



KISII UNIVERSITY
UNIVERSITY EXAMINATIONS

SPECIAL EXAMINATIONS
SECOND YEAR EXAMINATION FOR THE AWARD OF THE
DIPLOMA IN LAWS
FIRST SEMESTER, 2021/2022
(FEBRUARY - JUNE, 2022)

DLAW 0213: COMMERCIAL LAW

STREAM: Y2 S1

TIME: 2 HOURS

DAY: FRIDAY, 3:00 – 5:00 P.M.

DATE: 22/07/2022

INSTRUCTIONS

- 1. Do not write anything on this question paper.***
- 2. Answer question ONE (Compulsory) and any other TWO questions.***
- 3. Illustrate your answer with relevant cases and statutory provisions where applicable.***

QUESTION ONE

- (a) Define Liquidation (2 marks)
- (b) Discuss the existing and the recognized methods of Liquidations (8 marks)
- (c) Elucidate the effects of Bankruptcy on Persons and Business contracts (10 marks)
- (d) Discuss the importance and /or benefits of the enactment of movable security right Act 2017 to small and medium enterprises in Kenya (10 marks)

QUESTION TWO

- (a) Briefly highlight the essential elements of a bill (10 marks)
- (b) Discuss how Bills of exchange are negotiated (10 marks)

QUESTION THREE

- (a) Discuss at least (3) types of negotiable instruments (9 marks)
- (b) Discuss the features of negotiable instruments (9 marks)
- (c) Define Negotiable instruments (2 marks)

QUESTION FOUR

- (a) State and explain the parties to a negotiable instrument (12 marks)
- (b) Part V11 of movable security right Act 2017, set about the regulations in respect of the enforcement of the security rights by a secured creditor upon default by granter: Explain the process of enforcement of a security right (8 marks)

QUESTION FIVE

In 2017 the Kenyan Parliament enacted the Movable Property Security Right Act to govern the Creation of security rights with regards to movable property. With the above foregoing in mind explain the following

- (a) State and explain the content of security right agreement (10 marks)
- (b) Outline and explain the process of registration of security right (10 marks)