



KISII UNIVERSITY

UNIVERSITY EXAMINATIONS SECOND YEAR EXAMINATION FOR THE AWARD OF THE DIPLOMA IN LAW SECOND SEMESTER, 2021/2022 (FEBRUARY – JUNE, 2022)

DLAW 0222: COMPANY LAW

STREAM: DLAW 2 S2

TIME: 2 HOURS

DAY: WEDNESDAY, 9:00 – 11:00 A.M.

DATE: 25/05/2022

INSTRUCTIONS

- 1. Do not write anything on this question paper.*
- 2. Answer Question ONE [Compulsory] and any other TWO Questions.*
- 3. Illustrate your answer with relevant cases and statutory provisions where applicable.*

QUESTION ONE

a) With reference to the case of **Solomon vs Solomon & company ltd** stating the facts in the case. Discuss the term limited liability as a characteristic of company. (15 marks)

b) The memorandum of association is a document which contains the fundamental rules regarding the constitution and activities of a company. Explain the clauses of the memorandum of association of a company.

(15 marks)

QUESTION TWO

- a) State and explain the modes of winding up of a company. (10 marks)
- b) Discuss the various ways of acquisition of membership of a company.
(10 marks)

QUESTION THREE

Using case laws and relevant examples, write explanatory notes on the following

- a) Lifting of the corporate veil. (6 Marks)
- b) Public and Private company. (8 Marks)
- c) Statutory corporations. (6 Marks)

QUESTION FOUR

- a) The companies act provides that the business of the company shall be managed by the directors. Explain the mode of appointment and the restrictions the act imposes on the appointment of directors. (13 Marks)
- b) State and explains various roles of directors in a company. (7 marks)

QUESTION FIVE

- a) Explain the kinds of meetings which may be held by a company.
(10 marks)
- b) Define the term share and explain the various types of shares a company a company may issue. (10 marks)