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**GARISSA UNIVERSITY**

**UNIVERSITY EXAMINATION 2020/2021 ACADEMIC YEAR TWO**

**SECOND SEMESTER EXAMINATION**

**SCHOOL OF BUSINESS AND ECONOMICS**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 215**

**COURSE TITLE: BUSINESS LAW II**

**EXAMINATION DURATION: 2 HOURS**

**DATE: 06/04/2021 TIME: 09.00-11.00 AM**

**INSTRUCTION TO CANDIDATES**

* **The examination has FIVE (5) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other TWO (2) questions from the remaining FOUR (4) questions**
* **Use sketch diagrams to illustrate your answer whenever necessary**
* **Do not carry mobile phones or any other written materials in examination room**
* **Do not write on this paper**

**This paper consists of TWO (2) printed pages *please turn over***

**QUESTION ONE (COMPULSORY)**

1. Mohammed is a registered transport services provider. He has been contracted by Omar to transport tomatoes from Mandera to Garissa. On reaching Wajir, Mohammed is notified by security agencies that no vehicle is allowed to proceed to Garissa following acts of terror witnessed along the road. Following earlier acts of terror in Mandera that led to destruction of communication mast, Mohammed is unable to reach Omar on phone. Advice Mohammed on the right course of action to be taken clearly giving justification for that course of action. **(10 marks)**
2. Discuss the exception to the law maxim **"NEMO DAT QUOD NON HABET"**

**(10 marks)**

1. Discuss the remedies available to the creditor if the debtor defaults on payment under hire purchase. **(10 marks)**

**QUESTION TWO**

1. Discuss five basic principles of insurance. **(10 marks)**
2. Explain the remedies of an unpaid seller under the Sale of Goods Act. **(10 marks)**

**QUESTION THREE**

1. What are the author’s rights under the Copyright Act? **(4 marks)**
2. Describe any four disabilities of an undischarged bankrupt under law of bankruptcy. **(8 marks)**
3. Explain five various ways through which an agency relationship may be terminated.

 **(8 marks)**

**QUESTION FOUR**

1. In relation to contracts of insurancedistinguish between double insurance and reinsurance **(4 marks)**
2. Describe four circumstances under which a bill of exchange is considered to bedischarged  **(8 marks)**
3. Delivery of goods is an important part in law of sale of goods. Explain any four ways through which delivery of goods can be deemed to have been effected**.**  **(8 marks)**

**QUESTION FIVE**

1. Distinguish between sale and agreement to sell. (**4 marks)**
2. Discuss the provisions of the Partnership Act (Cap 29) of the laws of Kenya as they relate to dissolution of partnership. **(10 marks)**
3. Write short notes on
4. Restrictive covenants. **(2 marks)**
5. Chose in possession. **(2 marks)**
6. Chose in Action **(2 marks)**