



MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

**SECOND YEAR SECOND SEMESTER EXAMINATION FOR
DIPLOMA IN PROCUREMENT AND SUPPLY CHAIN MANAGEMENT**

BBA 038 LEGAL ASPECTS OF PURCHASING

DATE:

TIME:

INSTRUCTIONS:

Answer Question one and any other two Questions.

QUESTION ONE (30 MARKS)

- a) Discuss the various equitable remedies which may be available to an injured party who is suing for breach of contract (10 marks)
- b) Ratification is where the principal adopts an unauthorized out of his agents as his own. Explain the conditions which must be fulfilled for ratification to be effective. (10 marks)
- c) Explain FIVE vitiating factors of a contract (10 marks)

QUESTION TWO (20 MARKS)

- a) In relation to the law of agency. Explain five circumstances under which an agent may be held liable to his principal. (10 marks)
- b) Distinguish between a cheque and a bill of exchange under 'negotiable instruments' contained in the Bill of Exchange Act (cap270) and Cheque Act (cap.35). (10 marks)

QUESTION THREE (20 MARKS)

- a) Law is described as a body of rules for guidance of human conduct which is imposed upon and enforced among the citizen of the state. Discuss. (10 marks)
- b) In relation to the law of contract, explain FIVE ways in which the contract may be discharged. (10 marks)

QUESTION FOUR (20 MARKS)

- a) Explain FIVE essential characteristics of a contract of sale of Goods. (10 marks)
- b) In relation to the law of succession, explain FIVE formalities of a will (10 marks)

QUESTION FIVE (20 MARKS)

- a) Discuss FOUR specific torts clearly giving examples (10 marks)
- b) Under what circumstances will a gift in contemplation of death ‘ Donatio Mortis Causa’ take effect. (10 marks)