



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF LAW, DEPARTMENT OF COMMERCIAL LAW
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi – Abuja

2021_2 EXAMINATION

COURSE CODE: CLL307

COURSE TITLE: BANKING LAWS AND REGULATIONS

CREDIT UNITS: 3

- INSTRUCTIONS:**
- (a) Indicate your Matriculation Number clearly
 - (b) Attempt Question one (1) and any other three (3) questions
 - (c) Question one (1) is compulsory and carries 25 marks; while the other questions carry 15 marks each.
 - (d) Using appropriate statutory and judicial authorities, present all your points in a straightforward, coherent and orderly manner.

TIME ALLOWED: 2.5 Hours

QUESTION 1:

Alhaji Sikiru is a well-known businessman and the wealthiest in the whole of Kabusa City. He is into realty business whereby he buys and sells houses, plots of land and the likes. In the year 2020, he incorporated a limited liability company (KABUSA PROPERTIES NIGERIA LIMITED) in order to take his business to the next level. Meanwhile, he has just completed his “NEW WORLD ESTATE” project that took him about 3 years to finish. The estate houses 50 units of 2bedroom flats, a gigantic plaza, a clinic and a modern sports centre. Therefore, Alhaji Sikiru now wishes to put up the said 2bedroom flats for sale. Consequently, he offers each of the said flats for sale to the whole world at the sum of three million naira only (N3, 000, 000.00).

Citing relevant judicial authorities, comment on the validity or otherwise of the offer made by Alhaji Sikiru.**25marks**

QUESTION 2

- a. Define Hire-Purchase.**5marks**
- b. Distinguish Hire-Purchase from the following transactions;
 - i. Hire. **5marks**
 - ii. Sale on credit terms.**5marks**

QUESTION 3

There are various components of a good tax as highlighted in the works of Kath Nightingale (2001) “*Theory and Practice of Taxation*”. Discuss.**15marks**

QUESTION 4

- a. What do you understand by “**passing off**”? **7marks**
- b. Explain the **basic elements** of passing off. **8marks**

QUESTION 5

- a. Is there any limit as to the minimum number of directors a company should have? Support your answer with a relevant statutory authority. **5marks**
- b. Comment on the Director’s duty of care and skill. **10marks**

QUESTION 6

- a. What are the circumstances under which a director shall vacate or lose the office? **8marks**
- b. What category of persons are disqualified from being appointed as directors under the law? **7 marks**