



GARISSA UNIVERSITY

UNIVERSITY EXAMINATION **2017/2018** ACADEMIC YEAR **TWO**
SECOND SEMESTER EXAMINATION

SCHOOL OF BUSINESS AND MANAGEMENT

FOR THE DEGREE OF BACHELOR OF BUSINESS AND ECONOMICS

COURSE CODE: BBM 215

COURSE TITLE: BUSINESS LAW II

EXAMINATION DURATION: 3 HOURS

DATE: 17/04/18

TIME: 09.00-12.00 PM

INSTRUCTION TO CANDIDATES

- The examination has SIX (6) questions
- Question ONE (1) is COMPULSORY
- Choose any other THREE (3) questions from the remaining FIVE (5) 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)

- (a) What is a “*conditional sale*” under Hire Purchase? [1 Mark]
- (b) Harry delivers a consignment of goods which he has contracted to sell to Jill. The goods are unloaded in Jill’s yard by the lorry driver. Later that day Jill examines the goods delivered and discovers they do not comply with the contract description. Advise Jill. [12 Marks]
- (c) “The relationship between principal and agent creates obligations for both parties” Discuss the nature of the agent’s obligations to the principal and the remedies available to the principal if those are not fulfilled [12 Marks]

QUESTION TWO

- (a) Explain various rights of the buyer under “Sale of Goods Act” [4 Marks]
- (b) What are the defenses available under carriage by air? [4 Marks]
- (c) In contract of insurance, explain the duty of disclosure that rests on the assured. What is meant by insurable interest? [7 Marks]

QUESTION THREE

- (a) Outline the rights of pledge under bailment [3 Marks]
- (b) What are the author’s rights under the Copyright Act? [5 Marks]
- (c) What is the basis of legal distinction between real and personal property? [7 Marks]

QUESTION FOUR

- (a) Highlight the roles of patent rights in development of a nation. [5 Marks]
- (b) In relation to cheques explain the types of crossing that may appear. What is the legal effect of such crossings? [10 Marks]

QUESTION FIVE

- (a) Outline the remedies available to the creditor if the debtor defaults on payment under hire purchase [3 Marks]
- (b) What are the disabilities of an undischarged bankrupt [5 Marks]
- (c) Discuss the meaning of negotiability and explain the, main characteristics of bills of exchange and promissory notes. [7 Marks]

QUESTION SIX

Write short notes on the following

- (a) Fire insurance [2 Marks]
- (b) Assignment [2 Marks]
- (c) Private carriers [2 Marks]
- (d) Lease under law of property [2 Marks]
- (e) Charter parties [2 Marks]
- (f) Holding out [2 Marks]
- (g) Dissolution of a partnership firm [3 Marks]

