



NIGERIAN LAW SCHOOL

BWARI - ABUJA

BAR EXAMINATION-PART II FINAL

CORPORATE LAW PRACTICE

TUESDAY 20TH AUGUST, 2019

TIME ALLOWED: 3 HOURS

INSTRUCTIONS:

THIS PAPER IS DIVIDED INTO TWO SECTIONS. TWO ANSWER BOOKLETS ARE PROVIDED. QUESTIONS FROM EACH SECTION SHOULD BE ANSWERED ON A SEPARATE ANSWER BOOKLET. QUESTIONS 1 AND 4 ARE COMPULSORY. ONE OTHER QUESTION FROM EACH SECTION SHOULD BE ATTEMPTED.

WRITE YOUR EXAMINATION NUMBER ON EACH ANSWER BOOKLET.

SECTION A

QUESTION 1 (COMPULSORY)

QUESTION 1 (COMPULSORY)

Read the scenario below and answer the questions following:

(a) Confluence Motors (Nigeria) Plc intends to set up a car manufacturing company in the industrial area of the Federal Capital Territory, having been assured by the relevant agency of the Nigerian government that automobile manufacturing activities qualifies as a pioneer product. Explain the steps that Confluence Motors (Nigeria) Plc must take to qualify for the grant of pioneer status and the benefits accruable by the grant of pioneer status.

(b) Jomo Oil Kenya (Inc) has secured a large pool of funds from the Kenya Bank of Commerce with which it intends to set up modular refineries in the six (6) geopolitical zones in Nigeria. Highlight four (4) assurances under the extant laws in respect of the proposed investment of the fund by Jomo oil Kenya (Inc) in Nigeria.

(c) Khalifa Global Habitat (U.A.E. Inc.) has been engaged by the United Nations Housing For All (UNHFA) to construct five hundred (500) units of two bedroom low cost flats in each of the thirty-six (36) states of Nigeria and the Federal Capital Territory so as to ameliorate the dearth of affordable houses for low income earners in Nigeria. Comment on the eligibility of Khalifa Global Habitat (U.A.E.) for exemption from registration under relevant law(s) in Nigeria.

(d) Assuming the company is eligible for exemption, highlight the document to be attached to the letter of exemption as requested by law.

(e) Following your successful Call to the Bar, your Uncle has given you the first brief to incorporate two (2) companies, namely:

(i) New Age Insurance Broker; and

(ii) China-Nigeria Chamber of Commerce (of which he is the Chairman).

Draft only the limitation of liability clause in the memorandum of association of the two companies.

(f) Identify the type of companies required by law for the type of businesses proposed in (e) i) and (ii) above.

(g) List the documents you will submit for stamping at the Federal Inland Revenue Service (FIRS) in order to incorporate the companies in (e) i) and (ii) above.

QUESTION 2

Elhadino Insurance Plc was registered on January 4, 2018 with an authorised share capital of #100,000,000.00 (One Hundred Million Naira) divided into 100,000,000 ordinary shares of N1.00 each. 60% of its authorised share capital was issued at incorporation. The relevant excerpts from the company's register of members and the company's register of directors and secretary as at incorporation is set out in Tables A and B below:

TABLE A

S/No.	NAME	ADDRESS	NUMBER OF SHARES HELD
1	Dino Magaji	4, Ogidi Street, G.R.A., Awka	10,000,000
2	Dalkas Premium Finance Limited	1, Law School Road, Bwari Abuja	25,000,000
3	Godwin Isa	5, Kings Crescent, Surulere, Lagos	5,000,000
4	Daniel Jacob	51, Danube Street, Maitama,	20,000,000

TABLE B

S/No.	NAME	ADDRESS	NUMBER OF SHARES HELD
1	Dino Magaji	4, Ogidi Street, G.R.A., Awka	Chairman/Managing Director
2	Dalkas Premium Finance Limited	1, Law School Road, Bwari Abuja	Executive Director
3	Godwin Isa	5, Kings Crescent, Surulere, Lagos	Executive Director
4	Daniel Jacob	51, Danube Street, Maitama,	Company Secretary Executive Director

(a) List any other five (5) statutory records that Elhadino Insurance PLC must keep excluding the two mentioned in the scenario.

- (b) Identify the contents of the statutory records mentioned by you in (a) above.
- (c) Draft the notice of the 2nd Annual General Meeting of the Company.
- (d) Advise the company on the code(s) of corporate governance applicable to the Company.
- (e) In the light of the extant code of good corporate governance for public Companies in Nigeria, Comment on:
 - (i) The propriety of the quantum of shares held by the shareholders in Table A.
 - (ii) The portfolio of the Directors in Table B above.

