - B. Volenti non fit injuria
 - C. Res ipsa loquitur
 - D. Triviality
- (2 marks)
26. Which among the following is **NOT** an element of the tort of defamation?
- A. The defendant must have made a false statement
 - B. The statement must be an abuse
 - C. The statement must refer to the plaintiff
 - D. The statement must be made public
- (2 marks)

27. An arbitral proceedings may be terminated in the following ways **EXCEPT**?
- A. Mutual consent of the parties
 - B. The making of the final award
 - C. Frustration
 - D. Withdrawal of the complaint
- (2 marks)
28. Which of the following is **NOT** a characteristic of a corporation?
- A. Capacity to contract
 - B. Perpetual succession
 - C. Limited liability
 - D. Transferability of shares
- (2 marks)
29. Which of the following is a right against a debtor in the law of sale of goods?
- A. Right to ask for set-off
 - B. Right to ask for contribution
 - C. Right of subrogation
 - D. Right to indemnity
- (2 marks)
30. Which of the following **BEST** defines the term “law”?
- A. Law means Jurisprudence
 - B. Law is the sense or judgement between right and wrong
 - C. Law is the standard of behaviour of the society
 - D. Law is a body of rules recognised and applied by the state in the administration of justice
- (2 marks)
31. Which of the following is **NOT** a maxim of equity?
- A. Equity looks to the substance rather than the form
 - B. Delay defeats equity
 - C. Equity acts in vain
 - D. He who seeks equity must do equity
- (2 marks)
32. In relation to the tenets of Hindu religion as a source of religious laws, in which of the following cases do the tenets NOT apply?
- A. Marriage
 - B. Labour
 - C. Personal status
 - D. Succession
- (2 marks)
33. In relation to case law, which of the following is **NOT** a classification of precedents
- A. Persuasive precedent
 - B. Distinguishing precedent
 - C. Determining precedent
 - D. Original precedent
- (2 marks)
34. Which of the following is **NOT** a method of losing nationality status in your country?
- A. Dual citizenship
 - B. Renunciation
 - C. Lapsing
 - D. Revocation
- (2 marks)
35. Certain contracts entered into by minors are void. Which of the following is **NOT** a void contract when entered into by a minor?
- A. Debts admitted by a minor
 - B. Partnership agreements
 - C. Money lending contracts
 - D. Contracts for luxury goods
- (2 marks)
36. Which of the following is **NOT** an example of ethical norms in business?
- A. Transparency
 - B. Integrity
 - C. Fairness in dealings
 - D. Morality
- (2 marks)

37. Which of the following is **NOT** considered to be sexual harassment by a public officer?
A. Making a request or exerting pressure for sexual activity or favours
B. Making intentional or careless physical contact that is sexual in nature
C. Making reports about sexual advances to human resource personnel
D. Making gestures, noises, jokes or comments regarding another person's sexuality (2 marks)
38. Which of the following is **NOT** an area that a professional accountant is likely to whistle blow?
A. Tax avoidance
B. Fraud to mislead shareholders
C. Misrepresentation in the financial statements
D. Violations by directors (2 marks)
39. Which of the following is a **TRUE** statement in relation to law and morality?
A. Morality is enforceable by a court of law
B. The laws of a country do not incorporate morality
C. Certain wrongs in society contravene morality and not the law
D. Law and morality are identical and they coincide (2 marks)
40. Which of the following is the **BEST** definition of the term ethics?
A. The moral principles that govern a person's behaviour
B. The religious basis for people's conduct
C. This is moral scepticism of person's behaviour
D. These are rules and regulations that govern a given society (2 marks)
41. Which of the following is **NOT** an objective of the code of ethics?
A. To maintain the integrity in interactions at the workplace
B. To explain what conduct is expected of the employees
C. To protect management from law suits
D. To articulate the consequences for unethical conduct (2 marks)
42. Which of the following is **NOT** a classification of ethics?
A. Development ethics
B. Normative ethics
C. Applied ethics
D. Meta-ethics (2 marks)
43. Which of the following is **NOT** an example of universal ethical values?
A. Trustworthiness
B. Respect
C. Disclosure
D. Responsibility (2 marks)
44. Which one of the following statements **BEST** describes morality?
A. It is a rule of law passed by parliament that must be followed by all
B. It is a belief based on religious teachings
C. It is a set of standards that a society uses to decide what is right or wrong behaviour
D. It is a rule which if broken leads to punishment by the State (2 marks)
45. Which one of the following is **FALSE** in relation to conduct of public officers?
A. A state officer shall carry out his duties in a manner that maintains public confidence
B. A state officer shall assist those in need in the society where possible
C. A state officer shall always maintain high standards of performance and professionalism
D. A state officer shall not discriminate against any person (2 marks)
46. Which one of the following is **NOT** a threat to any of the fundamental principles of ethics?
A. Conflict of interest
B. Self review
C. Intimidation
D. Self awareness (2 marks)

47. Which one of the following is **NOT** a professional body that enforces ethical conduct of professionals in Kenya?
- A. Engineering Board of Kenya (EBK)
 - B. Kenya Accountants and Secretaries National Examinations Board (KASNEB)
 - C. Law Society of Kenya (LSK)
 - D. Institute of Certified Public Accountants of Kenya (ICPAK) (2 marks)
48. Which one of the following is **NOT** a consequence of unethical conduct?
- A. Decline in morale and productivity
 - B. Criminal functions
 - C. Loss of credibility
 - D. Loss of trust (2 marks)
49. _____ is **NOT** a type of legislation on ethical conduct in Kenya.
- A. Public Officers Ethics Act
 - B. Leadership and Integrity Act
 - C. The Bribery Act
 - D. The Ethics and Anti Corruption Commission Act (2 marks)
50. Which of the following is not a role of professional bodies?
- A. Developing professional standards
 - B. Supporting the professional standards
 - C. Reporting on those that break professional standards
 - D. Promoting professional standards for technical and ethical competence (2 marks)
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 4 April 2022. Afternoon paper.

