



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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**MAIN EXAMINATION**

**MAY – AUGUST 2019 TRIMESTER**

**FACULTY OF COMMERCE**

**DEPARTMENT OF MARKETING AND MANAGEMENT**

**REGULAR PROGRAMME**

**CMM 121: BUSINESS TRANSACTIONS AND LAW**

**Date: JULY 2019**

**Duration: 2 Hours**

**INSTRUCTIONS: Answer Question ONE and any other TWO Questions**

- Q1. (a) Define a contract of sale of goods and discuss the essential elements of a contract of sale. **(10 marks)**
- (b) What is a Hire Purchase Agreement? Explain the essential elements of a Hire Purchase Contract. **(10marks)**
- (c) The *nemo dat quod non habet* nemo rule is that if a person does not have a title to the goods, they cannot pass good title. There are, however, a number of exceptions to this rule.  
Explain how the following statutory exceptions apply in practice:
- i. Estoppel
  - ii. Common Law or statutory power of sale.
- (10 marks)**
- Q2 Where the buyer is in breach of a contract to the seller, the seller may exercise statutory rights against the goods, subject to certain conditions. Explain what those rights are **(20 marks)**
- Q3 Define the term “Agency “.Explain the various ways in which a Contract of

Agency may be terminated. Use relevant case law to support your answer.

**(20**

**marks)**

Q4 a) What do you understand by the term 'International contract of sale?

**(10 marks)**

b) Discuss the matrix of International sale contracts. circumstances under which a contract of guarantee may come to an end.

**(10**

**marks)**

**\*END\***