



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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**MAIN EXAMINATION**

**AUGUST - DECEMBER 2018 TRIMESTER**

**FACULTY OF COMMERCE**

**DEPARTMENT OF ACCOUNTING AND FINANCE**

**ODEL / REGULAR PROGRAMME**

**CMM 112: PRINCIPLES OF COMMERCIAL LAW**

**Date: DECEMBER 2018**

**Duration: 2 Hours**

**INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions**

- Q1. a) Describe the principle and subsidiary sources of law in Kenya (10 marks)
- b) Analyze the essential elements of a valid contract. (10 marks)
- c) With the help of examples, explain the different types of criminal and civil laws. (10 marks)
- Q2. a) Illustrate the court structure in Kenya and describe the courts therein (10marks)
- b) Discuss any four duties of partners as stipulated in the Partnership Act (10marks)
- Q3. a) Explain the options available to the innocent party in case of breach of a valid contract. (8 marks)
- b) With help of examples, explain the following concepts of law:
- i) Ultra-vires and intra-vires (4 marks)
  - ii) Moral wrong and legal wrong (4 marks)
  - iii) The law of tort (4 marks)
- Q4. a) Describe at least **three** negotiable instruments (6 marks)

- b) Discuss the ways in which agency is created and highlight the duties and rights of an agent **(14 marks)**

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