



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

**UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS
ADMINISTRATION WITH I.T**

2ND YEAR 2ND SEMESTER 2018/2019 ACADEMIC YEAR

NAIROBI CITY LEARNING CENTRE

COURSE CODE: ABA 208

COURSE TITLE: BUSINESS LAW 2

EXAM VENUE: 12TH FL RM 1

STREAM: (BBA)

DATE: 4/12/2018

EXAM SESSION: 11:00AM – 1:00PM

TIME: 2.00 HOURS

INSTRUCTIONS:

- 1. Answer Question ONE (COMPULSORY) and ANY other 2 questions.**
- 2. Candidates are advised not to write on the question paper.**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room.**

SECTION A

QUESTION 1

- (a) Define Partnership and explain the rules for determining its existence (10 marks)
- (b) Give the meaning of sale of goods and differentiate between sale and an agreement to sell (8 marks)
- (c) Explain the meaning of the following terms as used in business law (12 marks)
 - (i) Bills of exchange
 - (ii) Promissory notes
 - (iii) Dividend warrants
 - (iv) Circular notes
 - (v) Bearer debentures
 - (vi) Share warrants

SECTION B

QUESTION 2

- (a) Discuss the characteristics of a Negotiable Instrument (10 marks)
- (b) State and explain the difference between a bill and a cheque (10 marks)

QUESTION 3

- (a) Briefly explain the rules as to the presentment of Acceptance (10 marks)
- (b) Describe Negotiation and give the difference between Negotiable instrument and Choses in Action (10 marks)

QUESTION 4

- (a) Define Endorsement and explain the various kinds of Endorsements (10 marks)
- (b) Give the meaning of a promissory note and explain its characteristics (10 marks)

QUESTION 5

- (a) Discuss the stages through which a debtor is declared Bankrupt (10 marks)
- (b) Describe the essentials of a Bill of exchange as a Negotiable instrument (10 marks)