Time Allowed: 3 hours.

This paper is made up of a hundred (100) Multiple Choice Questions. Answer ALL the questions by indicating the letter (a, b, c or d) that represents the correct answer. Do NOT write anything on this paper.

1. Which of the following is **NOT** a classification of law?
 - (a) Written law and unwritten law.
 - (b) Municipal law and international law.
 - (c) Public law and private law.
 - (d) Natural law and artificial law.(1 mark)
2. Which of the following is a difference between “law” and “morality”?
 - (a) Law and morality refer to the same thing.
 - (b) Law is binding, enforceable and has legal sanctions while morality is not.
 - (c) Laws are made by parliament while morality is made by God.
 - (d) Laws cannot be broken while morality can be broken.(1 mark)
3. Which one of the following is **NOT** a source of law in Kenya?
 - (a) Legislation.
 - (b) The Bible.
 - (c) African customs.
 - (d) The Constitution.(1 mark)
4. Which one of the following is **NOT** a fundamental right guaranteed under the constitution?
 - (a) Right to do what one wants.
 - (b) Right to life.
 - (c) Right to property.
 - (d) Right to privacy.(1 mark)
5. Which one of the following **BEST** describes the doctrine of *ultra vires* under administrative law?
 - (a) It is a doctrine that requires administrative bodies to perform their duties with due regard to time.
 - (b) It means that a court of law should always issue a maximum sentence that is provided by law when a person is found guilty of an offence under administrative law.
 - (c) A principle that requires a person or a body to perform an administrative act or exercise a power within the limits allowed by statute.
 - (d) A principle that provides that an administrative officer can perform duties delegated by his superior.(1 mark)
6. Identify **ONE** effect of breach of principles of natural justice.
 - (a) The breach gives rise to criminal sanctions against the person breaching.
 - (b) The injured party can institute a civil suit for breach of principles of natural justice.
 - (c) Principles of natural justice cannot be breached because they are binding.
 - (d) Any decision or other administrative action taken is null and void and can be invalidated by the Courts.(1 mark)
7. Which one of the following is **NOT** a function of the National Government under the Kenyan Constitution?
 - (a) Liquor licensing.
 - (b) Language policy.
 - (c) Promotion of sports.
 - (d) Labour standards.(1 mark)

8. Which one of the following is **NOT** an ethical standard expected of a professional?
 (a) Integrity.
 (b) Confidentiality.
 (c) Independence.
 (d) Religious. (1 mark)
9. One advantage of using mediation as opposed to litigation during conflict resolution is that _____
 (a) unlike litigation, mediation guarantees confidentiality.
 (b) in mediation, you are guaranteed of winning your case unlike litigation.
 (c) unlike mediation, in litigation the judge is usually biased.
 (d) in mediation, the mediator makes the final decision while a judge makes a decision in litigation. (1 mark)
10. _____ is **NOT** a theory of ethics.
 (a) Utilitarian ethics theory
 (b) Deontological ethics theory
 (c) Capitalistic ethics theory
 (d) Virtue ethics theory (1 mark)
11. One of the following is **NOT** an organ of government.
 (a) County Government.
 (b) Judiciary.
 (c) Executive.
 (d) Parliament. (1 mark)
12. Which one of the following is **NOT** a court's guiding presumption in the construction of statutes or Acts of Parliament.
 (a) Presumption that the statute was not intended to change or modify the common law.
 (b) Presumption that the statute was not intended to interfere with individual vested rights.
 (c) Presumption that the statute was not intended to apply to all citizens.
 (d) Presumption that the statute was not intended to apply retrospectively. (1 mark)
13. One key role of an ethical committee in resolving ethical dilemma in an organisation is _____.
 (a) to ensure that disciplinary action is taken against employees who do not adhere to ethical standards of the organisation.
 (b) to ensure that only employees who are of high ethical standards are employed.
 (c) to advise the organisation on how best to deal with unethical clients and employees.
 (d) to ensure there is effective communication, reinforcing ethical values and good practice in an organisation. (1 mark)
14. Which one of the following is **NOT** registrable through the online business registration system in Kenya?
 (a) Negotiable instruments.
 (b) Companies limited by guarantee.
 (c) Partnerships.
 (d) Business names. (1 mark)
15. Which one of the following is **NOT** a manner in which authority assigned to a state officer may be exercised?
 (a) Must be consistent with the Constitution.
 (b) Must demonstrate respect for the people.
 (c) Must bring honour to the nation and dignity to the office.
 (d) Must follow orders of their seniors. (1 mark)
16. Which one of the following is **NOT** a jurisdiction of the High Court of Kenya?
 (a) Hearing appeals from subordinate courts.
 (b) Hearing presidential election disputes.
 (c) Interpretation of the constitution.
 (d) Enforcement of fundamental rights and freedoms. (1 mark)

17. A principle in administration of justice whereby previous decisions are applied in subsequent similar cases is referred to as _____.
- stare decisis.
 - obiter dictum.
 - ibi jus ibi remedium.
 - writ.
- (1 mark)
18. Which one of the following is **NOT** a maxim of equity?
- Equity seeks to protect the less privileged.
 - He who seeks equity must do equity.
 - He who comes to equity must come with clean hands.
 - Equity is equality.
- (1 mark)
19. Distinguish between “statutory law” and “constitutional law”
- Statutory law is supreme law of a country while constitutional law is not.
 - Statutory law can be amended by parliament while constitutional law can only be amended by the public directly.
 - Statutory law is made by parliament while constitutional law is made by the executive.
 - Statutory law reflects the will of the people as expressed through their democratically elected representatives while constitutional law is made directly by the people and is superior to statutory law.
- (1 mark)
20. Which one of the following is **NOT** a principle of law?
- Supremacy of law and equality before the law.
 - Patriotism, nationality and unfettered respect for superior orders.
 - Accountability to the law and fairness in the application of the law.
 - Separation of powers, participation in decision making and legal certainty.
- (1 mark)
21. Identify one dispute that cannot be resolved under African Customary law.
- Disputes relating to land held under customary tenure.
 - Marriage, divorce, maintenance or dowry.
 - Matters affecting personal status.
 - Impregnating of an unmarried woman.
- (1 mark)
22. Which one of the following is **NOT** a right guaranteed under the Kenyan constitution?
- Right to freedom and security.
 - Right to freedom of artistic creativity.
 - Right to electricity.
 - Right to go on strike.
- (1 mark)
23. What does administrative law deal with?
- The establishment of public bodies, authorities and organs and the nature of duties given to them as well as their relationship with the citizens.
 - The legal relationship between the public officers and the citizens.
 - Administrative of justice within a country’s legal system.
 - The mode of administration of the law once passed by parliament.
- (1 mark)
24. Which one of the following is **NOT** an element of separation of powers?
- There should be different organs of government.
 - The organs should have different functions.
 - No person should be a member of more than one organ.
 - The organs of government should always be interdependent.
- (1 mark)
25. Which one of the following is **NOT** an alternative method of dispute resolution?
- Mediation.
 - Negotiation.
 - Forgiveness.
 - Arbitration.
- (1 mark)

