



THE KENYA SCHOOL OF LAW



DIPLOMA IN LAW (PARA-LEGAL STUDIES)

1ST YEAR TERM III EXAMINATION

COMMERCIAL LAW I

13TH APRIL, 2015

DURATION: 2 HOURS

Instructions to Candidates

- (a) Answer Question **ONE** and **ANY OTHER THREE** Questions
- (b) Question **ONE** carries **25 Marks**
- (c) All other questions carry **15 Marks** each

PLEASE TURN OVER

Question One:

- (a) Discuss what you understand by the term *Nemo Dat Quod Non Habet*, and outline any eight exceptions to the rule. (10 marks)
- (b) Explain the circumstances under which agency relationship can be created by *estoppel*. (7 marks)
- (c) Discuss what you understand by the following terms in relation to hire purchase law in Kenya:
- (i) Credit Sale (2 marks)
 - (ii) Conditional Sale (2 marks)
 - (iii) *Non est factum* (2 marks)
 - (iv) Loan of goods (2 marks)

Question Two:

- (a) Explain five implied conditions under the Sale of Goods Act. (10 Marks)
- (b) Outline five duties of a seller under a contract of sale of goods under the common law. (5 marks)

Question Three:

- (a) Discuss the remedies available to an agent under a contract of agency. (8 marks)
- (b) Discuss succinctly any seven ways in which a contract of agency can be terminated. (7 marks)

Question Four:

- (a) Describe the remedies the buyer can pursue in cases where the seller has breached his obligation under contract of sale of goods. (8 Marks)
- (b) Discuss domestic agency of necessity as understood under the law of agency. (7 marks)

Question Five:

- (a) Define "Hire Purchase Agreement". (2 marks)
- (b) Discuss any five circumstances under which agency by presumption or cohabitation cannot arise under the common law. (5 marks)