



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING

DEPARTMENT OF ECONOMICS AND BUSINESS SCIENCES

EXAMINATION PAPER

COURSE CODE : CPS 202
COURSE TITLE : LEGAL ASPECTS IN PURCHASING AND SUPPLY
SPECIAL REQUIREMENTS :
DURATION : 3 Hours
LEVEL : 2.1
DATE : 20 NOV 2019

INSTRUCTIONS TO CANDIDATES:

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

Question 1

The Public Procurement and Disposal of Public Assets Act ca 22:23 of 2017 was enacted to achieve certain objectives in public procurement in Zimbabwe. With the aid of practical examples, examine whether such objectives are being met or not. **(25 Marks)**

Question 2

- a) A tobacco company advertised lowly priced tobacco by way of a display on its shop window. The company then refused to sell the tobacco to a customer who had come for a purchase of tobacco. 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 tobacco company which came because of the offer in the advertisement, which he (customer) accepted. Was there a valid contract between the tobacco company and the customer? Give reasons. **(10 Marks)**
- b) Discuss how different countries have managed to trade despite having different legal frameworks. **(15 Marks)**

Question 3

- a) Discuss the concept of “implied terms” as applied to different types of contracts. **(10 Marks)**
- b) Explain the legal implications on a contract entered using the internet. **(9 Marks)**
- c) Explain the term “Memo dat quad non habet as used in legal aspects of purchasing and supply. **(6 Marks)**

Question 4

Giving examples, explain the following terms as used in legal aspects of purchasing and supply:

- a) Express terms **(5 Marks)**
- b) Consideration **(5 Marks)**
- c) Option **(5 Marks)**
- d) Voidable contract **(5 Marks)**
- e) Performance bond **(5 Marks)**

Question 5

Evaluate the four groups of INCOTERMS that apply to international purchasing. (25 Marks)

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