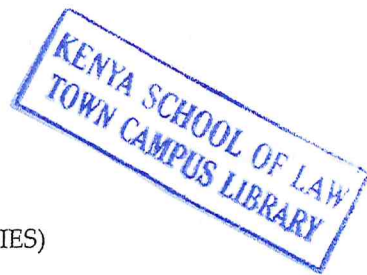


THE KENYA SCHOOL OF LAW



DIPLOMA IN LAW (PARA-LEGAL STUDIES)

1ST YEAR TERM II UNITS, 2026 EXAMINATION

ELEMENTS OF COMMERCIAL LAW-PTP 103

SPECIAL EXAMINATION

10TH APRIL, 2026

DURATION: 2 HOURS

2.00 PM – 4.00 PM

Instructions to Candidates

- (a) Answer Question ONE and ANY OTHER THREE Questions
- (b) Question ONE carries 25 Marks
- (c) All other questions carry 15 Marks each

PLEASE TURN OVER

Question One

- (a) With reference to the Sale of Goods Act, distinguish between a sale and an agreement to sell and explain the implications of this distinction for the passing of property and risk in the goods. (15 marks)
- (b) Discuss how the provisions of the Sale of Goods Act mentioned above apply in the era of modern online e-commerce platforms (10 marks)

Question Two

- a) Explain the meaning of the rule *nemo dat quod non habet* as provided under the Sale of Goods Act. (3 marks)
- b) Describe four (4) main statutory exceptions to this rule under the Act, including the conditions that must be satisfied for each exception to apply. (12 marks)

Question Three

- a) Using decided cases, outline and explain the implied conditions and warranties under Sections 14 to 17 of the Sale of Goods Act. (10 marks)
- b) Explain the relevance of the said implied conditions and warranties to consumer protection in Kenya. (5 marks)

Question Four

Describe the rules governing the passing of property in goods under the Sale of Goods Act, with particular reference to:

- a) Unascertained goods (5 marks)
- b) Specific or ascertained goods (5 marks)
- c) Reservation of the right of disposal by the seller (5 marks)

Question Five

- a) Explain the duties of the seller and duties of the buyer under a contract of sale of goods as provided in the Sale of Goods Act. (5 marks)
- b) Explain the remedies available to an unpaid seller. (10 marks)

Question Six

Define agency and explain:

- a) Its essential characteristics and the ways in which an agency relationship may be created. (5 marks)
- b) The circumstances under which a principal may be bound by the acts of an agent. (5 marks)
- c) When an agent may incur personal liability. (5 marks)



THE KENYA SCHOOL OF LAW



DIPLOMA IN LAW (PARA-LEGAL TRAINING PROGRAMME)

EXAMINATION - FIRST YEAR TERM 2

ELEMENTS OF COMMERCIAL LAW – PTP 103

27TH NOVEMBER, 2025

DURATION: 2 HOURS

2.00 PM – 4.00 PM

Instructions to Candidates

- (a) Answer Question ONE and ANY OTHER THREE Questions
- (b) Question ONE carries 25 Marks
- (c) All other questions carry 15 Marks each

PLEASE TURN OVER

QUESTION 1

Mutembei, through a written agreement, has contracted Waithaka to sell his motor vehicle (a Toyota Prado) on his behalf. Both parties have signed the agency contract. The agreement is that Waithaka should sell the Toyota Prado for KShs 15 million. Within a period of a month, Waithaka informs Mutembei that a potential buyer has indicated his interest in purchasing the Toyota Prado but he would like to inspect and test drive it before formalizing the agreement. Owing to the fact that Mutembei is busy, he authorizes Waithaka to take possession of the Toyota Prado for a period of 12 hours for purposes of inspection and test drive. However, Waithaka does not return the vehicle to Mutembei. 3 days after the inspection and test drive, Mutembei is arrested by the police on suspicion of murder as his Toyota Prado was seen in the CCTV footage at the murder scene.

