



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

DIPLOMA IN PROCUREMENT AND MATERIALS MANAGEMENT
DIPLOMA IN BUSINESS ADMINISTRATION

BMG 2208: BUSINESS LAW II

END OF SEMESTER EXAMINATIONS

SERIES: DECEMBER 2014

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.

This paper consists of Two printed pages.

QUESTION 1 (Compulsory)

- a) Explain the nature of a hire-purchase agreement. **(2 marks)**
How does it differ from
- i) A credit sale. **(4 marks)**
 - ii) A conditional sale agreement. **(4 marks)**
- b) State and explain the essential characteristics of a contract of sale of goods. **(10 marks)**
- c) Discuss the rights and duties of a limited partner. **(10 marks)**

QUESTION 2

- a) Discuss how a partnership may be dissolved. **(10 marks)**
- b) State the rules for determining the existence of a partnership. **(10 marks)**

QUESTION 3

Explain what you understand by “insurable interest” in connection with ‘life, fire and marine insurance. **(20 marks)**

QUESTION 4

- a) “A contract of guarantee is not a contract of uberrimae fidei” discuss. **(10 marks)**
- b) Distinguish between:
- i) Mortgage and charge. **(5 marks)**
 - ii) Leasehold and freehold. **(5 marks)**

QUESTION 5

- a) Discuss the contents of a hire purchase agreement. **(10 marks)**
- b) Discuss the rights of the buyer in the Sale of goods. **(10 marks)**