

UGANDA MARTYRS UNIVERSITY

FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT

**DEPARTMENT OF MANAGEMENT SCIENCE &
ENTREPRENEURSHIP**

ACADEMIC YEAR: 2023/2024 SEMESTER: ONE

COURSE CODE: LFO1206

COURSE NAME: LEGAL FRAMEWORK FOR ORGANIZATIONS

BPSCMI

DATE: Friday, 24th May 2024



Time allowed: 3 Hours (9:30am- 12:30pm)

INSTRUCTIONS:

Read the following before answering the examination questions

- Do not write anything on this question paper.
 - Answer any four questions.
 - All questions carry equal marks.
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Question One

- a. There is no generally acceptable definition of the term 'law'. Define law as stated by Holland and Salmond respectively (05marks)
- b. Taking the summarized definition of law above, explain five points noticed from it. (20marks).

Question Two

- a. Each organization, society or community has its law which regulates the mutual relations and conduct of its members. This is very important, particularly in an organization setting. The laws are enforced to ensure that the staff of the organization may live or work together in an orderly and peaceful manner. In reference to the above statement, state some six of the main purpose of law in an organization like UMU. 15marks
- b. Differentiate between law of contract and law of torts. (10marks)

Question Three

Once the elements of a valid contract are proved to exist, then the contract does exist and is generally binding on the parties to it. However, a party to a contract which has all the elements may still be able to avoid his obligations under that contract by pointing out factors existing at the time that contract was made which renders it void, voidable or unenforceable. Once such factors exist, they affect validity of the contract even though it has all the elements of an otherwise a valid contract.

- i. Explain what the term Vitiating factor means in the law of contract. 2mark
- ii. List and explain five such vitiating factors as applied in contract of employment. 3marks each=15marks
- iii. Explain the consequences of a void contract? 09marks

Question Four

You have signed a contract of employment with Uganda Martyrs University for five years. In the contract there is a clause which states that the contract may be discharged by either parties as they wish, after giving notice of 90 days. But instead you left the job without giving the notice.

- i- Describe this kind of act in contract? (5marks)
- ii- Explain four different remedies that UMU may sue you for (20marks)

Question Five

- a. If you are to enter into the contract of Hire purchase between your organization and another, explain the three key concepts that you must understand? (9marks)
- b. Before the above agreement, explain to your supervisor the five implied terms of the hire purchase agreement which must be taken note of by the organization. (24 marks)

Question Six

- a. Describe what partnership means and who is a partner. (five marks)
- b. In the contract of agency, who is a principal? Explain three of the Principal's liability for the acts of the agent. (20marks)

The end.