26. Which one of the following is **NOT** a power of an arbitrator?
- (a) To enforce an arbitral award.
 - (b) To determine whether he has jurisdiction to hear the dispute.
 - (c) To provide interim relief or remedies where necessary.
 - (d) To determine admissibility of evidence brought before him. (1 mark)
27. Which expression best describes ethical norms?
- (a) These are standards which a society, organisation or professional body adopts to guide the behaviour of its members.
 - (b) These are rules and regulations which are set by the leaders of a society, an organisation or a profession.
 - (c) These are normal ethics which are set by parliament to be applied by a professional body.
 - (d) These are moral principles that determine what is right and what is wrong. (1 mark)
28. Describe the ethical principle of nonmaleficence.
- (a) It means that there is an obligation on every person not to inflict harm on others.
 - (b) It is an ethical principle that prohibits making secret profit.
 - (c) It is a moral principle of ethics that defines ethics.
 - (d) It is an ethical principle that requires non male persons to protect their finances. (1 mark)
29. Under what circumstances may one disclose confidential information in professional practice?
- (a) When one has a dispute with the other party.
 - (b) One can disclose the information as long as he has been contracted to perform a specific act.
 - (c) When one has legal or professional duty to do so.
 - (d) When one is requested to do so by any person with an interest in the organisation. (1 mark)
30. What does "independence in ethics" entail?
- (a) Freedom from conflict.
 - (b) Objectivity.
 - (c) Intellectual honesty.
 - (d) Subservience. (1 mark)
31. Define the term "Alternative Dispute Resolution".
- (a) It is a procedure that allows parties to resolve disputes without resulting to litigation.
 - (b) It is a procedure that allows parties to avoid a dispute.
 - (c) It is a process of resolving disputes by court.
 - (d) This is where parties to a dispute resolve not to have disputes again. (1 mark)
32. Which one of the following is **NOT** a manner in which a public officer should behave at all times?
- (a) In a manner that avoids conflicts between personal interest and public interest.
 - (b) In a manner that avoids demeaning the office he holds.
 - (c) In a manner that sticks to core personal beliefs.
 - (d) In a manner that avoids compromising any public interest. (1 mark)
33. Which one of the following is **NOT** a function of the Ethics and Anti-Corruption Commission (EACC) in ensuring ethical standards are observed?
- (a) Prosecute and jail corrupt and unethical persons.
 - (b) Investigate and recommend appropriate action for corruption and unethical conduct.
 - (c) Prevent the occurrence of corrupt practices.
 - (d) Recover public property acquired through corruption. (1 mark)
34. Under what circumstances can a court of law **NOT** rely on Common law or Equity as a source of Law?
- (a) In the absence of an Act of Parliament.
 - (b) If it is consistent with written law and the Constitution.
 - (c) In a criminal case involving theft of public resources.
 - (d) Where it is applicable and necessary in the circumstances. (1 mark)
35. Describe the jurisdiction of the small claims court in Kenya.
- (a) Deals with cases between children.
 - (b) Deals with petty offences.
 - (c) Deals with misdemeanors.
 - (d) Deals with matters whose value is below Ksh.1 million. (1 mark)

36. Describe the composition of the Environment and Land court.
- It is composed of two magistrates and one clerk appointed by the Judicial Service Commission.
 - It is composed of one judge and one magistrate appointed by the Judicial Service Commission.
 - It is composed of one Presiding Judge and such number of Judges as may be determined by the Judicial Service Commission from time to time.
 - It is composed of a senior judge as the Presiding Judge and two other Judges appointed by the judicial service commission. (1 mark)
37. Which one of the following is **NOT** an example of a Tribunal in Kenya?
- Political parties Tribunal.
 - Sports dispute Tribunal.
 - Copyright Tribunal.
 - Presidential elections tribunal. (1 mark)
38. Which one of the following is a punishment that **CANNOT** be issued by a court's martial in Kenya?
- Death.
 - Reprimand.
 - Admonition.
 - Extradition. (1 mark)
39. Which one of the following is **NOT** a feature of a corporation?
- It has a legal personality.
 - It can sue and be sued in its own name.
 - It has perpetual succession.
 - Members can enter into contract on behalf of the company. (1 mark)
40. Which one of the following is a constitutional entitlement of a citizen?
- Every citizen is entitled to a Huduma Number.
 - Every citizen is entitled to be employed.
 - Every citizen is entitled to legal representation.
 - Every citizen is entitled to a Kenyan Passport. (1 mark)
41. One of the following is **NOT** a reason why citizenship acquired by registration can be revoked.
- Where it was acquired by fraud.
 - Where a person dies.
 - Where the person is convicted of a felony within the first three years of registration.
 - Where it was acquired by false representation. (1 mark)
42. Which one of the following is an illegal partnership?
- A law firm with 30 lawyers forming the partnership.
 - A partnership formed while one of the partners was a minor but attained the age of majority few years ago.
 - A partnership between a husband and wife.
 - A partnership which is avoiding paying taxes. (1 mark)
43. Which one of the following is **NOT** an element of the defense of contributory negligence?
- The plaintiff exposed himself to the risk by act of omission.
 - The plaintiff was at fault or was negligent.
 - The plaintiff was owed a duty of care by the defendant.
 - The plaintiff's negligence or fault contributed to his suffering. (1 mark)
44. Which one of the following is **NOT** a defense in tort?
- Act of God.
 - Occupier's liability.
 - Contributory negligence.
 - Necessity. (1 mark)
45. Which one of the following does **NOT** amount to trespass to person?
- Detinue.
 - Battery.
 - Assault.
 - False imprisonment. (1 mark)

