2. With the aid of the Companies and Allied Matters Act, 2020, discuss the following;

(a) Mutual rights and duties of partners in a Limited Partnership **(10 marks)**

(b) The Constitution of a Limited Partnership **(7 ½ marks)**

3. The partnership agreement of the law firm, Frank, Jacob and Moses contained among others a provision stating that no single partner should spend more than N50 million naira of the partnership money without the consent of at least one other partner. As they were all friends and trusted each other, partners routinely spent more than N50 million naira of partnership money for the advancement of the business of the partnership. After a disagreement between the partners, Jacob and Frank have approached you as they want to take legal action against Moses for spending N100 million of the partnership money without informing either of them. Advise them. **(17 ½ marks)**

JOSEPH AYO BABALOLA UNIVERSITY
IKEJI ARAKEJI. OSUN STATE
COLLEGE OF LAW

SECOND SEMESTER EXAMINATIONS, 2022/2023 ACADEMIC SESSION

COURSE: COMMERCIAL LAW II CODE: CIL 321
SECOND SEMESTER EXAMINATIONS, 2022/2023 ACADEMIC SESSION

INSTRUCTION: ANSWER TWO QUESTIONS FROM EACH SECTION

TIME ALLOWED: THREE (3) HOURS

SECTION A - ANSWER ANY TWO QUESTIONS FROM THIS SECTION.

1. State the facts and the decisions of the court in the case of Helby v Mathews with a view to showing what hire purchase contract is different from sale of goods contract
   – 17 ½ marks
2. The Nigerian Hire Purchase Act 1965 is generally seen as a relief for the hirer on account of some perceived hardships inherent in the common law hire purchase rules and practices. Give a full account of three instances of such hardships and the reliefs therein
   – 17 ½ marks
3. Hire Purchase Contract is a matter of substance and not form. Justify this statement under:

i. the common law hire purchase agreement **– 8 ½ marks**
ii. hire purchase agreement under the Act **– 9 marks**

SECTION B: PARTNERSHIP – ANSWER ANY TWO QUESTIONS FROM THIS SECTION

1. (a) A, B, C and D are Partners in a law firm. Their Capital contributions towards the partnership are N2,000,000; N3,000,000; N1,000,000 and N1,000,000 respectively. On winding up, it is discovered that the company has made a loss of N1,600,000. **With the aid of statutory authorities explain how much would each of the members would get back from their initial capital contributions and why? (7 ½ marks)**

(b) David assigned his share in a partnership to Jacob. Jacob believes he is now a partner of this partnership and also entitled to a share of the profits the partnership. **(5 marks)**

(c) A partnership firm contains 10 members. An agreement between the members stipulates that the power to expel members can be delegated to any 6 members of the firm after consultation with all members. Mr. Marcus was expelled from the firm by a letter to him from 6 of the members **(5 marks)**

(i) Would your answer be different in any way if the partnership agreement contained the following provision inter alia:

"...The partner with the highest proportion of capital contribution shall also be entitled to the highest portion of the profits..." (5 ½ marks)

5. **Discuss the legal issues involved in the following:**

(a) David assigned his share in a partnership to Jacob. Jacob believes he is now a partner of this partnership and also entitled to a share of the profits the partnership. **(6 marks)**

(b) A partnership firm contains 10 members. An agreement between the members stipulates that the power to expel members can be delegated to any 6 members of the firm after consultation with all members. Mr. Marcus was expelled from the firm by a letter to him from 6 of the members **(6 marks)**

(c) Mr. Wale and Mr. Bisi commenced the business of their partnership firm on 1st February 2020 and forwarded a statement to the registrar of business names on 3rd March 2020 containing the proposed name of their firm among other details. **(5 ½ marks)**

6. (a) A, B, C and D are Partners in a law firm. Their Capital contributions towards the partnership are N2,000,000; N3,000,000; N1,000,000 and N1,000,000 respectively. On winding up, it is discovered that the company has made a loss of N800,000. **With the aid of statutory authorities explain how much would each of the members would get back from their initial capital contributions and why? (10 marks)**

(b) A, B, C and D are partners in a law firm. At a meeting with one of their creditors, Mr. Boluwatife at their head office, A as the managing partner in the presence of the other partners orders D to lock up Mr. Boluwatife in a little room that only has one entrance and exit until Mr. Boluwatife agrees to pay the money he owes to the partnership. **With the aid relevant statutory and judicial authorities discuss the impact of D's actions on the remaining partners. (7 ½ marks)**

JOSEPH AYO BABALOLA UNIVERSITY, IKEJI-ARAKEJI
COLLEGE OF LAW
SECOND SEMESTER EXAMINATION, 2020/2021 ACADEMIC SESSION

COURSE TITLE: COMMERCIAL LAW II **COURSE CODE: CIL 321**
TIME ALLOWED: 3 HOURS

INSTRUCTION: ANSWER ANY FOUR (4) QUESTIONS, TWO QUESTIONS EACH FROM SECTTIONS A AND B

SECTION A

1. In what ways has the lot of the hirer been improved by the Hire Purchase Act in respect of form and contents of hire purchase agreement? **17½ Marks**

2. Duty to deliver and the duty to take delivery have been taken to be the fundamental duty of the owner and the hirer respectively in the hire purchase contract. Why are these duties considered been fundamental? State the rules governing the duties. **17½ Marks**

3 i. What is minimum payment clause in hire purchase agreement?

ii. State how its validity is been determined under the common law and the undesirable effect of that mode of determination. **17½ Marks**

SECTION B: PARTNERSHIP

4. At the partnership meeting of the law firm of Samuel, Rachel, Emmanuel and Daniel, Daniel insists that he should be entitled to remuneration for his role in advancing the business of the partnership, the other partners however object to this. Samuel then informs the meeting that after interviewing some candidates for the vacant post of firm secretary, he wanted the meeting to vote to approve the appointment of James as the candidate with the highest points in the interview. After the vote, only Samuel and Rachel vote in favour of employing James. Furthermore after a review of the profits made for the preceding year, Rachel claims that as she contributed the most capital she was entitled to the greatest share of the profit. **With the aid of relevant statutory authorities discuss the legal issues involved. (12 marks)**