

The Co-operative University of Kenya
END OF SEMESTER EXAMINATION AUGUST-2018

EXAMINATION FOR THE DIPLOMA IN CO-OPERATIVE MANAGEMENT
(YR II SEM II / I / YR I SEM II)

UNIT CODE: COCM 1215

UNIT TITLE: COMPANY LAW

DATE: 20TH AUGUST, 2018

TIME: 9:00 AM – 11:00 AM

INSTRUCTIONS:

- Answer question **ONE (compulsory)** and any other **TWO** questions

QUESTION ONE

- (a) Define the meaning of a company as provided in the companies Act Kenya (2 marks)
- (b) Briefly explain the features that a company attain upon incorporation (7 marks)
- (c) Identify FOUR classification of companies in Kenya (4 marks)
- (d) Highlight FIVE differences between a company and a partnership (5 marks)
- (e) What are the roles of a promoter in incorporation of a company (4 marks)
- (f) Name and explain the types of meetings that a company can hold upon incorporation (6 marks)
- (g) Distinguish between receivership and liquidation (2 marks)

QUESTION TWO

- (a) What the circumstances that can lead to removal of a company director from office (4 marks)
- (b) Define the term ‘Veil of Incorporation’ and explain the circumstances when it can be lifted (6 marks)
- (c) Briefly explain the content of a memorandum of Association (10 marks)

QUESTION THREE

- (a) Discuss the steps and procedure followed in the registration of a company clearly bringing out the documents involved (10 marks)
- (b) Write short on the following
 - i. Nominal/Authorized Capital (2 marks)
 - ii. Issued Capital (2 marks)
 - iii. Paid-up capital (2 marks)
 - iv. Called-up capital (2 marks)
- (c) Briefly explain the contents of a Memorandum of Association (10 marks)

QUESTION FOUR

- (a) A company is said to enjoy the attribute of perpetual succession upon incorporation. It may however become necessary that a company is brought to an end. Discuss the circumstances that can lead to the winding up a company (12 marks)
- (b) Discuss the method of acquiring membership in a company (8 marks)

QUESTION FIVE

- (a) Discuss the ways in which a company can employ to raise capital (10 marks)
- (b) Discuss the powers of a liquidator in the winding up of a company (10 marks)