**BUSINESS STUDIES**

**FORM 2**

**TERM 2 EXAMS**

1. Outline four features of free warehouse (4mks)
2. Give four factors that may determine the amount of premium payable in life assuarance(4mks)
3. Give four disadvantages of hire purchase to the seller(4mks)
4. State the procedure an insured must take when making an insurance claim(5mks)
5. State the importance of encouraging upward communication in an organization(4mks)
6. State four circumstances when credit note maybe issued(4mks)
7. State any four government initiated methods of consumer protection.(4mks)
8. Name four types of market gaps(4mks)
9. State four ways in which internal environment of business may negatively affectits activities(4mks)
10. State four merits of replacing manual system with automated ones in carrying out office activities (4mks)
11. Tate four policies under the marine insurance(4mks)
12. Give five functions of retailers to consumers(5mks)
13. State four methods of product promotion(4mks)
14. State four ways used by organizations to safeguard and protect its property(4mks)
15. A trader gives 20% trade discount on the value of goods bought above 100,000/= and also a cash discount 10% if payments are made within one week. Onyango bough goods from the trader on credit worth sh 200,000 on 3rd march 2013 and settled his debts on 8th of the same month. Find how much he paid(4mks)
16. Outline four sources of a business idea(4mks)
17. Highlight circumstances under which a motor cycle would be an appropriate means of transport(4mks)