- a. Explain 5 (five) legal remedies that Mutembei has against Waithaka (10 marks)
- b. Further to the aforementioned narrative, discuss 5 (five) implied duties that Waithaka has towards Mutembei. (10 marks)
- c. In the scenario above what legal advice would you give Mutembei if he discovers that Waithaka secretly sold the Toyota Prado for Ksh 20 million instead of Ksh 15 million without informing him? (5 marks)

QUESTION 2

Write explanatory notes on the following:

- a) Specific goods and unascertained goods. (5 marks)
- b) Implied conditions under Section 15 of the Sale of Goods Act (Sale by Description)? (5 marks)
- c) The effect of perishability of specific goods on a contract for the sale of goods? (5 marks)

QUESTION 3

- a) The passing of property in goods determines who bears risk and rights of parties to contracts for the sale of goods.

With the above statement in mind, discuss the rules under Sections 19–22 of the Sale of Goods Act for ascertaining when property passes. (10 marks)

- b) Outline (FIVE) 5 situations when a buyer may reject goods and repudiate the sale of goods contract. (5 marks)



QUESTION 4

a) The *nemo dat quod non habet* principle protects ownership but commerce demands exceptions for bona fide purchasers. Identify and explain 5 exceptions to this principle under the Sale of Goods Act.

(10 marks)

b) Discuss the effectiveness of the Sale of Goods Act in addressing e-commerce challenges such as misrepresentation and disputes regarding ownership of goods.

(5 marks)

QUESTION 5

Discuss at least 5 (five) areas of influence of the law of sale of goods. (15 marks)

QUESTION 6

"The agency relationship is fiduciary, requiring utmost good faith." Name and explain 5 ways in which an agency relationship can be created.

(15 marks)





THE KENYA SCHOOL OF LAW



DIPLOMA IN LAW (PARA-LEGAL STUDIES)

1ST YEAR TERM II SPECIAL / SUPPLEMENTARY EXAMINATIONS

ELEMENTS OF COMMERCIAL LAW – PTP 103

10TH APRIL 2025

DURATION: 2 HOURS

Instructions to Candidates

- (a) Answer Question ONE and ANY OTHER THREE Questions
- (b) Question ONE carries 25 Marks
- (c) All other questions carry 15 Marks each

PLEASE TURN OVER

Question One

- (a) Explain FIVE (5) implied duties of an agent. (10 Marks)
- (b) Describe the distinct elements of a sale of goods contract. (10 Marks)
- (c) Distinguish between right of lien and right of stoppage in *transitu*. (5 Marks)

Question Two

Discuss the various ways in which the agency relationship may be brought into existence. (15 Marks)

Question Three

- (a) Explain FOUR (4) effects of property passing between buyer and seller. (8 Marks)
- (b) With the use of examples, discuss the TWO (2) classifications of sellers' remedies in a sale of goods contract. (6 Marks)
- (c) Define a contract for the sale of goods. (1 Marks)

Question Four

- (a) Explain FIVE (5) exceptions to *nemo data quod non-habet* (10 Marks)
- (b) Highlight FIVE (5) instances when an agent can be held personally liable in an agency agreement. (5 Marks)

Question Five

- (a) List SEVEN (7) of the seller's duties in a sale of goods contract. (7 Marks)
- (b) Distinguish between: -
 - (i) A sale and an agreement to sell. (2 Marks)
 - (ii) Fundamental obligation and minor obligation. (2 Marks)
 - (iii) General agent and special agent. (2 Marks)
 - (iv) Factor and mercantile agent. (2 Marks)



Question Six

Explain FIVE (5) circumstances in which the law of sale of goods can be applied. (15 Marks)

END

THE KENYA SCHOOL OF LAW



DIPLOMA IN LAW (PARA-LEGAL STUDIES)

1ST YEAR TERM II EXAMINATIONS

ELEMENTS OF COMMERCIAL LAW – PTP 103

28TH NOVEMBER, 2024

DURATION: 2 HOURS

2.00 PM – 4.00 PM

Instructions to Candidates

- (a) Answer Question ONE and ANY OTHER THREE Questions
- (b) Question ONE carries 25 Marks
- (c) All other questions carry 15 Marks each

PLEASE TURN OVER

QUESTION ONE

- (a) With the use of an appropriate example, distinguish between a condition and a warranty. (2 marks)
- (b) Explain at least 5 (FIVE) conditions that are implied in the contract for sale of goods. (10 marks)
- (c) Identify and describe at least 5 (FIVE) types of agents. (10 marks)
- (d) Termination of an agency agreement by the act of the parties themselves is subject to 3 (THREE) qualifications. List these 3 (THREE) qualifications. (3 marks)

