**GATITU MIXED SECONDARY SCHOOL**

**BUSINESS STUDIES FORM 2 MID TERM EXAM TERM 3 2014**

1. Define sole proprietor for a business organization. 2mks
2. Distinguish between preference and ordinary shares of a limited company. 4mks
3. Give two methods used by the government in engaging in commercial enterprise. 4mks
4. Suggest some two disadvantages of pipeline in transportation. 3mks
5. What do you understand horizontal communication form. 2mks
6. Explain free warehouse. 2mks
7. Differentiate between whole life assurance and endowment insurance. 5mks
8. Define co –insurance. 3mks
9. When is personal selling appropriate? Give four opportunities. 6mks
10. Write briefly on:
11. Celebrity advertising. 2mks
12. Institutional advertising. 2mks
13. Public relations 2mks
14. Target group 2mks
15. What is memorandum of association of a company? 4mks
16. “Profits of the company have been ploughed back” explain. 4mks
17. Under what circumstance would a person hire a hand cart to carry goods instead of a pick up? 3mks