

THE KENYA SCHOOL OF LAW



DIPLOMA IN LAW (PARA-LEGAL STUDIES)

2ND YEAR TERM I EXAMINATION

COMMERCIAL LAW II – PTP 202

16TH FEBRUARY, 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) Outline any **five (5)** characteristics of a negotiable instrument. (8 marks)
- b) Discuss the core functions of the Registrar of Moveable Properties Security Rights (10 marks)
- c) Explain four main rights of a bankrupt. (7 marks)

Question Two

- a) Explain the significance and legal implications of making a cheque. (5 marks)
- b) Outline recent developments in money markets in relation to payments. (10 marks)
- c) With aid of examples, outline the rights of a secured creditor in cases where the grantor has defaulted in respect to an obligation. (5 marks)

Question Three

- a) Explain five parties to a promissory note. (10 marks)
- b) Using relevant examples, discuss the five types of material alteration in a cheque. (10 marks)

Question Four

- a) Discuss five ways in which money is transferred. (10 marks)
- b) Outline five ways when a grantor can be identified. (10 marks)

Question Five

- a) Discuss alternatives to bankruptcy. (10 Marks)
- b) Distinguish between tangible assets and intangible assets in moveable property security rights law. (10 marks)

Question Six

- a) Discuss five presumptions of law for every negotiable instrument. (10 marks)
- b) Outline any two Acts amended and two Acts repealed by the Moveable Property Security Rights Act. (10 marks)

END