



RIARA LAW SCHOOL

UNIVERSITY EXAMINATION FOR BACHELOR OF LAWS (LLB) DEGREE & PRE

KSL

MAY – AUGUST 2024

RLB 313: FINANCIAL SERVICES LAW

INSTRUCTOR: DR WILSON NGIGI

**INSTRUCTIONS**

1. This is the final examination in Financial Services Law. You will earn 70% of your final grade from this final examination and 30% from Continuous Assessment Assignments.
2. This examination has **THREE** questions. Please answer **ALL THREE QUESTIONS**.
3. This examination has 3 pages, including this one.
4. Time allocated for this examination is **TWO** (2) hours. You must stop writing when the time is called.
5. Please sign the roll sheet when you turn in your answer sheet. If you fail to sign the roll sheet, we shall have no way of establishing that you sat for this examination and your marks will not be reported.
6. This is a **CLOSED BOOK** examination.
7. Read all the questions first before beginning to answer any of them. You will have **15 minutes** of reading time before you start writing. Questions about the exam should be asked before you commence writing.
8. Start with the one you feel most comfortable with, and only move on to the next problem when you are certain you have completed it perfectly.
9. It is in your best interests to write legibly. RELAX, AND ALL THE BEST!
10. This examination is governed by **Riara University Academic Honesty Regulations**. Students who violate those regulations will be penalized. Students have an obligation to report to the invigilator any incidences of academic dishonesty compromising the integrity of this examination.

## **QUESTION ONE**

**(25 Marks)**

With the aid of relevant case law, discuss the various duties owed by Banks to clients and the obligations of the client and exceptions (if any)

## **QUESTION TWO**

**(20 Marks)**

AML Internal Controls have become increasingly important due to the global recognition of the significant impact of money laundering and terrorist financing on financial systems and society at large. The development of these controls has evolved in response to regulatory requirements, financial crimes, and technological advancements.

Discuss five internal controls that the Proceeds of Crime and anti-money laundering Act (2009) imposes on banks to prevent financial crime

## **QUESTION THREE**

**(25 Marks)**

Whistleblowers can provide crucial evidence that can be used to investigate financial crimes and money laundering. They may have access to documents or other evidence that can help law enforcement build a case against those involved in criminal activity. Evidence is vital for enforcement action to be taken. Your pupil master has requested you to write a brief note explaining the following:

- a) the importance of defining a whistleblower widely. **(8 marks)**
- b) incentives provided by Kenyan law to encourage whistleblowing whilst discouraging retaliation **(10 marks)**
- c) Why financial institutions should establish effective whistleblowing policies **(7 marks)**