



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

2021_2 EXAMINATION

COURSE CODE: CLL534

COURSE TITLE Company Law and Business Organisation II

CREDIT UNITS: 4

- 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: 2.5 Hours

QUESTION 1

John owns 200 units of shares in Oak Ltd. Oak Ltd through its secretary is planning of issuing its shares to the public to raise more funds that will bring in over 100% returns within 6 months of investment. John is one of the shareholders and standing against this move. At the last general meeting, the secretary refused to invite John as a result of John's position regarding the issuance of shares and his name was not found in the register of members. Also, Lucas is interested in joining Oak Ltd and John is resisting this attempt by the secretary to issue shares to him.

- (a) Advise the parties. (15 Marks)
- (b) Would your answer be different if the company is Oak Plc? (5 Marks)
- (c) Discuss the various ways of becoming a member of a company. (10 Marks)

QUESTION 2

- (a) Discuss with relevant judicial authorities the proper plaintiff rule. (9 Marks)
- (b) Discuss four types of resolutions. (6 Marks)

QUESTION 3

Johnson is about to be employed as the company secretary of Ndukwe and Sons Merchandise Plc after a rigorous process of interview. He has not been certified by any professional body although he is registered with ICAN and will soon be certified. He has just been informed that he didn't scale through the interview process and he is aggrieved. Advise him on the position governing the appointment and duties of company secretaries. (15 Marks)

QUESTION 4

Write short notes on the following: (3 Marks for each)

- a. Dividends
- b. Unclaimed dividends
- c. Holding companies
- d. Auditor's report
- e. Merger

QUESTION 5

- (a) What are the grounds for a winding up order by the court? (8 Marks)
- (b) Outline the categories of persons who are entitled by law to present petition for the winding up of a company? (7 Marks)

QUESTION 6

- (a) Outline the duties and statutory procedure for removal of company directors. (10 Marks)
- (b) Discuss the concept of one-man meetings and its application in Nigeria. (5 Marks)