46. Distinguish between "Libel" and "slander".
 (a) Libel is defamation by word of mouth while slander is when the words are written and published.
 (b) Libel is when the defamatory statements are expressed in a form that is permanent in nature while slander is defamation by word of mouth.
 (c) Libel and slander are the same.
 (d) Libel attracts a lesser punishment while slander attracts a more severe punishment. (1 mark)
47. Which one of the following is **NOT** an essential element of a contract?
 (a) The parties must have contractual capacity.
 (b) There must be a consideration from the offeror to the offeree.
 (c) Contracts must be in writing and signed by both parties.
 (d) There must be an offer which is accepted by the other party. (1 mark)
48. Which one of the following is **NOT** an example of a legal offer under law of contract?
 (a) Hailing a taxi.
 (b) Bidding at an auction.
 (c) Application for employment.
 (d) Display of goods on a supermarket shelf. (1 mark)
49. Which one of the following is an invitation to treat?
 (a) Placing a notice of sale on one's car.
 (b) Taking an item from a supermarket shelf and proceeding to the cashier.
 (c) Requesting for the price of a car at a car bazaar.
 (d) Paying a premium for an insurance policy. (1 mark)
50. With reference to the Sale of Goods Act, distinguish between "specific goods" and "unascertained goods".
 (a) Specific goods are those that have been identified and agreed upon by the parties at the time when the contract of sale is made while unascertained goods have not been identified.
 (b) Specific goods are goods that have been specified under the sale of goods Act while unascertained goods have not.
 (c) Specific goods are goods in possession of the seller while unascertained goods are in possession of a third party.
 (d) Specific goods have been passed on to the buyer while unascertained goods are still in the possession of the seller. (1 mark)
51. Which one of the following contracts of sale of goods is **NOT** void?
 (a) Contracts for the sale for the specific goods which without the seller's knowledge have perished at the time the contract is made, the contract is void.
 (b) An agreement to sell specific goods which subsequently perish without the fault of either party before risk passes the buyer, the agreement is avoided.
 (c) An agreement to sell specific goods, price is to be fixed by the valuation of a 3rd party who fails to do so, the agreement is avoided.
 (d) An agreement to supply luxuries to a minor. (1 mark)
52. Which one of the following is **NOT** a term implied in Sale of Goods contracts under Sale of Goods Act.
 (a) Goods must be of merchantable quality.
 (b) Goods must fit the description.
 (c) The seller must have the right to sell.
 (d) The seller must deliver the goods. (1 mark)
53. Under what circumstance may the court imply terms in a sale of goods contract?
 (a) When it is necessary in order to give effect to the intentions of the parties and facilitate commercial transactions or give business efficiency.
 (b) Court may imply terms in a contract at any time on its own motion when there is a delay in performance.
 (c) When it is clear from the contract that the contract was exhaustive.
 (d) When the parties have mutually agreed to terminate the contract. (1 mark)
54. Identify a circumstance under which a factor **CANNOT** pass a good title if he has no authority to sell.
 (a) If he sells the goods to a purchaser for value who has actual notice.
 (b) If he sells the goods in his capacity as a mercantile agent.
 (c) If he sells the goods in the ordinary course of business.
 (d) If he sells goods of which he has possession of with the owner's consent. (1 mark)

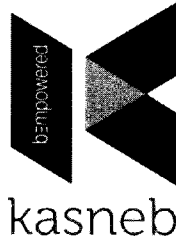
55. Which one of the following is **NOT** a duty of a seller in a contract for the sale of goods?
- (a) Duty to put the goods into a deliverable state.
 - (b) Duty to communicate any defect in the goods.
 - (c) Duty to pass a good title.
 - (d) Duty to deliver the goods.
- (1 mark)
56. Under what circumstances can a seller lose the right of lien over the goods?
- (a) Where goods have not been sold on credit and the term of credit has expired.
 - (b) If the buyer becomes insolvent.
 - (c) If he has waived the right.
 - (d) When the term of the contract has expired.
- (1 mark)
57. Which one of the following is **NOT** a reason why a buyer may reject the goods and repudiate the contract?
- (a) If the seller delivers more goods than the quantity contracted for.
 - (b) If the seller delivers less goods than the quantity contracted for.
 - (c) If the seller delivers by installments contrary to the terms of the contract.
 - (d) If the seller delivers the goods earlier than agreed.
- (1 mark)
58. Describe the meaning of the term "Nemo dat quod non habet".
- (a) It means that a seller must have the right to sell in order to pass a good title.
 - (b) It means that a seller cannot transfer a better title than he has.
 - (c) It means that a seller who does not have a good title can pass a good title if he sells to an innocent third party for value.
 - (d) It means that the seller must sell goods that correspond with the description.
- (1 mark)
59. Which of the following is **NOT** a way of discharging a contract?
- (a) Performance.
 - (b) Breach.
 - (c) Impossibility or Doctrine of Frustration.
 - (d) Stare decisis.
- (1 mark)
60. Which of the following is **NOT** an objective of a code of ethics?
- (a) To promote and maintain confidence in the integrity of the corporation.
 - (b) To harmonise the concepts of social responsibility, public accountability and profitability.
 - (c) To promote the development of undesirable practices.
 - (d) To lay down standards for personal and corporate behaviour.
- (1 mark)
61. Which of the following interests are **NOT** protected by the law of Tort?
- (a) Physical injury.
 - (b) Reputation.
 - (c) Injury to property.
 - (d) Loss in business due to the breach of contract.
- (1 mark)
62. Which one of the following is **NOT** a duty of a seller under the sale of goods law?
- (a) Duty to deliver the goods.
 - (b) Duty to pass a good title.
 - (c) Duty to put the goods into a deliverable state.
 - (d) Duty to pay instalments.
- (1 mark)
63. The following are definition of various terms used in law. Which of the following does **not** match its definition?
- (a) Delegated legislation: Law made by parliament directly.
 - (b) Ultra vires: Latin term which means "beyond the powers".
 - (c) Stare decisis: Latin term which means "the decision stands".
 - (d) Precedent: An earlier decision of a court.
- (1 mark)
64. Which of the following is an example of a public law?
- (a) Contract law.
 - (b) Law of property.
 - (c) Administrative law.
 - (d) Law of succession.
- (1 mark)

