



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: CLL534

COURSE TITLE Company Law and Business Association II

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.

TIME ALLOWED: 3 Hours

QUESTION ONE

Mr. Ukus Lolo was appointed a director of AZD Plc las week. Ukus Lolo is keen on understanding the company law. You have informed him that the structural pattern of a modern Nigerian company is usually composed of the members in general meetings and the board of directors, that the law allows the board to appoint one of their own as the managing director, who becomes the head of the executive management, and although the directors exert significant influence over the affairs of the company, they are not put beyond challenge. Advise Mr. Ukus Lolo on:

- (a) The various types of directors recognised under the law. (5 marks)
- (b) Various ways through which a director can be competently appointed. (10 marks)
- (c) The components of the fiduciary duties of a director? (5 marks)
- (d) Discuss vacancy of the office of the director and the circumstances. (5 marks)

QUESTION TWO

In the case of *Panorama Developments (Guildford) Ltd v Fidelis Furnishing Fabrics Ltd* (1971) 2 QB 711 the Court stated that “times have changed. A company secretary is as much more important person than he was in 1887.” Further, the Nigerian Court in *Okeowo v. Migliore*

(1979) 11 SC 138 added that the secretary is a principal officer of the company. Using the above authorities and more, carefully discuss:

- (a) Status of secretary in a Nigerian company. (5 Marks)
- (b) Statutory and contractual (if any) duties of a secretary. (5 marks)
- (c) The qualifications required before appointment as a secretary of company in Nigeria. (5 marks)

QUESTION THREE

In a tutorial class, one of your course mates insisted that there is no difference between the processes of removing a secretary and a director of a company. According to him, both the secretary and the director are officers of the company. Do you agree? (15 Marks)

QUESTION FOUR

The general rule regarding meetings is that there has to be two or more persons for a meeting to hold. This principle makes both common and legal sense. A person cannot meet all by himself. This position was enunciated in the English case of *Sharp v Dawes* (1876) 2 QBD 26. Does the English case represent the law as far as one meeting is concerned? (15 marks)

QUESTION FIVE

Write short notes on the following:

- (a) Adjournment and Quorum of meeting under CAMA 2004. (5 marks)
- (b) Resolutions requiring special notice. (5 marks)
- (c) Proxy in the context of company meeting. (5 marks)

QUESTION SIX

- (a) Using the case of *Young v Ladies Imperial Club Ltd* (1920) 2 KB 523, discuss the implications of failure to give notice of a general meeting. (5 marks)
- (b) Discuss the various types of general meeting stipulated for companies under company law (5 marks).
- (c) Explain the pre-meeting duties of a competent secretary. (5 marks)