



UNIVERSITY OF NAIROBI

FIRST SEMESTER EXAMINATIONS 2010/2011

SECOND YEAR EXAMINATIONS FOR THE DEGREE OF BACHELOR OF LAWS

GPR 205: SALES OF GOODS AND AGENCY

DATE: 2 MARCH, 2011

TIME: 9.00 A.M. – 11.00 A.M.

INSTRUCTIONS

- Answer ANY THREE questions.
- All questions carry EQUAL marks.
- Credit will be awarded for clear expression.

QUESTION ONE

It has been said that among the principal reasons why the law relating to Sale of Goods was codified was to make it more accessible and more certain.

Discuss the extent to which objectives of codification have been achieved by the sale of Goods A, Chapter 31, Laws of Kenya.

What reforms to the statute would you recommend?

QUESTION TWO.

“I wish it were possible to say that in every case where a person takes in good faith and for value without notice he gets a good title.

As per Chanan Singh, J in G.A.S. Weingut –V-Leslie (1967) E.A. 480.

Discuss.

QUESTION THREE

A ordered a special steel press of use in his engineering factory. On 1st January 2010 he informed the seller, B, that he required it by 1st May 2010 to enable him to complete certain profitable export contracts with C for steel desks without which he said he could not complete the work on time. C required the desks to satisfy an order which he had from F. In fact, at the time the contract with B was made, A had many machines standing idle in his factory. Some of these machines he immediately put to work on new business which he had succeeded in obtaining from D on the assumption that the new machines which B was to supply would arrive in time to enable him to meet outstanding commitments.

On 3rd May 2010, although the machines ordered from B had not been delivered, A also accepted an order from E for office equipment for his new offices. B in fact did not deliver the press until August 2010. Consequently, A failed to deliver any of the three shipments on due delivery dates to C, D or E

C, D, and E are now claiming damages for non-delivery from A who in turn wishes to recover from B.

Advise the parties as to the remedies available. Indicate how the court will assess damages.

QUESTION FOUR

Discuss the various ways in which the Agency relationship may be created and terminated.

QUESTION FIVE

- (a) Tembo owns Ulevi Bar at Shauri Moyo in Nairobi where he sells all sorts of drinks, roast chicken and meat on order. At the entrance of this Bar a big conspicuous Board bears the words:

“The Barman and Barmaids have no authority to buy meat chicken and medicine Tembo”.

The Barman usually buys drinks from Mzee Tumbo and meat, chicken and medicine from Chicken George. On many occasions Tembo has paid bills submitted by the two sellers on these items.

On 30th May 2010, Chicken George delivered meat, chicken and panadol to the Barman. All the items were worth Shs.10,000/=. Tumbo at the same time delivered drinks worth shs.20,000/= When the two Sellers submitted their bills, Tembo refused to pay. His argument was that the Barman had no authority to buy drinks, Chicken, meat and ‘medicine’. He also maintained that the Barman bought hot drinks and not beers from Tumbo

Advise the parties.