

MAASAI MARA UNIVERSITY

 **UNIVERSITY EXAMINATIONS**

**2015/2016ACADEMIC YEAR**

**FIRST YEAR FIRST SEMESTER**

**SCHOOL OF** BUSINESS AND ECONOMICS

**BACHELORS IN BUSINESS MANAGEMENT**

**COURSE CODE: BBM 412**

**COURSE TITLE: COMPANY LAW**

**DATE… December, 2015 TIME: ……………….**

**INSTRUCTIONS TO CANDIDATES**

Answer question **ONE** and any other **THREE** questions

***This paper consists of 3 printed pages. Please turn over.***

 QUESTION ONE

|  |  |
| --- | --- |
|  | 1. Discuss the types of companies recognized under the Kenyan law

 10 marks.1. The doctrine of indoor management is an exception to the rule of constructive notice. According to the rule of constructive notice, a person dealing with the company is deemed to have knowledge of the memorandum and the articles of the company. If he enters into a transaction with the company which is ultra vires, he cannot treat the transaction as binding on the company.

Discuss the above doctrine and its exceptions 10 marks  |

1. Discuss reason that can warrant the registrar refuse to register a company

 5 marks

QUESTION TWO

Discuss the doctrine in the case of Foss v ***Foss v Harbottle*** (1843) 67 ER 189. And its exceptions

15 marks

QUESTION THREE

Discuss the duties of the directors as provided under the Companies Act

15 MARKS

QUESTION FOUR

Discuss the alternatives to insolvency

 15 MARKS

QUESTION FIVE

Discuss the ways in which a cooperate veil is lifted.

**……………….END………………..**