

**UGANDA MARTYRS UNIVERSITY RUBAGA CAMPUS
FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT**

**LAW OF BUSINESS ORGANISATIONS
Examination**

**2015 - 2016
1st SEMESTER EXAM**

BAM III (EVE)

Date: 26th November 2015

Time: 5:30 pm - 9:30 pm

Instructions:

1. Do not write anything on the question paper
2. Strictly answer four questions choosing at least one from each section
3. All questions carry equal marks.
4. You are advised to write legibly with clarity of expression.
5. Use of relevant examples shall earn you extra marks.

SECTION A (COMPANY LAW)

1. A group of Bam III students propose to form a private company limited by guarantee. They want:
- a) To name it **Kabarole Lesbians Association Ltd**
 - b) The company's memorandum of association not to state any objects for which the company is to be formed
 - c) The company to have at least 100 members
 - d) The company not to have share capital
 - e) The company not to have directors

Advise the students on the legality of the proposals **(25 marks)**

2. Explain the implications of the doctrine of corporate personality. **(25 marks)**
3. Under what circumstances can a member of a company bring a suit despite the rule in **Foss versus Harbottle**? **(25 marks)**

SECTION B (PARTNERSHIP LAW)

4. Explain the similarities and differences between a Limited Liability Partnership and a company strictly in terms of name reservation procedure **(25 marks)**
5. On 20 June 2015, **Baganda Kweraga** delivered the following "business material" to his business colleagues:
- ".....before we register our Limited Liability Partnership with the registrar of documents, we must take into account of the following:*
- a) Each partner shall have limited liability*
 - b) Each partner shall have a right to participate in business management.*
 - c) The Partnership shall be a body corporate*
 - d) We may not need a partnership deed....."*

You are required to raise issues and critique **Baganda Kweraga's** proposals **(25 marks)**

6. With specific reference to the partnership Act, analyse the circumstances that can lead to dissolution of a general partnership **(25 marks)**

MERRY CHRISTMAS