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**University Examinations 2014/2015**

THIRD YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR DEGREE OF BACHELOR OF COMMERCE

**BFB 3400: COMPANY LAW**

 **DATE: OCTOBER 2015 TIME: 2 HOURS**

**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***two*** *questions*

**QUESTION ONE (30 MARKS)**

1. Explain the distinguishing features of a company. (8 Marks)
2. Discuss, supporting with a decided case how corporate veil can be lifted by courts (10 Marks)
3. Explain the importance of the Memorandum of Association. (4 Marks)
4. Discuss four ways a person can become a member of a company. (4 Marks)
5. Explain what particular details that must be contained in a company’s balance sheet

 (4 Marks)

**QUESTION TWO (20 MARKS)**

1. Discuss the fiduciary position of a promoter. (10 Marks)
2. Explain the document that must be prepared and to be presented to the Registrar of Companies before registration of a company (10 Marks)

**QUESTION THREE (20 MARKS)**

1. Explain the general principles that apply to a contract involving an application for allotment of shares in a company (12 Marks)
2. Discuss the duties of a director. (8 Marks)

**QUESTION FOUR (20 MARKS)**

1. Explain the importance of company meeting (10 Marks)
2. Discuss the circumstances under which winding of the company can occur under the order of the court. Explain two advantages of incorporation. (10 Marks)

**QUESTION FIVE (20 MARKS)**

Explain the following in relation to Company Law:-

1. Subsidiary company (5 Marks)
2. One man company (5 Marks)
3. An extra ordinary meeting resolution (5 Marks)
4. Statutory report (5 Marks)