



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

DIPLOMA IN BUSINESS ADMINISTRATION

BMG 2211: COMMERCIAL AND ADMINISTRATIVE LAW

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

This paper consists of Two printed pages.

QUESTION 1 (Compulsory)

- a) The duties of a partner to his firm are fundamentally the same as those of an agent to his principal. Discuss this statement. **(10 marks)**
- b) A contract of insurance is a contract of utmost good faith. Explain this statement. **(10 marks)**
- c) In relation to the law of sales of goods summarise any **FIVE** provisions of the, sale of goods in regards to passing of property in goods. **(10 marks)**

QUESTION 2

- a) Before any proceedings in bankruptcy can be taken against a person, he must have committed an act of bankrupt, state any **FIVE** acts of bankruptcy. **(10 marks)**
- b) What are the rights of a holder of a bill. **(10 marks)**

QUESTION 3

- a) What is an award? An award is taken as a final and binding on the parties but the high court may remit any matter back to the arbitrator for reconsideration. State **FOUR** grounds for such remission. **(10 marks)**
- b) Explain any **FIVE** implied conditions as provided by the Sales of Goods Act. **(10 marks)**

QUESTION 4

- a) Explain the various ways of dissolution of partnership through operation of law. **(10 marks)**
- b) What is arbitration? Explain the implied provision of arbitration agreement. **(10 marks)**

QUESTION 5

- a) What is the meaning of the doctrine of caveat emptor? What are the exceptions to this rule. **(10 marks)**
- b) Explain the various **FIVE** ways in which a guarantor may be discharged. **(10 marks)**