

BOWEN UNIVERSITY, IWO, OSUN STATE

COLLEGE OF LAW

2022/2023 FIRST SEMESTER EXAMINATION

COURSE CODE: PCL 301

COURSE TITLE: COMMERCIAL LAW I

INSTRUCTIONS: ANSWER AT LEAST 1 QUESTION FROM EACH SECTION AND 4 QUESTIONS IN ALL

TIME ALLOWED: 3 HOURS

Each question carries 17^{1/2} marks

SECTION A

1. Agency created by agreement may confer far more authority than those expressed orally or in writing. In the light of express, implied and usual authority discuss the above statement.
2. Write short notes on the following:
 - (a) Agents and trustees
 - (b) Agents and directors
 - (c) Agents, servants and independent contractors

SECTION B

3. Babalola entered into a contract to supply some goods to Kamoru. Babalola did not disclose that he was acting as the agent of Timaya. Babalola failed to supply the goods as at when due, and Kamoru decided to sue him for breach of contract. In the course of filing the suit, Kamoru discovered that Babalola actually acted for an undisclosed principal (Timaya) and decided to sue Timaya too. Kamoru further stated that he would not have entered into the contract with Babalola if he had known about Timaya's existence. Timaya on his part is proposing to sue Kamoru for publicly tarnishing his image by his (Kamoru's) statement. **Citing relevant judicial and statutory authorities, examine the legal issues involved and advise the parties appropriately.**
4. **Discuss briefly the liabilities or otherwise of parties in the following cases:**
 - (a) Amadi acted as the agent of Dipo who is 17 years old and the son of a roadside mechanic in the purchase of a Ferrari car worth 15 million pounds (£15,000,000) owned by Adamu.
 - (b) Dada signed a bill of exchange as "agent for and on behalf of Okoro". Okoro contends that Dada, and not him (Okoro), should be held liable for any irregularity on the bill.
 - (c) Daboh acted as the agent of Lucaazade in the purchase of 500 cartons of noodles from Jack. Jack issued a receipt for payment to Daboh when in fact he did not receive any money from him. Daboh absconded with the money for payment, and Lucaazade later refused to pay for the cartons of noodles. Jack filed an action against Lucaazade to recover the money, claiming that the receipt was issued to Daboh because he (Jack) knew Lucaazade to be Daboh's principal.
 - (d) Kapo, acting on the authority of his principal Sege, received the sum of One Million Naira (N1, 000,000:00) from Bala and absconded with the money. Sege contends that Bala is still liable to pay the sum of One Million Naira to him since he (Sege) did not receive any money from Kapo.

SECTION C

5. Kayode instructed Folake to sell his estate in Ikeja for N200 Million. Folake was to earn N20 Million as commission. Folake engaged the services of Jide to sell the property for N300 Million. Jide was to receive N15 Million as commission.

Jide sold the estate to Clinton's International for N350 Million. Clinton International gave Jide a Lexus SUV in addition to the N 350 Million. Jide gave N300 Million to Folake as the purchase price. Folake paid N200 Million to Kayode as the purchase price of the Estate. Folake discovered that Jide sold the estate for N350 Million and that he also received a Lexus SUV from Clinton International. She has refused to pay the agreed commission of N 15 Million to Jide.

Meanwhile, Kayode discovered that the Estate was sold for N350 Million and not N200 Million and the purchaser also gave a Lexus Jeep. He has refused to pay Folake the agreed commission. He has asked Folake for the balance of N 150 Million and the Lexus Jeep.

Jide has written to Kayode for his agency fee of N15 Million because he has discovered that Kayode is the owner of the Estate.

Due to Kayode's refusal to pay Folake's commission, Folake has gone to Kayode's showroom to remove 3 exotic cars and informed Kayode that the cars would not be returned until her commission has been paid. **Examine all the legal issues in this case with the aid of judicial authorities.**

6. Write short notes on any three (3) of the following:
- a. Irrevocable agency
 - b. Remuneration of an agent
 - c. Duty of good faith
 - d. Duty of care and skill
 - e. The duty not to delegate is not absolute, so an agent may delegate authority under certain circumstance.