QUESTION TWO

- (a) Distinguish between ascertained and unascertained goods. (2 marks)
- (b) List the 3 (THREE) main categories of unascertained goods. (3 marks)
- (c) Enumerate at least 10 (TEN) requisites of valid ratification in agency. (10 marks)

QUESTION THREE

- (a) Explain the 2 (TWO) personal remedies available to an aggrieved seller in a sale of goods transaction. (4 marks)
- (b) Describe at least 3 (THREE) conditions implied in a contract for the sale of goods; where the sale is by sample. (6 marks)
- (c) Outline 5 (FIVE) rules governing the delivery of goods. (5 marks)

QUESTION FOUR

Channan Singh J in the case of *Weingut v. Leslie* (1967) EA 480 stated, "*this case is an example of the classical conflict between two principles of law.*" He further quoted Lord Denning's decision in *Bishopsgate Motor Finance Limited v. Transport Brakes Ltd* (1949) 1 KB 332. This ultimately illustrated the workings of '*nemo dat quod non-habet*' and its exceptions. DISCUSS. (15 marks)

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QUESTION FIVE

- (a) Describe at least 4 (FOUR) effects of title passing between the buyer and the seller in a sale of goods transaction. (8 marks)
- (b) Expound on at least 7 (SEVEN) implied duties that bind the agent in an agency contract that need not be put in the contractual document. (7 marks)

QUESTION SIX

The law of sale of goods started developing before the enactment of the English Sale of Goods Act of 1893. Discuss 5 (FIVE) areas of influence of the law of sales on the said statute. (15 marks)

END

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DIPLOMA IN LAW (PARA-LEGAL STUDIES)

1ST YEAR TERM II EXAMINATION

ELEMENTS OF COMMERCIAL LAW – PTP 103

8th June 2021

DURATION: 2 HOURS

Instructions to Candidates

- (a) Answer Question ONE and ANY OTHER THREE Questions
- (b) Question ONE carries 25 Marks
- (c) All other questions carry 15 Marks each

PLEASE TURN OVER

QUESTION ONE:

- a) With specific reference to sale of goods:
 - (i) Highlight three rights of the seller against the goods. (12 marks)
 - (ii) Three exceptions to the **Nemo Dat Rule**. (6 Marks)
- b) Discuss the ways of terminating agency by act of the parties. (7 Marks)

QUESTION TWO:

- a) Explain the main requisites of valid ratification. (10 Marks)
- b) Outline **FIVE** rules governing delivery of goods. (5 Marks)

QUESTION THREE:

- a) "The doctrine of Caveat Emptor protects the consumer of goods and services in Kenya". Outline any **FIVE** exceptions to the doctrine. (10 Marks)
- b) Define the following terms and how they apply to sale of goods
 - (i) C.I.F (3 Marks)
 - (ii) F.O.B (2 Marks)

QUESTION FOUR:

- a) Discuss any **FOUR** mercantile / commercial agents with the help of decided cases. (10 Marks)
- b) Outline any **FIVE** implied conditions in a sale of goods contract. (5 Marks)

QUESTION FIVE:

Distinguish between:

- a) Right of lien and Right of stoppage in transit. (5 Marks)
- b) Sale and Agreement to Sell; (5 Marks)
- c) Del Credere Agent. (5 Marks)

QUESTION SIX:

- a) Explain the types of agent's authority in relation to goods. (10 Marks)
- b) Outline **FIVE** implied warranties in a sale of goods contract. (5 Marks)

END

THE KENYA SCHOOL OF LAW



DIPLOMA IN LAW (PARA-LEGAL STUDIES)

1ST YEAR TERM II EXAMINATION

ELEMENTS OF COMMERCIAL LAW – PTP 103

5TH APRIL, 2022

DURATION: 2 HOURS



Instructions to Candidates

- (a) Answer Question ONE and ANY OTHER THREE Questions
- (b) Question ONE carries 25 Marks
- (c) All other questions carry 15 Marks each

PLEASE TURN OVER

QUESTION 1

(a) Discuss the exceptions to agency by ratification.



(10 marks)

(b) Distinguish between:

(i) Sale and Agreement to sell.

(10 marks)

(ii) Agency by estoppel and Agency by holding out.

(5 marks)

(c) Using appropriate cases, outline instances when an agent can sub delegate his authority.