65. Which of the following is the most supreme source of law in Kenya?
 (a) Act of Parliament.
 (b) Constitution.
 (c) Delegated legislation.
 (d) Statutes of General Application. (1 mark)
66. In the event of a breach of contract, what is the purpose of damages?
 (a) To punish the contract breaker.
 (b) To compensate the innocent party.
 (c) To put the innocent party in the same position as if the contract had been carried out correctly.
 (d) To make the contract breaker face the consequences of his breach. (1 mark)
67. In relation to revocation of an offer in a contract, which of the following statements is **FALSE**?
 (a) An offer is revocable even in circumstances in which the offeror has promised to keep it for to a specified duration, unless an option exists.
 (b) Revocation becomes legally effective when notice is received by the offeree.
 (c) An offer is irrevocable after acceptance.
 (d) A bid at an auction is revocable until the hammer falls. (1 mark)
68. Which of the following is a remedy to defamation?
 (a) Justification or truth.
 (b) Act of third parties.
 (c) Act of God.
 (d) Statutory authority. (1 mark)
69. Which of the following is **NOT** a way of becoming a citizen in your country?
 (a) Birth.
 (b) Denunciation.
 (c) Registration.
 (d) Naturalisation. (1 mark)
70. Which of the following is **NOT** a way of forming a corporation?
 (a) By Registration
 (b) By Statute
 (c) By Charter
 (d) By Liability. (1 mark)
71. Martin and Brian entered into a contract whereby Martin agreed to sell Brian Sh.10,000,000/= worth of Bhang, an illegal substance in the country. This is an example of which type of contract?
 (a) Quasi contract.
 (b) Void contract.
 (c) Voidable contract.
 (d) Judicial contract. (1 mark)
72. In order to have a valid contract there must be _____.
 (a) an offer and an acceptance.
 (b) a written expression of the terms.
 (c) a reliable witness if the contract is oral.
 (d) an understanding of the terms by one of the parties. (1 mark)
73. Who among the following has powers to convene a court martial?
 (a) The Chief of General Staff.
 (b) The Inspector of Police.
 (c) The Major General.
 (d) Lieutenant General. (1 mark)
74. The maximum number of members a private company can have is _____.
 (a) 50 members.
 (b) 25 members.
 (c) 12 members.
 (d) 2 members. (1 mark)

75. Which of the following is a general remedy for Tort?
(a) Imprisonment.
(b) Damages.
(c) Retaliation.
(d) Confrontation. (1 mark)
76. A contract may be discharged in any of the following ways **EXCEPT**?
(a) By frustration.
(b) By performance.
(c) By inaction.
(d) By breach. (1 mark)
77. Which of the following is **NOT** a vitiating factor to a contract?
(a) Ultra Vires.
(b) Mistake.
(c) Duress.
(d) Undue influence. (1 mark)
78. Which of the following is an ethical issue that could arise in businesses today?
(a) Diversity discrimination.
(b) Naturalism.
(c) Social morality.
(d) Kantianism. (1 mark)
79. Which of the following is a form of ethics which reflects an individual's internal sense of how he should live and act as the basis for moral decisions?
(a) Personal ethics.
(b) Ethical virtues.
(c) Ethical values.
(d) Ethical principle. (1 mark)
80. Which of the following court comes third in the hierarchy of courts?
(a) Court of appeal.
(b) High Court.
(c) Supreme Court.
(d) Magistrates Court. (1 mark)
81. Which of the following is **NOT** a moral duty?
(a) The duty to tell the truth.
(b) Obey the law.
(c) Protect people from harm.
(d) Not keeping one's promises. (1 mark)
82. What do you call a set of rules for guiding the actions of employees or members of an organisation?
(a) Code of conduct.
(b) Mission statement.
(c) Social responsibility policy.
(d) Corporate ethics. (1 mark)
83. What is the standard of proof in a criminal case?
(a) On a balance of probability.
(b) Of adequacy.
(c) Beyond reasonable doubt.
(d) With benefit of doubt. (1 mark)
84. The ethical approach that states that what is right for one person is not necessarily right for everyone is called _____.
(a) rationalisation.
(b) intrapersonal pluralism.
(c) utilitarianism.
(d) interpersonal pluralism. (1 mark)

