



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY  
SCHOOL OF BUSINESS & ECONOMICS**

**UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS  
ADMINISTRATION WITH IT/BACHELOR OF EDUCATION ARTS WITH  
IT/BACHELOR OF EDUCATION IN SPECIAL NEEDS**

**2<sup>ND</sup> YEAR 2<sup>ND</sup> SEMESTER 2024/2025 ACADEMIC YEAR**

**MAIN CAMPUS**

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**COURSE CODE: BAB 1212/BBM 3223**

**COURSE TITLE: BUSINESS LAW II**

**EXAM VENUE: LAB 13**

**STREAM: (BBA/BED ARTS/SNE)**

**DATE: 17/04/2025**

**EXAM SESSION: 9.00 – 11.00 AM**

**TIME: 2 HOURS**

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**INSTRUCTIONS:**

- 1) Answer Question ONE and ANY OTHER TWO 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.**

- a. What are the rules applicable to the revocation of a contract under the Sale of Goods Act. (10 marks)
- b. In what capacity does an Agent who has contracted within his authority remain liable to a contract? (10 marks)
- c. What do you understand by that liability of every partner in a firm for contractual debts of the firm is joint but not severally?  
Explain circumstances of which partners are liable jointly and severally.

2)

- (a) Under the contract of Sale of goods, the goods remain at the sellers 'risks until the property in the item/ goods passes to the buyer. In the absence of any special agreement, when does the property in goods pass to the buyer? (10 marks)
- (b) Explain the nature of a Hire Purchase Agreement, How does a Hire Purchase Agreement differ from credit and conditional sale agreement under cap 42 laws of Kenya. (10 marks)

3)

- (a) Explain the nature of relationship between a Bank and a Customer, when is the Banker's Authority to pay a Cheque drawn on him terminated. (10 marks)
- (b) Who is considered to be unpaid seller and when unpaid seller can exercise his/her "right of lien "against goods and what are the rules governing such. (10 marks)

4)

- (a) What do you understand by the term agency by ratification? What are the effects of ratification if any? (10 marks)
- (b) Under what circumstances is a contract of guarantee automatically discharged? (10 marks)

5) Write short notes on the following:

Under the law of contract, what do you understand by?

- a. Specific Performance. (5 marks)
- b. Injunction (5marks)
- c. Damages (5marks)
- d. Impossibility or Frustration (5marks)