



ZIMBABWE EZEKIEL GUTI UNIVERSITY

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FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

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DEPARTMENT OF ECONOMICS, MARKETING AND ENTREPRENEURSHIP

EXAMINATION PAPER

COURSE CODE : CPS 202  
COURSE TITLE : LEGAL ASPECTS IN PURCHASING AND SUPPLY  
SPECIAL REQUIREMENTS : NO SPECIAL REQUIREMENTS  
DURATION : 3 Hours  
LEVEL : 2.1  
DATE : 08 DEC 2023

**INSTRUCTIONS TO CANDIDATES:**

1. No cell phones are allowed in the examination venue.
2. Answer any **FOUR (4)** questions.
3. Begin each question on a new page.
4. The number of marks for each question or part question is shown in brackets [ ]

### **QUESTION ONE**

Examine the requirements of a valid procurement contract in legal aspects of purchasing and supply management. **(25 Marks)**

### **QUESTION TWO**

A Shoe company advertised lowly priced shoes by way of a display on its shop window displays. The company then refused to sell the shoes to a customer who had come for a purchase of shoes. The customer refused to leave the shop until served and police were called. The customer argued that he was not trespassing but was awaiting performance of his contract with the shoe company which emanated because of the offer in the advertisement, which he (customer) accepted.

a) Explain whether there was a valid contract between the shoe company and the customer.

**(10 Marks)**

b) Discuss the application of the concept of consideration in procurement contracts as applied in legal aspects. **(15 Marks)**

### **QUESTION THREE**

Discuss the forms of misrepresentation and provide the remedies of the forms of the misrepresentations. **(25 Marks)**

### **QUESTION FOUR**

The facts were that Zimhunga (Pvt) Ltd negotiated through an estate agent for the purchase of Shumba's shares in a property-owning company. Chidoko who was an employee of the estate agent agreed USD43 000.00 and USD500.00 as commission and Shumba agreed. Shumba however, suggested for an increase in the price but Chidoko indicated that the matter will be discussed and finalized by the lawyers at the time of signing a deed of sale.

a) Assess the legal basis of any claim that Zimhunga could make against Shumba. **(15 Marks)**

b) Explain on the following types of mistakes;

i) Mutual **(5 Marks)**

ii) Unilateral **(5 Marks)**

### **QUESTION FIVE**

a) Discuss the doctrine of subrogation on insurance in the legal aspects of supply chain management. **(15 Marks)**

b) Explain the criteria under which a contract would be terminated by force majeure clause.

**(10 marks)**

**END**