85. Which of the following is **NOT** a freedom guaranteed by the Constitution?
- (a) Freedom of movement.
 - (b) Freedom of dress code.
 - (c) Freedom of conscience.
 - (d) Freedom of assembly and association. (1 mark)
86. Which of the following is **NOT** an area of ethical study?
- (a) Normative ethics.
 - (b) Meta-ethics.
 - (c) Applied ethics.
 - (d) Advanced ethics. (1 mark)
87. Explain the meaning of the term “ratio decidendi”.
- (a) All of the evidence and facts presented during a court case, which have been recorded by a court’s official.
 - (b) The reasons for the court’s decision.
 - (c) Identification of whether the case involves civil law, or criminal law.
 - (d) Comments and statements made by the judge or magistrate during the conduct of the case. (1 mark)
88. What is **NOT** considered unethical business practice?
- (a) Treating employees unfairly.
 - (b) Training employees right out of school.
 - (c) Selling substandard product.
 - (d) Lying about a price to make a bigger profit. (1 mark)
89. Which of the following is **NOT** a potential ethical issue in the workplace?
- (a) Bribes.
 - (b) Harassment.
 - (c) Whistleblowing.
 - (d) Conflict of interest. (1 mark)
90. Which of the following **BEST** describes the liability of partners in respect of the firm’s debts?
- (a) Limited up to the amount of his capital in the business.
 - (b) Unlimited.
 - (c) Limited up to the amount of guarantee given by the partner.
 - (d) Limited up to the amount of his capital and loan to the firm if any. (1 mark)
91. Two (or more) persons who inflict the same damage upon the claimant, but through independent means in tort are known as?
- (a) Several concurrent tortfeasors.
 - (b) Joint tortfeasors.
 - (c) Separate tortfeasors.
 - (d) Independent tortfeasors. (1 mark)
92. The initial amount paid at the start of a hire purchase agreement is known as _____.
- (a) Installment.
 - (b) Deposit.
 - (c) Cash price.
 - (d) Hire purchase price. (1 mark)
93. Which of the following laws provides for the bill of rights?
- (a) The Penal Code.
 - (b) The Public Officer Ethics Act
 - (c) The Constitution
 - (d) The Civil Procedure Code. (1 mark)
94. Which of the following is **NOT** an example of a substantive law?
- (a) Civil procedure code
 - (b) Marriage law
 - (c) Law of succession
 - (d) Penal code. (1 mark)

95. Which of the following is **NOT** a norm in the conduct of a public officer?
(a) Commitment to public interest.
(b) Professionalism.
(c) Ambiguity.
(d) Political neutrality. (1 mark)
96. With reference to Public Officers Ethics Act, who among the following is **NOT** a public officer?
(a) Chief.
(b) Magistrate.
(c) President.
(d) Security guard. (1 mark)
97. Which of the following is **NOT** a way of terminating an offer to a contract?
(a) Standing offer.
(b) Counter offer.
(c) Lapse of time.
(d) Rejection. (1 mark)
98. Law can be classified into Public and Private law. Which of the following matches correctly?
(a) Law of Succession – public.
(b) Contract law – public.
(c) Criminal Law – public.
(d) Administrative Law – private. (1 mark)
99. Which of the following is **NOT** contained in Chapter Six of the Kenyan Constitution 2010 on Leadership and Integrity?
(a) Responsibilities of leadership.
(b) Dress code for State officers.
(c) Conduct of State Officers.
(d) Financial integrity of State Officers. (1 mark)
100. Which **ONE** of the following is a privileged statement under the tort of defamation?
(a) Any statement made in the course of and with reference of judicial proceedings by any judge, jury, party, witness or advocate.
(b) Fair and accurate report in any newspaper of proceedings heard before any court.
(c) A statement by a pastor while preaching to part of the church congregation.
(d) Any statement made in parliament by a member of parliament. (1 mark)
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 30 August 2021.

Time Allowed: 3 hours.

Answer any THREE questions in SECTION I and any TWO questions in SECTION II. ALL questions carry equal marks.

SECTION I

QUESTION ONE

- (a) In the context of the nature, purpose and classification of law, distinguish between “substantive law” and “procedural law”. (4 marks)
- (b) Outline six essential elements of a valid contract. (6 marks)
- (c) Discuss five exceptions to the doctrine of privity of contract. (10 marks)

(Total: 20 marks)

QUESTION TWO

- (a) With specific reference to the Sale of Goods Act:
 - (i) Outline two implied warranties on the part of the seller in a contract of sale of goods. (4 marks)
 - (ii) State four categories of unascertained goods. (4 marks)
- (b) In relation to the law of torts:
 - (i) Highlight three defences to the tort of negligence. (6 marks)
 - (ii) Explain three requirements for a plaintiff to plead *res ipsa Loquitur*. (6 marks)

(Total: 20 marks)

QUESTION THREE

- (a) With reference to the court structure in your country:
 - (i) List six subordinate courts. (6 marks)
 - (ii) Identify four powers of the Court of Appeal. (4 marks)
- (b) State five advantages of statute law as a source of law. (5 marks)
- (c) Outline five demerits of a partnership. (5 marks)

(Total: 20 marks)

QUESTION FOUR

- (a) Explain the term “domestication of law”. (2 marks)
- (b) List six tribunals found in your country. (6 marks)
- (c) State six equitable remedies. (6 marks)
- (d) Describe the effect of the President not signing a bill passed by Parliament into law. (6 marks)

(Total: 20 marks)

SECTION II

QUESTION FIVE

- (a) With specific reference to the Public Officers Ethics Act:
- (i) List four people to whom a public officer should not award a contract due to conflict of interest. (4 marks)
 - (ii) Explain two obligations of a public officer in relation to the rule of law. (4 marks)
- (b) With reference to Chapter Six of the Constitution of Kenya, 2010 and the Leadership and Integrity Act, 2012:
- (i) Distinguish between a “state officer” and a “public officer”. (2 marks)
 - (ii) State six offences under the Leadership and Integrity Act. (6 marks)
 - (iii) Summarise four guiding principles of leadership and integrity. (4 marks)
- (Total: 20 marks)**

QUESTION SIX

- (a) Describe five ways of promoting a whistleblowing culture in an organisation. (5 marks)
- (b) Enumerate five examples of ethical behaviours at the workplace. (5 marks)
- (c) Identify four possible effects of lack of ethics by employees on a business. (4 marks)
- (d) State six roles of professional bodies in enforcing ethical behaviour of their members. (6 marks)
- (Total: 20 marks)**

QUESTION SEVEN

- (a) Suggest three ways of enforcing a code of conduct against an employee. (3 marks)
- (b) Summarise four benefits of a code of ethics to an organisation. (4 marks)
- (c) With the use of an example in each case, explain the terms:
- (i) Related party transaction. (2 marks)
 - (ii) Arm’s length transaction. (2 marks)
- (d) (i) Distinguish between “ethics” and “morality”. (4 marks)
- (ii) State five arguments supporting ethics in business. (5 marks)
- (Total: 20 marks)**
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 17 May 2021.

