

MURANG'A COLLEGE OF TECHNOLOGY
BUSINESS STUDIES DEPARTMENT
C.A.T. III EXAMINATIONS DEPARTMENT
COMMERCIAL LAW
C. A.T. II (C.P.A CLASS)
DATE: 6TH SEPT., 2012

ANSWER **ALL** QUESTIONS:
ALL QDUESTIONS **CARRY EQUAL** MARKS:

Q1 (a)(i) Explain the exception to the rule in pinnel's case. (8 marks)

(ii) The general rule is that acceptance of an offer is ineffective unless and until it is communicated to the offeror. Explain the exceptions to this rule. (4 marks)

(b) Abel put the following advertisement in the daily papers.

“ One ivory chessboard for sale at a reasonable price”

Caleb called Abels office but found the answering machine and left a message accepting to buy the chessboard. Abel's secretary, on returning from tea accidentally deleted the message without listening to it. Later in the evening ,Andrew tells Caleb that he has bought the chessboard from Abel. Caleb is aggrieved and seeks your legal advice

(i) Explain the legal principles applicable in this case.

(ii) Advise Caleb.

Q2. (a) Explain **FIVE** advantages of Acts of parliament as a source of law in Kenya. (10 marks)

(b) Explain **FIVE** points of distinction between civil and criminal case. (10 marks)

Q3(a) The constitution of Kenya provides that “No person shall be deprived of his right to own property” Outlined **FIVE** exceptions to this right. (10 marks)

Q4 (a) In relation to the law of contract, outline the essential elements of a valid contract.. (10 marks)

(b) Explain **FIVE** kinds of Jurisdiction exercised by the High Court of Kenya. (10 marks)