



PAN AFRICA CHRISTIAN UNIVERSITY
DIPLOMA IN SUPPLIES MANAGEMENT
END OF TERM EXAMINATION

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS

COURSE CODE: DSM104

COURSE TITLE: LEGAL ISSUES IN PURCHASING

EXAM DATE: .THURSDAY 31st, MARCH 2016

TIME: 1400HRS – 1700HRS

INSTRUCTIONS

- Read all questions carefully before attempting.
- Write your **student number** on the answer booklet provided.
- **Answer any five Questions**
- Fasten together all loose answer sheets used
- Switch off all Mobile Phones and PDAs.

QUESTION ONE

- a) Explain five benefits you would derive as a supplies and purchasing specialist by understanding the legal issues in purchasing. (5Marks)
- b) Discuss five standard legal documentations in the purchasing of goods and services. (10Marks)
- c) Highlight the rules in regard to consideration in the law of contract. (5Marks)

QUESTION TWO

- a) Discuss five essentials of a valid contract. (10Marks)
- b) Highlight five duties of an agent. (5Marks)
- c) Enumerate five functions of the public procurement regulatory authority. (5Marks)

QUESTION THREE

- a) Explain five ways in which an agency relationship can arise. (10 Marks)
- b) Discuss the concept of capacity to enter into a valid contact. (10Marks)

QUESTION FOUR

- a) Discuss five ways of discharging a contract. (10Marks)
- b) Explain the implications of law in regard to the rights of an unpaid seller of goods. (10Marks)

QUESTION FIVE

- a) Peter has currently engaged Richard as his broker in his real estate business. Explain to both Peter and Richard on five ways through which they can terminate their relationship. (10Marks)
- b) Discuss five ways of consumer protection in the entire purchase process. (10Marks)

QUESTION SIX

- a) Discuss five implied conditions in a contract of sale of goods (10Marks)
- b) Highlight five reasons that would lead to the termination of the director-General of the Public Procurement Regulatory Authority. (5Marks)
- c) Enumerate five ways in which a seller may give a better title to the buyer than he himself has in the goods. (5Marks)