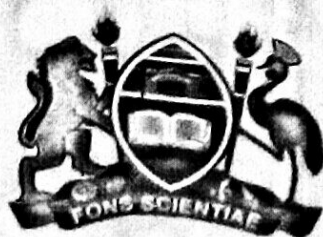


**KISII**



**UNIVERSITY**

**UNIVERSITY EXAMINATIONS**

**THIRD YEAR EXAMINATION FOR THE AWARD OF THE  
DEGREE OF BACHELOR OF COMMERCE**

**FIRST SEMESTER 2016/2017**

**(JANUARY - APRIL, 2017)**

**BCOM 303: BUSINESS LAW II**

**STREAM: Y3S1**

**TIME: 2 HOURS**

**DAY: THURSDAY, 9:00-11:00 AM**

**DATE: 11/05/2017**

**INSTRUCTIONS**

- 1. Do not write anything on this question Paper.**
- 2. Answer question ONE and any other THREE questions.**

**QUESTION ONE**

- Discuss the various types of goods, which form the subject matter of a contract of sale of goods. [10 marks]
- Discuss the legal merits and demerits of running a partnership business. [5 marks]
- Explain the nature of agency and appreciate the types of agents. [10 marks]

**QUESTION TWO**

Discuss the nature of hire purchase and appreciate the stipulations of the hire purchase Act (Cap 507) Laws of Kenya. [15 marks]

### QUESTION THREE

Explain the following concepts of insurance:

- (a) Double insurance
- (b) Average clause
- (c) Re-insurance
- (d) Contribution
- (e) Subrogation

[3 marks]

[3 marks]

[3 marks]

[3 marks]

[3 marks]

15

### QUESTION FOUR

Discuss the nature and purpose of bills of exchange, cheques and promissory notes.

[15 marks]

### QUESTION FIVE

Discuss the nature and contents of Commercial Securities accepted by Commercial Banks in Kenya to borrow credit to finance or recapitalize business.

[15 marks]