



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF LAW, DEPARTMENT OF COMMERCIAL LAW
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi – Abuja
2022_2 Examination

COURSE CODE: CLL307

COURSE TITLE COMMERCIAL LAW

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: 3 Hours

QUESTION 1:

The judicial definition of consideration has been given in the case of **CURIE V MISA** (1875) L. R. 10 Exch 153 at 162, where Lush J. said:

“A valuable consideration in the eye of the law may consist either in some right, interest, profit or benefit accruing to one party, or some forbearance, detriment, loss or responsibility, given, suffered or undertaken by the other. Thus consideration does not only consist of profit by one party but also exist where the other party abandoning some legal rights in the present, or limits his legal freedom of motion in the future as an inducement for the promise of the first. So it is irrelevant whether one party benefits but enough that he accepts the consideration that the party giving it does thereby undertake some burden or lose something which is in contemplation of law may be of value.”

Comment fully on the above dictum, thereby highlighting on the four cardinal principles governing consideration. **25marks.**

QUESTION 2:

- a. Define Taxation. **5marks**
- b. Identify any five (5) essential components of a good tax. **10marks**

QUESTION 3:

The House of Lords adopted the “**Trinity Test**” in establishing the **ingredients of ‘passing-off’** in one of its prominent judicial pronouncements. Comment fully on this assertion. **15marks**

QUESTION 4:

- a. With the aid of statutory provisions, discuss the category of persons disqualified from being appointed as directors under the law. **5marks**
- b. A person already appointed as a director must vacate or lose the office under certain circumstances. Explain those circumstances using very relevant provisions of the Companies and Allied Matters Act. **10marks**

QUESTION 5:

- a. What do you understand by domestic arbitration? **8marks**
- b. Draw a very clear line of distinction between Adhoc and Institutional Arbitrations? **7marks**

QUESTION 6:

Write short note on the following;

- a. Company Limited by shares. **5marks**
- b. Statutory Companies. **5marks**
- c. Unlimited Company. **5marks**