



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF BUSINESS ADMINISTRATION

UNIVERSITY EXAMINATION FOR:

DEGREE IN BACHELOR OF BUSINESS ADMINISTRATION, BACHELOR OF
COMMERCE

BMG: 4301: BUSINESS LAW II

END OF SEMESTER EXAMINATION

SERIES: DECEMBER 2016

TIME: 3 HOURS

DATE: Pick Date Dec 2016

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

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

Do not write on the question paper.

Question ONE

Question One

Doreen ordered 3000 cans of fruits from Mombasa Limited to be packed in crates containing 30 cans per crate. When the goods were delivered it was found that about half of the crates contained 24 cans and the remainder 30 cans. Doreen rejected the goods although it was agreed that there was no difference in market value between those packed 24 cans and those packed 30 cans.

- Citing relevant case law and provisions of the law advise Doreen and Mombasa Limited on the remedies available to the parties. (10 Marks).
- Explain **FIVE** rules for determining partnership property in the event of a dispute (10 Marks).
- Citing relevant provisions of the law, discuss the rights and obligations of a hirer upon termination of a hire purchase agreement. (10 Marks)

Question TWO

- a) Discuss the implied terms in every hire purchase contract (10 Marks)
- b) In respect to a contract of sale of goods, explain the types of goods envisaged under the Act. (10 Marks).

Question THREE

- a) Distinguish the types of leases recognized under the land Act of 2012 (6 Marks)
- b) Explain the circumstances under which a contract of guarantee is automatically terminated (14 Marks)

Question FOUR

- a) Citing relevant provisions of the law and aided with examples, discuss the concept of insurable interest (10 Marks).
- b) Discuss the formalities for every hire purchase agreement (10 Marks)

Question FIVE

- a) Explain **FOUR** rules relating to transfer of property in goods (12 Marks)
- b) Distinguish between a contract of guarantee and indemnity (8 Marks)