



NATIONAL OPEN UNIVERSITY OF NIGERIA
14-16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF MANAGEMENT SCIENCES
OCTOBER 2013 EXAMINATION

Course Code: ACC307

Credit Unit: 2.

Course Title: COMMERCIAL LAW

Time Allowed: 2 Hours.

Instructions: 1. Attempt Question 1 and any other two (2) Questions.

2. Question 1 is compulsory and carries 30 marks

while the other 2 Questions carry 20 marks each.

3. Present all your points in coherent and orderly manner.

**1. a. Define the term 'Offer' and 'Acceptance'.
6 MARKS**

**b. State the conditions for a valid Offer.
6 MARKS**

**c. Discuss the various ways in which an Offer can be terminated.
18 MARKS**

2. Discuss the different duties which an Agent owes to his Principal.

20 MARKS

**3. a. Attempt a concise definition of Consideration.
5 MARKS**

b. When Consideration is past, it is unenforceable. Do you agree? 5 MARKS

c. Distinguish between Executed and Executory Considerations. 10 MARKS

4. a. Distinguish between 'agreement' and 'contract'.

4 MARKS

b. Outline any four 'constituent elements' of a contract.

16 MARKS

5. List and explain the conditions that may lead to the termination of Agency by operation of law.

20 MARKS