



The Co-operative University of Kenya

END OF SEMESTER EXAMINATION AUGUST -2018

EXAMINATION FOR THE CERTIFICATE IN CO-OPERATIVE MANAGEMENT
(YR I SEM I)

UNIT CODE: CCM 1103

UNIT TITLE: COMMERCIAL LAW

DATE: 20TH AUGUST, 2018

TIME: 9:00 AM – 11:00 AM

INSTRUCTIONS:

- Answer question **ONE (compulsory)** and any other **TWO** questions

QUESTION ONE

- (a) In a contract of supply of goods and services, there are certain fundamental things which may render the buyer not to take the goods. However, some may take the goods then those anomalies may be fixed later. Discuss this statement, noting to distinguish between conditions and warranties. (5 Marks)
- (b) Outline and briefly discuss conditions and warranties implied by the sale of goods Act, chapter 31, Laws of Kenya. (10 Marks)
- (c) Nemo dat quod non habet' is a common law principles that applies to the transfer of goods. It literally means ' a person cannot give what he does not have'. Using relevant illustrations, discuss this statements, and its exceptions.
- (d) Outline and briefly discuss any FIVE (5) remedies of the unpaid seller in a sale of goods contract. (5 Marks)

QUESTION TWO

- (a) Dablo Didho Auctioneers knocked down a used Lexus saloon car to Yanya for the latters bid of ksh. 1 million. It later emerged that the owner and the seller of the car Mr. Magna, had advised the auctioneers, in writing, of a minimum price of kshs 1.5 million on the item. The manager of the auctioneers firm, Mr. Didho acknowledged this, but he converts that, two earlier attempts to sell the same car, did not attract any offers close to kshs. 1 million.
- (b) From this statement;
- (c) Identify this type of agent, noting to discuss the legal issues arising and any liability, if any, and further advise on their legal remedies where necessary. (20 Marks)

QUESTION THREE

- (a) Outline any FIVE (5) duties of an agent to the principal. (5 Marks)
- (b) Outline any FIVE remedies of an agent against the principal. (5 Marks)
- (c) Outline any FIVE ways that a Hire Purchase contract may be terminated. (5 Marks)
- (d) Differentiate between common law and equity. (5 Marks)

QUESTION FOUR

- (a) Outline and discuss any FOUR non – stator sources of law. (8 Marks)
- (b) Briefly discuss the structures composition and jurisdiction of;
 - (i) The supreme court (4 Marks)
 - (ii) The court of Appeal (4 Marks)
 - (iii) The High court (4 Marks)

QUESTION FIVE

- (a) 'A contract may be defined as a promise or set of promises made by two or more parties, a breach of which the law provides a remedy and the performance of which the law recognizes as an obligation' – Anonymous.

In light of this statement, discuss the following elements of a contract;

- | | |
|-------------------|-----------|
| (b) Offer | (5 Marks) |
| (c) Acceptance | (5 Marks) |
| (d) Capacity | (5 Marks) |
| (e) Consideration | (5 Marks) |