



NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKWE EXPRESS
WAY, JABI - ABUJA
FACULTY OF LAW
DEPARTMENT OF COMMERCIAL LAW (CIL)
OCTOBER/NOVEMBER EXAMINATION 2016

COURSE CODE: LAW 332 (CIL 332)

COURSE TITLE: COMMERCIAL TRANSACTION II

CREDIT UNIT: 4

TIME ALLOWED: 2 ½ HOURS

INSTRUCTIONS: ANSWER FOUR QUESTIONS ONLY.

QUESTION ONE IS COMPULSORY

1. The general principle of law in this regard is that the competency of a person to entrust to another the performance of a task for and on his behalf is co-existent with the competency of that person to perform the task himself. Critically examine this in line with the legal status of the competency of infants, mentally ill person and corporations. (15 Marks)
2. [A.] What do you understand by the principle of *nemo dat quod non habet*
[b.] Identify and explain the exceptions to the rule of *nemo dat quod non habet*
3. The below stated are relationship actions based on principles of law as taught under the course “Law of Commercial Transaction II”. Analyse the scenario, apply proper answers and conclude the entire scenario together with a cut across judicial authority. (25 Marks)
 - a. Adeoti a legal practitioner and a property consultant runs a very busy schedule and at any time he travels, his office messenger Adewale has always acted under his authority to go round and collect the rent due and payable from the tenants in occupation of the firms property. With the aid of a judicial decision describe the type of legal relationship existing between Adeoti and Adewale.
 - b. What would be your description of the relationship if Adeoti has officially appointed Adeoyo to act for him on the line of duties which Adewale has been

performing, but has not acted accordingly and that is the reason why Adewale has been doing the work for Adeoti who has not at any time reprimanded him but instead appreciate him for so doing.

- c. Babatunde while on his journey to Dubai instructed his Wife Chinenye to represent him at the wedding of his colleague Chukwuka , what will be the legal status applicable to Chinenye and the legal implication as regards the husbands instruction.
 - d. Madam Bimpe Olole a full time house-wife sent Alainikanse a boy in the neighbourhood to Arambara Local Supermarket in Agege to purchase a loaf of bread for her and on her behalf, what will be the legal status applicable to Alainikanse and the legal implication as regards his relationship to Madam Bimpe Olole.
4. Expressly embark on a voyage of examining the major characteristics that underlines the creation of agency relationship vis-à-vis the identification of the types of agency authourity existing using appropriate judicial authourities. (15 Marks)
 5. In order to protect the general public from loss or damage at the hands of unscrupulous, unqualified and inexperienced persons who may take advantage of the ignorance of the consuming public, the law has placed limitations on the right of certain trade, business or professionals to be or act as an agent. Discuss. (15 Marks)
6. WRITE SHORT NOTES ON THE FOLLOWING:
 - A. Capacity to buy and sell
 - B. Consideration
 - C. Contract of sale of goods