COOPERATIVE UNIVERSITY OF KENYA

END OF SEMESTER EXAM (AUGUST 2019)

BACHELOR OF COOPERATIVE BUSINESS

COMPANY LAW (BCOB 2209) NAIROBI CBD CAMPUS

Instructions

Answer question ONE and any other two questions

Question one carries 30 Marks, all the other questions carry 20 Marks

Question one (Compulsory)

a) Distinguish between a natural and artificial person as used in company law (2 Mks)
b) Identify FOUR considerations to be taken into account in choosing a Company Name (4 Mks)
c) Highlight FOUR differences between a Company and a Partnership (4 Mks)
d) Name SIX classifications of Company Share Capital (6 Mks)
e) Identify and explain FIVE modes of appointment of Company Directors (10 MKs)
f) Define a 'Veil of Incorporation' as used in Company Law (2 Mks)
g) Identify the two critical organs responsible for company management (2 Mks)

Question Two

a) Briefly explain FOUR differences between a Company and a Partnership (8 Mks)
b) Briefly explain the SIX clauses contained in a Memorandum of Association of a registered company (12 marks)

Question Three

a) Outline the steps and procedure followed in the incorporation of a company clearly bringing out the documents involved (10 Mks)
b) Name and briefly describe FIVE classifications of Companies (10 Mks)

Question Four

a) The case of Solomon vs Solomon(1901) set out the consequences which a Company attains upon incorporation. Identify and briefly discuss six consequences/advantages that a company acquires upon incorporation as set out in the above case.(12 Mks)

b) Membership and shareholding of a company are sometimes used interchangeably there are however instances when a shareholder is not a member of a company and vice versa. Discuss those instances. (8Mks)

Question Five

a) Discuss Five powers of a liquidator in the winding up of a company(10 Mks)
b) Name and explain three types of meetings that a company can hold upon incorporation (6 Mks)
c) Explain TWO differences between receivership and liquidation of a company (4 Mks)