



FEDERAL UNIVERSITY, OYE EKITI  
FACULTY OF MANAGEMENT SCIENCES  
DEPARTMENT OF ACCOUNTING  
FIRST SEMESTER EXAMINATION 2023/2024 SESSION  
COURSE CODE: ACC 311  
COURSE TITLE: BUSINESS LAW  
INSTRUCTION: ANSWER ANY THREE QUESTIONS  
TIME ALLOWED: 2 HOURS

**Question One**

Explain the difference between a Contract and a Memorandum of Understanding (MOU).  
In what situations might a business choose one over the other? (20 Marks)

**Question Two**

- (a) In the orbit of law, the Agency Contract is seen as an exception to the basic rule of contract discuss. (14 Marks)
- (b) Briefly discuss the two main classes of agents recognized in law. (6 Marks)

**Question Three**

- (a) Negligence is a civil wrong act, which is done knowingly or unknowingly. Explain the concept of negligence. (5 Marks)
- (b) Plaintiff must prove three element of negligence to make a defendant liable in damages. However, there are circumstances that may exempt the defendant from liability for the damage. State the circumstances that may exempt the defendant from liability for the damage. (8 Marks)
- (c) Briefly discuss the classes of Torts. (7 Marks)

**Question Four**

- (i) How would you define a negotiable instrument? What are the characteristic of such an instrument, and how does it differ from other choses in action? (8 Marks)
- (ii) Define a bill of exchange. Explain what is meant by saying a bill must be unconditional. Distinguish between bearer bill and order bill. (8 Marks)
- (iii) What is meant by the negotiation of a bill? Explain the effect of marking a bill or cheque "not negotiable". (4 Marks)

**Question Five**

- (a) Explain the concept of "breach of contract" and provide a real world scenario example of a situation where a breach of contract might occur in a business setting. (10 Marks)
- (b) What is the purpose intellectual property law in business and how do they protect the interest of individuals and companies? (10 Marks)

**Question Six**

- (a) In line with the law of termination of agency, discuss the concept of Irrevocable Authority (12 Marks)
- (b) Enumerate the four types of goods recognized in the sale of goods law. (8 Marks)