



**KISII UNIVERSITY**  
**UNIVERSITY EXAMINATIONS**

**FIRST YEAR EXAMINATION FOR THE AWARD OF THE DEGREE OF**  
**MASTERS IN PURCHASING AND LOGISTICS MANAGEMENT**  
**SECOND SEMESTER, 2021/2022**  
**(JUNE-SEPTEMBER, 2022)**

**MPLM 714: LEGAL ASPECTS IN PURCHASING AND SUPPLY**

**STREAM: Y1 S2**

**TIME: 3 HOURS**

**DAY: FRIDAY, 9:00-12:00 PM**

**DATE: 14/10/2022**

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**INSTRUCTIONS**

- 1. Do not write anything on this question paper.***
- 2. Answer Question ONE and any other THREE Questions.***

**SECTION A. ANSWERE ALL QUESTIONS**

**QUESTION ONE (40 MARKS)**

- a). The purchasing officer may be held personally liable under certain conditions when signing contracts. Explain such instances when purchasing officer will be liable as an agent. (10 marks)
- b). What are the legal rights of the buyer if goods delivered by a supplier do not measure up to the specifications? (10 marks)
- c). Is an oral contract legally enforceable? Under what conditions? (5 marks)
- d). What is alternative dispute resolution? When and how should it be used? (5 marks)
- e). What are statutory rights of a buyer/ consumer under the sale and supply of goods? (10 marks)

## **SECTION B. ANSWER ANY TWO QUESTIONS**

### **QUESTION TWO (20 MARKS)**

- a). When a contract is breached by the supplier the injured party (buyer) has several courses of action that can be taken in law. What are they? (10 marks)
- b). Where an item is being purchased as the result of a tender or quotation exercise, explain invitation to treat, offer and acceptance. (5 marks)
- c). Contract life cycle management is the process of systematically and efficiently managing contract creation, execution and analysis. What are some of the outcomes to prove that contract management is successful? (5 marks)

### **QUESTION THREE (20 MARKS)**

- a). Under what circumstances may an offer may be terminated? (10 marks)
- b). A buyer states a specific date for delivery of goods in the purchase order. The supplier signs and return the purchase order copy for the buyer. The supplier fails to deliver the goods on the PO on time; does the consumer have the right to cancel the contract? (5 marks)
- c). Although generally the law does not require simple contracts to be written however all contracts negotiated within the procurement of goods and services should be in writing. What does written contracts ensure? (5 marks)

### **QUESTION FOUR (20 MARKS)**

Explain the following documents used in the procurement process (buy-side) that you must possess to streamline your processes and experience smoother business operations.

- a. Request for Proposal/RFP (5 marks)
- b. Request for Information/RFI (5 marks)
- c. Invitation for Bid/IFB (5 marks)
- d. Service Level Agreement/SLAs (5 marks)