



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

**2023\_2 EXAMINATIONS**

**COURSE CODE:** CL331  
**COURSE TITLE:** LAW OF COMMERCIAL TRANSACTIONS I  
**CREDIT UNITS:** 4

**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.
- (e) Total available score is 100% of which: TMA carries 30%, Essay carries 70%

**TIME ALLOWED:** 3 Hours

**QUESTION 1**

The following is a homepage advertisement in the Punch Newspaper (both print and online) publication of 31 March 2022:

**THE PERMANENT CURE FOR COVID-19**

*Organic Cure Pharmaceuticals Limited has discovered a breakthrough natural prevention against COVID-19 pandemic. "Orgo-Cu Solution," (if after having used our Orgo-Cu Solution 10ml three times daily for three weeks according to the printed directions supplied with each bottle of the Solution, we are prepared and willing to pay \$50,000/00 reward to any person who contracts the dreaded Chinese coronavirus epidemic, more particularly known as COVID-19 pandemic. To show our commitment in this, we have deposited \$2,000,000/00 with our bankers, FirstBank. Our Solution is 100% organic and has been proven effective in the prevention of most deadly diseases. In fact, we sold large quantities of the Solution in Aogt State as preventive against this disease and there is no ascertained case where the disease was contracted by those using the Solution. One bottle of the Solution will last a family for one week making it a cheap remedy at the price of \$1,250/00 per bottle. The Solution can be bought at the address stated below.*

On seeing the above advertisement, Mr. Salifu Okeke, drove down to one of the designated addresses and bought three bottles for himself and three bottles for new bottle. This according to him, will afford his family total protection against the dreaded COVID-19 pandemic. He made sure that he and his wife followed the instructions strictly. However, after using the Solution as directed for the specified period, he tested positive to COVID-19, but his wife tested negative.

Mr. Salifu Okeke is contemplating commencing an action against Organic Cure Pharmaceuticals Limited. Review the totality of the above advertisement in relation to the actions taken by him and advise him on

- (a) Whether there was an offer (7 marks)
- (b) If there was an offer, whether it was accepted. (7 marks)
- (c) If there was an offer capable of acceptance, what remedies are available to Mr. Salifu Okeke? (3 marks)
- (d) Whether there was consideration (8 marks)

**QUESTION 2**

There are two overarching (broad) rules that regulate the passing of property generally under the Sale of Goods Act. The Rules under Section 18 of the Act on passing of property rest on these two basic rules.

- (a) What are these rules? (10 marks)
- (b) Define the term "deliverable state" (5 marks)