

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

RESIT/SPECIAL EXAMINATION

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
COMMERCE**

BCOM 301: BUSINESS LAW II

STREAMS: BCOM Y3S1

TIME: 2 HOURS

DAY/DATE: MONDAY 28/08/2023

2.30 P.M – 4.30 P.M.

INSTRUCTIONS:

- **Answer Question 1 and any other TWO Questions.**

QUESTION ONE

- (a) With reference to contract of sale of goods, explain the implied conditions on the part of the seller under Cap31 Laws of Kenya. (8marks)
- (b) Explain four duties of a partner in a partnership. (8marks)
- (c) Discuss the characteristics of a negotiable instrument. (8marks)
- (d) Explain six requirements of a valid agency by ratification. (6marks)

QUESTION TWO

- (a) Explain the termination of a gency . (10marks)
- (b) Distinguish between a sale and an agreement to sell. (10 marks)

QUESTION THREE

- (a) Explain the protection of the hirer under the hire purchase contract (4marks)

(b) John to meet the claims of his creditors, borrowed ksh 9,000/= from Mwita, to protect his interest, Mwita, takes out an insurance policy on the life of John. John pays Ksh 8,000 to Mwita and then dies. Can Mwita recover on the policy? Give reasons for your answer.

(4marks)

(c) Explain six exceptions to the rule of caveat emptor.

(12 marks)

QUESTION FOUR

(a) Explain who a common carrier, how different is he from a private carrier?

(10 marks)

(b) Discuss the five legally recognized exclusive rights of the creations of mind. (10 marks)
