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## **CERTIFIED PUBLIC ACCOUNTANT**

### **FOUNDATION 1 EXAMINATION**

#### **F1.2: INTRODUCTION TO LAW**

**TUESDAY: 11 JUNE 2013**

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#### **INSTRUCTIONS:**

- 1. Time Allowed: 3 hours 15 minutes** (15 minutes reading and 3 hours writing).
- This examination has **seven** questions and only **five** questions are to be attempted.
- Marks allocated to each question are shown at the end of the question.

## QUESTION ONE

- (a) Define the term contract and discuss the legal requirements of a contract (10marks)
- (b) Discuss the various ways in which an offer can be terminated (5marks)
- (c) Briefly discuss the various kinds of discharge of the contract. (5marks)
- (Total 20marks)**

## QUESTION TWO

- (a) Explain the objectives of Business law Reform Cell (BLRC) in the process of establishing commercial courts in Rwanda (5Marks)
- (b) Discuss the features of arbitration bringing out the law relating to arbitration in Rwanda. (10Marks)
- (c) Mr. Muombamungu and Mr. Mavene are well known businessmen in Nyamata town. In the course of the business the two developed a conflict which they were unable to resolve. They have the idea of commercial courts but they do not understand how they work.

### Required:

Advise the two how a case can be initiated in a commercial court. (5Marks)

**(Total 20marks)**

## QUESTION THREE

- (a) In relation to the law governing insurance, explain five basic principles of insurance (10 marks)
- (b) Explain five duties of a landlord in a tenancy agreement. (10 marks)
- Total: 20 marks)**

## QUESTION FOUR

- a) Explain the term administrative law (3 marks)
- (b) Write short notes on the following:
- i) Supreme court of Rwanda (4 marks)
  - ii) High court (4 marks)
- (c) Explain the following sanction attached to the legal rule:
- i) Criminal sanctions. (3 marks)
  - ii) Civil sanctions. (3 marks)
  - iii) Disciplinary sanctions. (3 marks)
- (Total: 20 marks)**

## QUESTION FIVE

- a) What do you understand by the term “Arbitration”? (5 marks)
- b) Give at least three advantages of arbitration over litigation. (15 marks)
- (Total: 20 marks)**

## QUESTION SIX

- a) Explain briefly what you understand by the term “rule of law” (5marks)
- b) Explain the principle of separation of powers. (15marks)
- (Total: 20 marks)**

## QUESTION SEVEN

- a) Define the concept of “agency relationship” (5marks)
- b) Explain the ways in which agency relationship can be created. (15marks)
- (Total20 marks)**
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**End of question paper**

