



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

COURSE CODE: CLL804

COURSE TITLE: COMPANY LAW

CREDIT UNITS: 3

- INSTRUCTIONS:**
- (a) Indicate your Matriculation Number clearly
 - (b) Attempt Question one (1) and any other three (3) questions
 - (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 a straightforward, coherent and orderly manner.

TIME ALLOWED: 3 Hours

Question 1

It is not in doubt that the focus of the administration of President Muhammadu Buhari with respect to economic activities has been to improve the ease of doing business and thus shore up the country's ranking in this regard. The conscious actions tailored towards this end saw the enactment of several pieces of legislations including the Secured Transactions in Movable Assets Act 2017, the Credit Reporting Act 2017 and most recently the Companies and Allied Matters Act 2020 (**CAMA 2020**). As an expert in business administration with a working knowledge of company law answer the following questions:

- (a) From the point of CAMA 2020, briefly explain the following forms of business organisation:
 - (i) Firm (5marks)
 - (ii) Company (5 marks)
- (b) What Part of CAMA 2020 provides for the following:
 - (i) Incorporation of companies and ancillary matters thereto? (2 marks)
 - (ii) Incorporated Trustees (2 marks)
 - (iii) The limited liability partnership (2 marks)
 - (iv) Business Names (2 marks)
 - (v) Limited partnership (2 marks)
- (c) Itemise the schedule of activities involved in the formation of a company (5 marks)

Question 2

Discuss the historical development of Nigerian company law between 1912 and 1968. (15 marks)

Question 3

- (a) Define the concept of "promotion" in the context of Nigerian company law. (3 marks)
- (b) State at least four duties and liabilities of a promoter. (8 marks)
- (c) What is the thrust of the holding in *Orhobo v Tarka* (1979) 1 FNLR 208? (4 marks)

Question 4

Without attempting an explanation, succinctly state the functions of Corporate Affairs Commission under the Companies and Allied Matters Act 2020. (15 marks)

Question 5

Even in the regime of CAMA 2020 the towering stature of company constitutional documents appear not to have been appropriately preserved. That is why the limited liability clause is still required to make relevant statement as the case may be in each type of company:

- (a) CAMA 2020 abolished the concept of “authorised share capital” and in its place provided for “minimum issued share capital” for a company having a share capital. State what the amount is for:
 - (i) A private company – 2 marks
 - (ii) A public company – 2 marks
- (b) State two contents of the limited liability clause in the memo of a guarantee company (6 marks)
- (c) Without identifying the specific provision in CAMA 2020, what is the effect of a registered memorandum and articles of a company? (5 marks)

Question 6

The various types of general meetings which a company can convene are preserved in CAMA 2020. Bearing this in mind, state at least five contents of a statutory report which the law expects directors to forward to the members no less than 21 days before the date of the statutory meeting. (15 marks)