

Name: _____ Index No: _____

2801/306

2806/306

2810/306

**COMMERCIAL AND
ADMINISTRATIVE LAW****November 2015****Time: 3 hours**

Candidate's Signature: _____

Date: _____

**THE KENYA NATIONAL EXAMINATIONS COUNCIL**

**DIPLOMA IN SECRETARIAL STUDIES
DIPLOMA IN BUSINESS ADMINISTRATION
DIPLOMA IN LEGAL SECRETARIAL STUDIES**

COMMERCIAL AND ADMINISTRATIVE LAW**3 hours****INSTRUCTIONS TO CANDIDATES**

Write your name and index number in the spaces provided above.

Sign and write the date of the examination in the spaces provided above.

*This paper consists of **SEVEN** questions.*

*Answer any **FIVE** questions in the spaces provided in this question paper.*

All questions carry equal marks.

Candidates should answer the questions in English.

For Examiner's Use Only

Question	1	2	3	4	5	6	7	TOTAL SCORE
Candidate's Score								

This paper consists of 16 printed pages.

Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.

1. (a) Explain **six** rights of a partner, according to the partnership Act Cap 29, of the laws of Kenya. (12 marks)
- (b) Highlight **four** conditions under which a contract of guarantee may be held invalid. (8 marks)
2. (a) Explain **five** implied conditions in a contract for the sale of goods. (10 marks)
- (b) Outline **five** duties of a hirer to the owner of goods in a contract of hire purchase. (10 marks)
3. (a) State **four** shortcomings associated with delegated legislation. (8 marks)
- (b) Explain **six** advantages of using administrative tribunals. (12 marks)
4. (a) Poka College delivered books to Hi-Tech Binders for binding. Hi-Tech Binders agreed to complete the work and return the books within two weeks, to enable Poka College students to prepare for the final examinations. Hi-Tach Binders failed to return the books within the agreed period. Two months after the deadline for returning the books had expired, the books got burnt in a fire that had accidentally broken out in the premises of Hi-Tech Binders. Poka College intends to sue Hi-Tech Binders.
 - (i) Explain the legal principles applicable in this case. (8 marks)
 - (ii) Advise Poka College. (2 marks)
- (b) In relation to the law of insurance, highlight **five** characteristics of an insurance contract. (10 marks)
5. (a) Explain **six** factors which may render a by-law invalid. (12 marks)
- (b) Highlight **four** circumstances under which an agent may delegate his powers and duties to other persons. (8 marks)
6. (a) Explain **five** circumstances under which a bill of exchange may be discharged. (10 marks)
- (b) Highlight **five** benefits of using arbitration to resolve disputes among parties. (10 marks)
7. (a) Outline **five** essentials of a valid contract. (10 marks)
- (b) Explain **five** ways in which a lease may be terminated. (10 marks)