Time Allowed: 3 hours.

Answer any THREE questions in SECTION I and any TWO questions in SECTION II. ALL questions carry equal marks.

SECTION I

QUESTION ONE

- (a) Distinguish between “constitutional law” and “administrative law”. (4 marks)
- (b) Discuss five remedies available to a plaintiff in a civil action against a defendant. (10 marks)
- (c) Describe the following types of judicial precedents:
 - (i) Declaratory precedent (2 marks)
 - (ii) Original precedent. (2 marks)
 - (iii) Distinguishing precedent. (2 marks)

(Total: 20 marks)

QUESTION TWO

- (a)
 - (i) Define the term “statute”. (2 marks)
 - (ii) Highlight four categories of bills that might be presented to parliament to be enacted into law. (8 marks)
- (b) With the aid of a well labelled diagram, describe the structure of courts in Kenya. (10 marks)

(Total: 20 marks)

QUESTION THREE

- (a) Examine four ways in which citizenship acquired by a person through registration might be revoked. (8 marks)
- (b) With reference to law of torts:
 - (i) Explain the term “tort”. (2 marks)
 - (ii) List three elements of a wrong that constitutes a tort. (3 marks)
- (c)
 - (i) Describe four duties of the seller with regard to delivery of goods under the Sale of Goods Act. (4 marks)
 - (ii) Enumerate three instances where the buyer is deemed to have accepted goods under the Sale of Goods Act. (3 marks)

(Total: 20 marks)

QUESTION FOUR

- (a) Outline five ways in which a contract could be discharged by operation of the law. (5 marks)
- (b) With reference to validity of contracts:
 - (i) Explain the term “consideration”. (2 marks)
 - (ii) Summarise four rules which govern the doctrine of consideration. (8 marks)

- (c) The registration of a limited partnership shall be effected by sending by registered post or delivering to the registrar of companies a statement signed by the partners.

With reference to the above statement, outline five contents of the statement submitted to the registrar of companies.

(5 marks)

(Total: 20 marks)

SECTION II

QUESTION FIVE

- (a) Examine five characteristics of moral standards in a society. (10 marks)

- (b) (i) Explain the term "business ethics". (2 marks)

- (ii) Argue four cases in support of ethics in business. (8 marks)

(Total: 20 marks)

QUESTION SIX

- (a) Examine five examples of potential conflicts of interest at the workplace. (10 marks)

- (b) Explain the following types of whistleblowing:

- (i) Organisational whistleblowing. (2 marks)

- (ii) Public whistleblowing. (2 marks)

- (c) Outline six grounds or reasons for whistleblowing. (6 marks)

(Total: 20 marks)

QUESTION SEVEN

- (a) With relevant examples, analyse five categories of values. (10 marks)

- (b) With reference to Ethics and Anti-Corruption Commission (EACC) No.22 of 2011, explain five roles of EACC. (10 marks)

(Total: 20 marks)

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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 23 November 2020.

Time Allowed: 3 hours.

Answer any THREE questions in SECTION I and any TWO questions in SECTION II. ALL questions carry equal marks.

SECTION I

QUESTION ONE

- (a) (i) Explain the meaning of a Constitution. (4 marks)
- (ii) Outline two conditions that a custom must satisfy before it is accepted as a source of law in Kenya. (4 marks)
- (b) With specific reference to the law of contract:
- (i) Identify four types of contracts that are illegal due to public policy. (4 marks)
- (ii) State four rules that govern consideration. (4 marks)
- (iii) Outline four conditions a person must satisfy for courts to grant equitable remedy of specific performance. (4 marks)

(Total: 20 marks)

QUESTION TWO

- (a) Discuss five consequences of being a legal person, as provided in the law of persons. (10 marks)
- (b) With reference to morality:
- (i) Outline six objectives of morality. (6 marks)
- (ii) Explain with relevant examples, two types of morality. (4 marks)

(Total: 20 marks)

QUESTION THREE

In the context of the law of contract:

- (a) Explain three ways in which a contract might be discharged. (6 marks)
- (b) State four conditions that should exist for the doctrine of promissory estoppel to apply. (4 marks)
- (c) With reference to the court system:
- (i) State two types of matters which fall under the jurisdiction of the Supreme Court. (6 marks)
- (ii) Identify four orders or writs which the High Court might issue when exercising supervisory jurisdiction. (4 marks)

(Total: 20 marks)

QUESTION FOUR

- (a) Explain six steps to be followed in the process of registering a business (sole proprietorship or partnership) in your country. (6 marks)
- (b) Outline four implied conditions on the part of the seller in a contract of sale of goods. (8 marks)
- (c) Outline six general defences which a defendant might rely on in tort cases. (6 marks)

(Total: 20 marks)

SECTION II

QUESTION FIVE

- (a) In a witness protection programme, an agency is established to take such action as may be necessary and reasonable to protect the safety and welfare of the protected persons.

With reference to the above statement:

- (i) Identify three protective actions that could be employed to protected witnesses. (3 marks)
 - (ii) Outline five protective measures that might be implemented in court proceedings for protected witnesses. (5 marks)
- (b) Explain the following terms as used in ethics:
- (i) Confidentiality. (2 marks)
 - (ii) Conflict of interest. (2 marks)
- (c) Explain four obligations imposed on an accountant in relation to his duty of confidentiality. (8 marks)

(Total: 20 marks)

QUESTION SIX

- (a) (i) Describe six roles of professional bodies in your country. (6 marks)
- (ii) List four examples of professional bodies in Kenya. (4 marks)
- (b) Highlight six disciplinary measures that professional bodies apply for unethical conduct by members. (6 marks)
- (c) Identify four reasons why a background check is conducted on a potential employee. (4 marks)

(Total: 20 marks)

QUESTION SEVEN

- (a) Describe four sources of an organisation's code of ethics. (8 marks)
- (b) Give four examples of national values. (4 marks)
- (c) Highlight four reasons why professional accountants uphold high ethical standards. (4 marks)
- (d) Outline four attributes of a person who possesses integrity. (4 marks)

(Total: 20 marks)

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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

TUESDAY: 26 November 2019.

