



NATIONAL OPEN UNIVERSITY OF NIGERIA
14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS
SCHOOL OF LAW
MAY/JUNE 2012 EXAMINATION

LAW331 COMMERCIAL TRANSACTIONS 1

Time allowed: 3 hours

INSTRUCTIONS: Answer any five questions. All questions carry equal marks.

1. With the aid of judicial and statutory authorities define an offer. What is the distinction between an offer and invitation to treat?
2. What are consideration and the rules governing it?
3. Distinguish between a condition and warranty. Discuss their effect on a commercial transaction.
4. Define an exemption clause and the rules governing them.
5. What is agency? Discuss the various theories of agency.
6. The creation of agency relationship can be express or implied. Discuss.
7. Mention and discuss instances where the master can be vicariously liable for the crimes of his agent
8. The general rule of law is that remedies follow the breach of contractual obligations. Discuss.
9. Expatiate on the statement that the contract of agency can be determined by the operation of the law.

