**JARAMOGI OGINGA ODINGA UNIVERSITY**

**OF SCIENCE & TECHNOLOGY**

**SCHOOL OF BUSINESS & ECONOMICS**

**UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION**

**2ND YEAR 2ND SEMESTER 2016 / 2017**

**NAMBALE CAMPUS**

**COURSE CODE : ABA 208**

**COURSE TITLE : BUSINESS LAW II**

**TIME : 2 HOURS**

**Instructions**

* Answer question **ONE** and **ANY** other two questions.

**Question One**

1. Describe the duties which an agent owes to his principal. (5mks)
2. Explain the remedies available to unpaid seller against
3. The goods (6mks)
4. The buyer under the sale of Goods Act. (4mks)
5. Explain how a hire purchase agreement differs from:
6. A credit sale agreement ( 6mks)
7. A conditional sale agreement (4mks)
8. A contract of insurance is a contract of “ubearimae fidei”. Explain this statement (5mks)

**Question Two**

1. What conditions must be satisfied for agency by ratification to arise (10mks)
2. An unpaid seller enjoys the rights of lien and stoppage in transit against the goods. With reference to this statement explain the difference between lien and stoppage in transit. (10mks)

**Question Three**

1. Highlight the essential characteristics of a contract for sale of goods (4mks)
2. Outline the rules governing delivery of goods in a contract of sale of goods. (8mks)
3. A married woman who is living with her husband is declared to be his agent for purposes of obtaining necessities to the family. This is known as domestic agency of necessity. Outline the exceptions to this rule. (8mks)

**Question Four**

In the Law of Insurance, what is meant by:

1. Insurable interest (5mks)
2. Ubearimae fidei (5mks)
3. Subrogation (5mks)
4. Contribution (5mks)

**Question Five**

1. Tajiri sells all the tomatoes ready for harvest in his farm with an immediate effect to Jua Kali who pays the agreed sum. When Jua Kali goes to harvest the tomatoes, two days later, he finds them damaged by natural causes. Tajiri refuses to refund the money. Advise Jua Kali. (8mks)
2. With reference to Hire – purchase Act (cap 507), explain the duties and rights of a hirer. (12mks)