



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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MAIN EXAMINATION

JANUARY – APRIL 2014 TRIMESTER

FACULTY OF COMMERCE

DEPARTMENT OF MARKETING AND MANAGEMENT

REGULAR PROGRAMME

CMM 112: PRINCIPLES OF COMMERCIAL LAW

Date: APRIL 2014

Duration: 2 Hours

INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions

- Q1. a) In what ways would the following people find the study of commercial law helpful?
- i) Restaurant owner (2 marks)
 - ii) Consumer (2 marks)
 - iii) University student in a partnership business. (2 marks)
 - iv) House help (home girl or boy) (2 marks)
- b) i) Define the doctrine of equity. (4 marks)
- ii) Mention **TWO** contributions of equity. (4 marks)
- c) Critically analyze the essential elements of a valid contract. (14 marks)
- Q2. a) Explain the different sources of law in Kenya. (10 marks)
- b) Illustrate the court structure in Kenya and also describe the courts therein. (10 marks)

- Q3. a) Explain the following principles of law:
- i) Nemo dat quad non habet. **(4 marks)**
 - ii) Ex Turpi causa non orbitur Actio. **(4 marks)**
 - iii) Equitable doctrine of restitution **(4 marks)**
- b) Describe the circumstances under which a valid contract can be terminated or discharged. **(8 marks)**
- Q4. a) Analyze the different types of civil and criminal wrongs. **(14 marks)**
- b) Give the characteristics of the following negotiable instruments:
- i) Cheque **(2 marks)**
 - ii) Bill of exchange **(2 marks)**
 - iii) Promissory notes **(2 marks)**

END