



BOWEN UNIVERSITY, IWO  
College of Management and Social Sciences  
Business Administration Programme  
First Semester 2021/2022 Examination

Level	: 300
Course Title	: COMMERCIAL LAW I
Course Code	: BUS 311
Instruction	: ANSWER ALL QUESTIONS IN SECTION A & THREE IN SECTION B
Time Allowed	: 2 <sup>1/2</sup> HOURS
Date	: 21 <sup>ST</sup> MARCH, 2022

SECTION A

Answer all questions (1.5 Marks each)

1. An agreement on goods which is a subject of a contract but is not the main reason for forming the contract is known as .....
2. The pressure brought to bear upon one of the contracting parties to induce him to enter into the contract is known as .....
3. In Equity; contractual documents can be altered to represent what was agreed, this is known as .....
4. A false statement of fact (not law) made by one party which induces the other (innocent) party into making a contract is known as .....
5. Replacing the old contract with a new one, with fresh terms is known as .....
6. A promise which follows a completed act which is independent of the act or service performed is known as .....
7. Where only one party is mistaken as to the identity of the other party he is contracting with or as to the nature of document she is signing, then this is a .....
8. Basic rights to which every citizen is entitled within a polity is referred to as .....
9. The three features of agency are service, ..... and ..... to affect the legal position of the principal.
10. The third part of Received English Law in addition to Doctrines of Equity and Common Law is the .....
11. The repugnancy test of validity of customary law requires that for customary law to be valid, it must not be repugnant to ....., equity and .....
12. A person is not qualified for appointment as a Justice of the Supreme Court except he has been qualified to practice as a legal practitioner in Nigeria for at least .....years.
13. .... is a situation whereby a person acts without authorisation but the person on whose behalf the act was purported to have been carried out subsequently adopts the act.
14. An agent who that charges a higher rate of commission in order to indemnify the principal if the third party fails to pay or deliver under a contract is known as .....
15. The authority that is inferred from the words of the principal making the agent to act is known as .....

16. A new condition introduced by the offeree in the acceptance of an offer is called .....
17. The Court that has unlimited original jurisdiction in both civil and criminal matters is the .....
18. Laws passed by Parliament or the Legislative arm of government, that is the State House of Assembly or the National Assembly is known as .....
19. In the event of any conflict between the common law and the law of equity, ..... would prevail.
20. A ..... legal system is one in which different sources of laws form its legal system.

### SECTION B

Answer question 1 and any other two.

#### Question 1 (20 Marks)

- a. Musa met Chucks who is a car dealer to buy a brand-new Mercedes Benz saloon car. He paid the price and arranged that it should be delivered to his house. However, when the car was delivered, he discovered that the engine was not new. Musa intends to sue the car dealer.

Required: Advise Musa, stating the following:

The legal issues involved in the case as regards the law of contract (3 Marks)

The facts from the case and the application of relevant aspect of law (4 Marks)

Your conclusion (3 Marks)

- b. Explain 3 distinctions between civil and criminal liability (6 Marks)
- c. Explain the two types of consideration under the law of contract (4 marks).

#### Question 2 (10 Marks)

- a. Explain Agency and four ways by which an agency relationship could be created. (5 Marks)
- b. Agency relationships are dependent on the nature of authority invested on the agent. Discuss three forms of this authority. (5 Marks)

#### Question 3 (10 Marks)

- a. Under the law of contract, mistake is a factor which may invalidate a contract. You are required to state and explain briefly 2 (two) types of mistakes under the law of Contract. (6 Marks)
- b. Explain briefly 2 ways by which a contract can be terminated (4 Marks).

#### Question 4 (10 Marks)

- a. Explain three sources of Nigerian law (6 Marks).
- b. Highlight the composition and jurisdictions of the Supreme Court (4 Marks).