

KASNEB

CPA PART I SECTION 1

CS PART I SECTION 1

CCP PART I SECTION 1

COMMERCIAL LAW

FRIDAY: 20 November 2015.

Time Allowed: 3 hours.

Answer any FIVE questions.

ALL questions carry equal marks.

QUESTION ONE

- (a) Explain five main branches of civil law. (10 marks)
- (b) Justify the need for delegated legislation. (10 marks)
- (Total: 20 marks)**

QUESTION TWO

- (a) Explain five rights of an agent. (10 marks)
- (b) Outline ten contents of a partnership deed. (10 marks)
- (Total: 20 marks)**

QUESTION THREE

- (a) Discuss five remedies available whenever there is a breach of contract. (10 marks)
- (b) Explain two ways in which independence of the judiciary is attained. (4 marks)
- (c) Describe the role of the three arms of government as envisaged in the doctrine of separation of powers. (6 marks)
- (Total: 20 marks)**

QUESTION FOUR

- (a) With specific reference to sale of goods contract:
- (i) Explain two implied warranties. (4 marks)
- (ii) Identify four essential characteristics of a sale of goods contract. (4 marks)
- (b) Summarise six ways in which a lease agreement might be terminated. (12 marks)
- (Total: 20 marks)**

QUESTION FIVE

- (a) Identify three consequences of not registering a hire purchase agreement. (6 marks)
- (b) Distinguish between "Hire purchase" and "Credit sale". (6 marks)
- (c) Discuss four circumstances under which a guarantor would be discharged. (8 marks)
- (Total: 20 marks)**

QUESTION SIX

- (a) With reference to the law of insurance, explain four grounds upon which the duty of disclosure is justified. (8 marks)
- (b) Describe four ways through which a bill of exchange could be discharged. (8 marks)
- (c) State two differences between a "Cheque" and a "Bill of exchange". (4 marks)
- (Total: 20 marks)**

QUESTION SEVEN

- (a) State seven principles that guide co-operative societies. (7 marks)
 - (b) Outline five rights of a member of a co-operative society. (5 marks)
 - (c) Explain four ways through which an occupier could guard against liability for independent contractors. (8 marks)
- (Total: 20 marks)**
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