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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2018/2019 ACADEMIC YEAR**  
**DIPLOMA IN BUSINESS ADMINISTRATION**

**DBA 1106 – COMMERCIAL LAW**

Date: 10<sup>th</sup> April, 2018

Time: 8.30pm – 10.30pm

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

- a) Discuss the essentials of a legally binding contract. (6 Marks)
- b) Define the following types of goods as in the contract of sale of goods.
- i. Existing goods and Future goods (4 Marks)
- ii. Condition and Warranty (4 Marks)
- c) Discuss three implied conditions in a contract of sale of goods. (6 Marks)
- d) Describe the features of a body corporate. (6 Marks)
- e) Enumerate the policies that are popularly sold by insurance companies in Kenya today (4 Marks)

**QUESTION TWO (20 MARKS)**

- a) Describe the contents of a partnership deed (8 Marks)
- b) Differentiate between partnerships and body corporate (6 Marks)
- c) Discuss partnerships as unincorporated associations. (6 Marks)

**QUESTION THREE (20 MARKS)**

- a) Define Negotiable instruments as captured in the Bills of exchange Act. (4 Marks)
- b) Discuss how a cheque differs from other bills (inter alia) (8 Marks)
- c) Describe the essential of a valid bill of exchange as a Negotiable instrument. (8 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Define a company (4 Marks)
- b) Discuss the advantages that accrue to corporations. (8 Marks)
- c) Discuss FOUR types of shares. (8 Marks)

**QUESTION FIVE (20 MARKS)**

- a) Discuss the Doctrine of Caveat Emptor. (6 Marks)
- b) Discuss the provisions of Law regarding stolen goods. (6 Marks)
- c) Discuss 'Nemo dat quod non Habet' a common law maxim in the sale of goods contract. (8 Marks)