(5 marks)

QUESTION 2

(a) Discuss any five rights of an agent

(10 marks)

(b) Outline circumstances when an unpaid seller's right of lien is lost.

(3 marks)

(c) Explain the term irrevocable agency.

(2 marks)

QUESTION 3

(a) Using statutory provisions, explain the exceptions to *Nemo Dat Non Quod Habet*.

(10 marks)

(b) Outline two major classifications of agents.

(5 marks)

QUESTION 4

(a) Outline four rules relating to Sale by auction.

(5 marks)

(b) Discuss five (5) implied conditions in a sale of goods contract.

(10 mark)



QUESTION 5

(a) Explain real remedies available to an unpaid Seller.

(5 marks)

(b) Atinga Consulted Patel, a motor vehicle dealer for a car suitable for touring purposes in a rough terrain. The car dealer suggests a Probox as appropriate for the purpose. Atinga accordingly entered into a contract and bought the Probox. The car turned out to be unsuitable for touring purposes. Atinga is intending to reject it. Advise Atinga.

(10 marks)

QUESTION 6

(a) Outline the classification of goods in a sale of goods Contract.

(10 marks)

(b) Using appropriate examples, describe the remedies of the buyer against the seller in a sale of goods contract.

(10 marks)

END



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DIPLOMA IN LAW (PARA-LEGAL STUDIES)

FIRST YEAR TERM II EXAMINATION

ELEMENTS OF COMMERCIAL LAW - PTP 103

21ST MARCH 2023

DURATION: 2 HOURS

Instructions to Candidates

Answer Question ONE and ANY OTHER THREE Questions

Question ONE carries 25 Marks

All other questions carry 15 Marks each

PLEASE TURN OVER

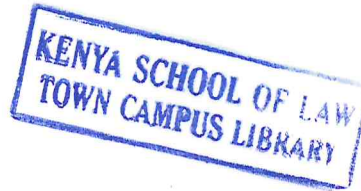
QUESTION ONE

- i. Discuss the distinct elements of a sale of goods contract. (10 Marks)
- ii. Discuss at least FIVE exceptions to *nemo dat quod non-habet*. (10 Marks)
- iii. List FIVE conditions that must be fulfilled for a principal to ratify the acts of an agent. (5 Marks)

QUESTION TWO

Distinguish between:

- i. Sale of goods and bailment. (5 Marks)
- ii. Right of lien and right of stoppage in transitu. (5 Marks)
- iii. Sale and agreement to sell. (5 Marks)



QUESTION THREE

Discuss the various ways in which the agency relationship may be brought into existence. (15 Marks)

QUESTION FOUR

- i. Discuss the agent's implied duties in an agency agreement. (7 Marks)
- ii. Explain the effects of passing of property between the buyer and the seller. (8 Marks)

QUESTION FIVE

- i. Explain the types of agent's authority in relation to goods. (10 Marks)
- ii. Discuss the personal remedies of the seller of goods (3 Marks)
- iii. Define a contract for the sale of goods. (2 Marks)

QUESTION SIX

Section 20 of the Sale of Goods Act provides the rules for ascertaining intention as to time when property passes. Discuss. (15 Marks)

END

THE KENYA SCHOOL OF LAW

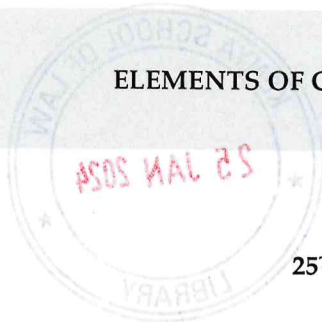


DIPLOMA IN LAW (PARA-LEGAL STUDIES)

1ST YEAR TERM II EXAMINATIONS



ELEMENTS OF COMMERCIAL LAW – PTP 103



25TH JANUARY 2023

DURATION: 2 HOURS

PLEASE TURN OVER

Instructions to Candidates

- (a) Answer Question ONE and ANY OTHER THREE Questions
- (b) Question ONE carries 25 Marks
- (c) All other questions carry 15 Marks each

QUESTION ONE

- (a) With the aid of statute and case law as examples, discuss why the latin maxim, *nemo dat quod non-habet* has to be upheld by the contracting parties during preparation of a sale of goods contract. (10 Marks)
- (b) One of the seller's duties in a sale of goods contract is the duty to supply goods of the right quality. However, there are certain exceptions to this specific duty allowable by law. With the use of examples, discuss FIVE exceptions. (10 Marks)
- (c) Distinguish between agency and trusts. (5 Marks)

