



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

Miss Naomi asked Mr. Karanja, a pharmacist to sell her weight reducing drugs tablets. Mr. Karanja recommended *Rotch 30*, a new product which will add vitality and take off surplus weight at the same time. Miss Naomi accordingly bought the tablets and consumed in the manner prescribed, but instead she gained several kilos.

- Aided with case law, critically advise Miss Naomi on remedies available in law against Mr. Karanja (10 Marks).
- Explain **FIVE** rules for determining the existence of partnership in the event of a dispute (10 Marks).
- Citing relevant case law, discuss the effects of non compliance with the provisions of section 5 of the Hire purchase Act, Chapter 507 Laws of Kenya (10 Marks).

Question TWO

- a) Discuss the rules relating to passage of title in Hire purchase (10 Marks)
- b) With respect to a contract of sale of goods, explain **FIVE** ways through which price can be ascertained (10 Marks).

Question THREE

- a) Distinguish between Hire purchase and Credit Sale (6 Marks)
- b) Explain **SEVEN** exceptions to the rule of *Nemo dat quad non habit*. (14 Marks)

Question FOUR

- a) Discuss the rights of a guarantor in a contract of guarantee (10 Marks)
- b) What constitutes partnership property (10 Marks)

Question FIVE

- a) Explain **FOUR** proprietary interests in a parcel of land (12 Marks)
- b) Explain the doctrine of subrogation and indemnity in an insurance contract (8 Marks)