

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

CHUKA AND EMBU CAMPUSES

EXAMINATION FOR THE AWARD OF CERTIFICATE IN PROCUREMENT AND LOGISTICS MANAGEMENT

CPLM 00112: INTRODUCTION TO PROCUREMENT LAW

STREAMS: CPLM

TIME: 2 HOURS

DAY/DATE: FRIDAY 8/12/2017

8.30 A.M - 10.30 A.M.

INSTRUCTIONS:

- Answer Question ONE any other TWO Questions.

QUESTION ONE

(a) Define the following terms;

- (i) Law [2 Marks]
- (ii) Contract [2 Marks]
- (iii) Counter offer [2 Marks]

(b) For a contract to be valid, all the essential elements must be present. In light of this statement, discuss four essential elements of a valid contract. [8 Marks]

(c) Explain how agency by cohabitation is created and discuss proofs under which the agency may be turned down. [7 Marks]

(d) Kenya is a sovereign state and derives its law from various sources. Explain three sources of Kenyan law. [6 Marks]

(e) Shakur invited Amina to accompany him and watch a premier league soccer game between Chelsea and Manchester United. Amina accepted. Shakur purchased a ticket for Amina and waited for her at the cinema hall. Amina neither turned up nor did she bother to call Shakur to inform him of her failure to turn up. Can Shakur launch a case against Amina? Give reason for your answer. [3 Marks]

QUESTION TWO

- (a) Explain the various remedies available for breach of a contract. [10 Marks]
- (b) The Agriculture department of Chuka University has invented a hybrid tomato crop. The head of department has approached you as a consultant for an advice on how to patent the invention.
 - (i) Define the term patent. [2 Marks]
 - (ii) Advise him on the requirements to meet before patenting. [8 Marks]

QUESTION THREE

- (a) Lillian saw a nice dress displayed in one of the famous boutiques in Chuka Town. The dress was labeled Kshs.150. Lillian entered the boutique shop, placed Kshs.150 on the cashier's desk and asked for the dress. The cashier declined the Ksh.150 claiming that the dress was a new arrival from Turkey whose real price was Kshs.15,000 and that the Kshs.150 price tag was as a result of mistake made by the boutique attendant. Is the cashier bound to sell the dress at Kshs.150? Support your answer. [4 Marks]
- (b) Discuss four ways through which an agency relationship may be terminated through operation of law. [8 Marks]
- (c) Explain four ways through which an offer may be terminated. [8 Marks]

QUESTION FOUR

- (a) Eric tells Susan within the hearing of Zeinab that he (Eric) is Zeinab's agent. Zeinab did not object to the statement of Eric and therefore Susan supplied furniture worth Kshs.120,000 to Eric on belief that he was Zeinab's agent. Is Zeinab liable to pay Kshs.120,000 to Susan? [4 Marks]
 - (b) Highlight the duties of an agent towards his principal in an agency relationship. [8 Marks]
 - (c) Distinguish between;
 - (i) Void and voidable contracts [2 Marks]
 - (ii) Private and public laws [2 Marks]
 - (iii) Express and implied contracts [2 Marks]
 - (iv) Criminal and civil laws [2 Marks]
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