FORM 2 ENDTERM 3 EXAM

BUSINESS

NAME …………………………………………….….ADM……CLASS……

1. Highlight four unethical issues in product promotion. (4mks)

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2. State four occupations that a person may engage in, in the primary level of production. (4mks)

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3. For each of the features given below, indicate with a tick (v) whether it relates to a public limited company or private limited company. (5mks)

Features	Public Ltd	Private Ltd
a) Can advertise shares		
b) Unlimited number of members		
c) Minimum of seven members		
d) Restricts transfer of shares		

4. The management of Kazikwavijana enterprise is contemplating coming up with a new office block. Name five reasons why they should adopt an open office layout. (5mks)

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5. Classify the following goods as either consumer or producer goods.

Goods	Classification

a) Matatu	
b) Persona Radio	
c) Factory	
d) Clothes	
e) Jembe	
f) Shoes	

6. Indicate the type of Advertising Described in the table below. (4mks)

Description	Type of advertising
a) Creates awareness of the product	
b) Popularizes the business organization	
c) Persuades customers to buy the product	
d) Reminds customers that the product is still in the mirket	

7. Highlight four circumstances under which cash is preferable as a means of payments(4mks)

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8. Write the following in full; (3mks)

a) C. W. O

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b) C. O. D.

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c) L. O. U

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9. Highlight four roles played by insurance in an economy. (4mks)

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10. Creditor may not accept personal cheques for fear that they might be dishonored. Outline five

reasons why a cheque may be dishonored. (5mks)

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11. Muthiora a businessman has a building worth Ksh. 2,000,000 which he insured against Fire for Ksh. 1,500,000. The3 buliding was gutted down by accidental fire and the remains were valued at Ksh. 600,000. Calculate the amount of compensation Muthiora got from the insurance company. (4mks)

12. State two acts of parliament that are meant to protect consumers from exploitation. (2mks)

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SCETION II

13. Explain five disciplines covered in Business studies. (10mks)

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14. Discuss the five essentials of Effective communication. (10mks)

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15. Explain any three principles of insurance.   (6mks)

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