



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

## A. M. E. C. E. A MAIN EXAMINATION

AUGUST – DECEMBER 2018 TRIMESTER

FACULTY OF LAW

REGULAR PROGRAMME

CLS 226: COMMERCIAL LAW

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Date: DECEMBER 2018

Duration: 2 Hours

INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions

Q1. a) Avril your longtime friend passes by your house one afternoon and informs you that she has found a new way of making quick money. On enquiring she informs you that an organization in Nairobi is willing to buy one of her kidneys for a handsome amount of money. She further informs you that she has made all the necessary arrangements within the coming week.

From a sale of goods perspective, what advice would you give Avril. **(10 marks)**

- b) Write short notes on **FOUR** of the following
- i) Termination of agency **(5 marks)**
  - ii) Perfect tender rule in sale of goods **(5 marks)**
  - iii) Distinguish between various types of agency **(5 marks)**
  - iv) Liability for the deterioration of or damaged to goods during transit. **(5 marks)**
  - v) Couturier V Hastie (1952) in sale of goods **(5 marks)**

Q2. Discuss the exceptions to “NEMO DAT QUOD NON HABET”. **(20 marks)**

Q3. Discuss the concept and application of the following under the Hire Purchase Act (chapter 507) laws of Kenya:

- a) Implied conditions

- b) Implied warranties (20 marks)
- Q4. Describe and discuss the concept of **void** and **voidable** contracts under S. 8 of the Hire Purchase Act. (20 marks)
- Q5. Write short notes on:
- a) Rights of an agent
  - b) Conditions as to the fitness or quality
  - c) Liability of undisclosed principal
  - d) Terms of agency (20 marks)

**\*END\***