



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF LAW, DEPARTMENT OF COMMERCIAL LAW
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi – Abuja
2022_1 EXAMINATION

COURSE CODE: CLL533

COURSE TITLE Company Law and Business Association I

CREDIT UNITS: 4

INSTRUCTIONS:

- (a) Indicate your Matriculation Number clearly
- (b) Attempt Question one (1) and any other three questions – four (4) questions in all
- (c) Question one (1) is compulsory and carries 25 marks; while the other questions carry 15 marks each.
- (d) Using appropriate statutory and judicial authorities, present all your points in coherent and orderly manner.

TIMEALLOWED: 3 Hours

QUESTION ONE

- (a) The doctrine of corporate personality and limited liability are central to the evolution of company law. Discuss. **(10 Marks)**
- (b) Ibrahim became a member of the Akpan Nigeria Ltd. Two out of the four members of the company wrote to the Secretary stating their unwillingness to continuing as members of the company. Ibrahim is worried that the exit of the two members means the automatic end to the existence of the company. Advise Ibrahim of the legal implication, if any. **(7.5 Marks)**
- (c) Since the Bubble Act 1720 was enacted and the Joint Stock Company fell into the arms of equity it has not been able to extricate itself. Discuss. **(7.5 Marks)**

QUESTION TWO

Nwosu Janifer has been in the business of shampoo making for the past 10 years, and because of quality, her product is well known and of high demand across the country. Nwosu Janifer is contemplating upgrading and registering a company and has approached you. Advise her of the

various forms of business organisations and the advantages and disadvantages of registered company in Nigeria. **(15 Marks)**

QUESTION THREE

The doctrine of corporate personality is a fundamental doctrine and by and large it is adhered to strictly and rigidly when there is no compelling reason to the contrary. Discuss. **(15 Marks)**

QUESTION FOUR

A promoter represents different things to different people. In many cases they are sometimes regarded as fraudulent people who only take advantage of a yet to be incorporated company to make money and to the detriment of the company. Others regard them as important in formation of a company. Discuss in detail the duties and liabilities of a promoter. **(15 Marks)**

QUESTION FIVE

Examine the various ways companies had tried to avoid the doctrine of ultra vires and the position taken by the court. **(15 Marks)**

QUESTION SIX

Discuss the doctrine of pre-incorporation contracts and the intervention under the Nigerian law. **(15 Marks)**