Time Allowed: 3 hours.

Answer any THREE questions in SECTION I and any TWO questions in SECTION II. ALL questions carry equal marks.

SECTION I

QUESTION ONE

- (a) In the context of classification of law:
- (i) Define the term “private law”. (2 marks)
 - (ii) List four types of law which fall under the classification in (a) (i) above. (4 marks)
- (b) Explain three elements of the tort of negligence. (6 marks)
- (c) Jones Bati has been accused of defaming his colleague. (8 marks)
- Describe four defenses available to Jones Bati for the above tort. (8 marks)

(Total: 20 marks)

QUESTION TWO

- (a) With reference to the law of contract:
- (i) State six rules governing consideration in a contract. (6 marks)
 - (ii) Highlight three remedies for breach of contract. (6 marks)
- (b) Explain the following four types of judicial precedents:
- (i) Original precedent. (2 marks)
 - (ii) Declaratory precedent. (2 marks)
 - (iii) Binding precedent. (2 marks)
 - (iv) Persuasive precedent. (2 marks)

(Total: 20 marks)

QUESTION THREE

- (a) Explain five types of jurisdiction that the High Court in your country has. (10 marks)
- (b) (i) Identify two entitlements of a citizen in your country. (2 marks)
- (ii) Highlight four reasons why citizenship acquired by registration might be revoked. (8 marks)

(Total: 20 marks)

QUESTION FOUR

- (a) With specific reference to sale of goods:
- (i) Highlight three rights of the seller against the goods. (6 marks)
 - (ii) Explain three exceptions to the “Nemodat” rule. (6 marks)
- (b) Identify four permits that are issued by a county government for newly formed businesses. (8 marks)

(Total: 20 marks)

SECTION II

QUESTION FIVE

- (a) Define the following categories of ethical theories:
- (i) Meta ethics. (2 marks)
 - (ii) Normative ethics. (2 marks)
 - (iii) Applied ethics. (2 marks)
 - (iv) Descriptive ethics. (2 marks)
- (b) Identify six examples of ethical norms in business. (6 marks)
- (c) List six areas where professional accountants can whistle blow. (6 marks)
- (Total: 20 marks)**

QUESTION SIX

- (a) Summarise six values and principles of public service enshrined in the Constitution of your country. (6 marks)
- (b) Explain two circumstances under which a public officer might be considered to have committed sexual harassment. (4 marks)
- (c) Describe five advantages of a code of ethics. (10 marks)
- (Total: 20 marks)**

QUESTION SEVEN

- (a) Explain five circumstances under which a member of a professional institute is guilty of professional misconduct. (10 marks)
- (b) Describe five fundamental principles a professional is required to comply with. (10 marks)
- (Total: 20 marks)**
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CAMS LEVEL I

INTRODUCTION TO LAW AND ETHICS

MONDAY: 26 November 2018.

Time Allowed: 3 hours.

Answer any THREE questions in SECTION I and any TWO questions in SECTION II. ALL questions carry equal marks.

SECTION I

QUESTION ONE

- (a) In the context of sources of law, define the term “equity”. (2 marks)
- (b) Summarise six rights of the buyer under a sale of goods contract. (6 marks)
- (c) State four types of unwritten law which are applicable in your country. (4 marks)
- (d) In relation to the law of contract, list eight categories of contracts. (8 marks)

(Total: 20 marks)

QUESTION TWO

- (a) With reference to classification of law, list five forms of punishment which the court might impose upon an accused person under criminal law. (5 marks)
- (b) In the context of the law of torts, explain four essential elements of a tort. (8 marks)
- (c) (i) With reference to religious law, explain the term “Islamic law”. (1 mark)
- (ii) Highlight three types of disputes under which Islamic law might be applicable. (6 marks)

(Total: 20 marks)

QUESTION THREE

- (a) Explain the meaning of the term “natural person”. (2 marks)
- (b) Summarise three distinguishing features between nationality and citizenship. (6 marks)
- (c) List six negative characteristics of a partnership as a form of an unincorporated association. (6 marks)
- (d) Describe the magistrates court under the following sub-headings:
 - (i) Establishment. (1 mark)
 - (ii) Composition. (5 marks)

(Total: 20 marks)

QUESTION FOUR

- (a) Outline six legal requirements for starting a business in your country. (6 marks)
- (b) State six ways in which the constitution of your country asserts the concept of “supremacy of the constitution”. (6 marks)
- (c) Highlight five demerits of delegated legislation as a source of law. (5 marks)
- (d) List three pre-registration processes which could be undertaken before starting a small business. (3 marks)

(Total: 20 marks)

SECTION II

QUESTION FIVE

- (a) With reference to foundations of ethics, explain the following:
- (i) Morality. (2 marks)
 - (ii) Values. (2 marks)
 - (iii) Ethical culture. (2 marks)
- (b) Summarise five differences between morals and ethics. (10 marks)
- (c) State four personal integrity character traits. (4 marks)
- (Total: 20 marks)**

QUESTION SIX

- (a) Suggest six types of sanctions which regulatory bodies might impose on their members for violating a code of conduct and ethics. (6 marks)
- (b) Outline six guiding principles of leadership and integrity enshrined in the constitution of your country. (6 marks)
- (c) Basic moral principles represent the wisdom of human experience over the ages.
- (8 marks)
- (Total: 20 marks)**

QUESTION SEVEN

- (a) List six penalties imposed on public servants for violation of the Public Officers Ethics Act. (6 marks)
- (b) Suggest six reasons why a professional body could establish a code of conduct and ethics for its members. (6 marks)
- (c) State four essential elements of a company's whistleblower policy on ethical violations. (8 marks)
- (Total: 20 marks)**
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