QUESTION TWO

- (a) Define agency within the meaning of sale of goods. (1 Mark)
- (b) Just as an agency relationship is birthed, at some point it has to come to an end.
 - (i) With the use of examples, discuss TWO ways in which an agency relationship can come to an end. (Give at least two examples per point). (6 Marks)
 - (ii) Give THREE effects of termination of the agency relationship. (3 Marks)
- (c) List the elements of a sale of goods contract. (5 Marks)

QUESTION THREE

- (a) Distinguish between:
 - (i) A sale and an agreement to sell. (2 Marks)
 - (ii) Fundamental obligation and minor obligations. (2 Marks)
 - (iii) Conditions and warranties. (2 Marks)
 - (iv) General agent and special agent (2 Marks)
 - (v) Factors and mercantile agents (2 Marks)
- (b) With the use of examples, discuss the TWO classifications of seller's remedies in a sale of goods contract. (5 Marks)



QUESTION FOUR

- (a) One of the exceptions to *nemo dat quod non-habet* principle is referred to as 'a sale under a special power of sale'. This exception can be sub-divided into three. With the use of examples, discuss the THREE sub-categories of sale under special power of sale. (9 Marks)
- (b) List SIX rules relating to sale by auction. (6 Marks)

QUESTION FIVE

- (a) Explain the sources of sale of goods law in Kenya. (6 Marks)
- (b) List SIX ways via which delivery may be effected. (6 Marks)
- (c) With the use of an example, define *caveat emptor*. (3 Marks)

QUESTION SIX

- (a) An agent, just like a principal and a third party, has rights due to him in a sale of goods contract. Discuss any FIVE rights of an agent. (10 Marks)
- (b) What makes a *del credere* agent unique compared to other types of agents? (3 Marks)
- (c) List any FOUR mercantile / commercial agents, other than a *del credere* agent. (2 marks)

END

THE KENYA SCHOOL OF LAW



DIPLOMA IN LAW (PARA-LEGAL STUDIES)

1ST YEAR TERM II SPECIAL / SUPPLEMENTARY EXAMINATIONS

ELEMENTS OF COMMERCIAL LAW – PTP 103

9TH MAY 2024

DURATION: 2 HOURS

PLEASE TURN OVER

Instructions to Candidates

- (a) Answer Question ONE and ANY OTHER THREE Questions
- (b) Question ONE carries 25 Marks
- (c) All other questions carry 15 Marks each

QUESTION ONE

- (a) Explain **FIVE (5)** conditions that must be fulfilled for a principal to ratify the act of an agent. (10 Marks)
- (b) Explain the types of agent's authority in relation to sale of goods. (6 Marks)
- (c) List **NINE (9)** ways via which agency may terminate by operation of law. (9 Marks)

QUESTION TWO

- (a) List **SEVEN (7)** of the seller's duties in a sale of goods contract. (7 Marks)
- (b) Enumerate **SIX (6)** ways via which delivery may be done according to Kenya's sale of goods law. (6 Marks)
- (c) Define the terms below within the meaning of sale of goods
 - (i) Warranty (1 Mark)
 - (ii) Goods (1 Mark)

QUESTION THREE

- (a) Explain **FIVE (5)** exceptions to '*nemo dat quod non habet*'. (10 Marks)
- (b) With the use of examples, distinguish between ascertained and unascertained goods. (5 Marks)

QUESTION FOUR

- (a) Explain **FIVE (5)** implied duties of an agent. (10 Marks)
- (b) Highlight **FIVE (5)** instances when an agent can be held personally liable in an agency agreement. (5 Marks)

QUESTION FIVE

- (a) Define 'document of title to goods'. (1 Mark)
- (b) With the use of examples, explain the **THREE (3)** real remedies available to an unpaid seller. (6 Marks)
- (c) Discuss **FOUR (4)** effects of property passing between a buyer and seller. (8 Marks)

QUESTION SIX

Section 20 of the Sale of Goods Act provides the rules for ascertaining intention as to time when property passes. With the use of examples, discuss the **FIVE (5)** rules. (15 Marks)

END