



PAN AFRICA CHRISTIAN UNIVERSITY

BUS 2413: COMPANY LAW EXAM ONLINE (DEGREE)

ANSWER QUESTION ONE AND ANY OTHER THREE

QUESTION 1 **(COMPULSORY)** **(10 MARKS)**

(a) Define the following terms:

(i) Company; (1 Mark)

(ii) Articles of Association; (1 Mark)

(iii) Promoter. (1 Mark)

(b) Outline **THREE** disadvantages of stock market flotation for a company. (3 Marks)

(c) Discuss **TWO** regulatory functions of the Capital Markets Authority. (4 Marks)

QUESTION 2 **(10 MARKS)**

(a) JENT Limited is in the process of listing at the Nairobi Securities Exchange. Advise the management on any **TWO** ways in which they can list on the various segments of the capital market. (4 Marks)

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(b) Differentiate between a partnership and a company. (6 Marks)

QUESTION 3 (10 MARKS)

(a) Jamani Limited intends to raise funds through the public. Explain any **TWO** methods of public issue that they may use to achieve this goal. (4 Marks)

(b) Discuss, with an example of each, **THREE** types of Capital as used in Company Law. (6 Marks)

QUESTION 4 (10 MARKS)

(a) Agency Limited is in the process of being wound up. Explain **TWO** circumstances that may warrant such a move. (4 Marks)

(b) Discuss the following types of company meetings:

(i) Statutory Meeting; (2 Marks)

(ii) Annual General Meeting; (2 Marks)

(iii) Extraordinary General Meeting. (2 Marks)

QUESTION 5 (10 MARKS)

(a) Marks Enterprise, a new start up, is preparing to appoint its directors. As a consultant, highlight to them the various stages of appointment of a director in a company. (5 Marks)

(b) Glenn wants to prepare a Memorandum of Association for his company. Briefly outline any **FIVE** clauses that he should include in the document. (5 Marks)

QUESTION 6 (10 MARKS)

(a) Discuss the concept of Organic Theory as used in Company Law. (4 Marks)

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(b) Dena Commercial Bank has contacted you for advise on certain issues on the money markets. Advise the management of the bank on any **THREE** of the markets segments of the Nairobi Security Exchange.

(6 Marks)

End of Exam