QUESTION 3

The threat that automation will eliminate a broad area of jobs across the world economy is no longer news. However, there are also reports that Artificial Intelligence (AI) will also create new jobs that are uniquely human which would require skills and trainings that have precedence. Of course Hi-Tech Limited ('the company') is one of the major players in the technology market in Nigeria. In order to further its Corporate Social Responsibility (CSR), the company Plans to incorporate Ofome Foundation to create awareness about Artificial Intelligence and its consequences.

- (a) Outline the documents required for the incorporation of the Foundation under Part C of the Companies and Allied Matters Act.
- (b) List the categories of persons qualified to be appointed as Trustees of the Foundation.
- (c) You have been briefed to incorporate the Foundation and you have concluded the assignment, write a letter to Ofome Hi Tech Ltd attaching the documents you obtained from the Corporate Affairs Commission.
- (d) Outline the Statutory Books which the foundation is required to keep under the law in Nigeria.

(e) Assuming you are to incorporate the Foundation as a company limited by guarantee (Ltd/Gree), mention one peculiar step you must take that is not required in the option in (a) above.

SECTION B

PLEASE USE ANOTHER BOOKLET FOR THIS SECTION

QUESTION 4 (COMPULSORY)

Mangola Nigeria Ltd was incorporated on the 5th day of January 2011. The company has three executive directors and three non-executive directors. The company has been posting marginal profit since it commenced business. At the 4th Annual General Meeting of the company, the members resolved that order to turn around the fortunes of the company, the Company will change its status to public company while a loan of #100,000;000.00 will be obtained from Globas Internathional Bank Plc. The property of the company located at Warri, Delta State will be charged in order to secure the facility.

Answer the following questions

- (a) State four (4) Ordinary Businesses to be transacted at the Annual General Meeting.
- (b) State two (2) consequential alterations each to be made in the Memorandum and Articles of Association of the company to bring it in line with its new corporate status.
- (c) Advise the Bank on the most suitable debenture it should accept from the Company as well as the appropriate charge to secure it under the Companies and Allied Matters Act. When must the Charge be registered?
- (d) Assuming you are the Company Secretary of Mangolo Nig. Ltd.

list the post alteration documentation you will effect at the Corporate Affairs Commission.

(e) Explain three (3) reasons why you will advise a Company to secure debentures by a floating charge instead of a fixed charge.

QUESTION 5

Green Pepper Nigeria Plc, a Food and beverages Producing company in Nigeria is now grappling with the harsh economic realities and low patronage by its customers. The company is heavily indebted to its creditors and the debts have remained unpaid over the years inspite of repeated demands from the creditors. The Board of Directors at the company have resolved to restructure the operation of the company.

Answer the following questions:

(a) Mention six (6) legislations on corporate restructuring in Nigeria as a guide for the investment brochure.

(b) Highlight six (6) regulatory institutions on corporate restructuring in Nigeria for inclusion in the investment brochure.

(c) State any three (3) of the various grounds upon which a company may be compulsorily wound up by the cour.

(d) List six (6) persons that can bring a petition for compulsory winding-up by the court

(e) Itemise the steps involved in Members' Voluntarily Winding-up

QUESTION 6

Kakaki Company Limited was incorporated on March 30, 2019. The company was formed to take over the business of furniture making carried on by Abel, Zamal and Taniam under the name and style of Kakaki Ventures. The partners are now the directors and shareholders of the Company. Taniam is however also the first Secretary of the Company. The first Board meeting of the company is scheduled to take place on August 20, 2019.

- (a) List any four (4) advantages of doing business under the name and style of Kakaki Ventures.
- (b) What is the effect of incorporation of Kakaki Company Limited?
- (c) Draft the Notice of Meeting of the 1st Board meeting of Kakaki Ltd.
- (d) Assuming Kakaki Ltd at its first Board meeting appointed Credit Bank as its Banker, and you have been briefed by the Bank to conduct a search on Kakaki Ltd. Prepare the Search Report.
- (e) List four (4) ways that the Companies and Allied Matters Act has enhanced the office of Taniam as Company Secretary.

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MARKING SCHEME

SECTION A

QUESTION 1(COMPULSORY)

The steps are as follows:

- a) The company must have incurred a capital expenditure of not less than Ten Million Naira.
- b). The application must be submitted within one year
- c). The application must be made to the Nigerian Investment and Promotion Commission in the prescribed application form accompanied with the following:
 - i. A covering letter addressed to the Executive Secretary of the Commission.
 - ii. A copy of the Nigerian Investment Promotion Commission's Registration certificate;
 - iii. A copy of the applicant's Corporate;Affairs Commission Incorporation Certificate;
 - iv. A copy of the applicant's memorandum of Association;
 - v. A copy each of the applicant's statement of share capital, Form CAC 2 and particulars of persons who are first directors, Form CAC 7;.
 - vi. Tax Clearence Certificate;
 - vii. The regulatory license to operate in the sector or business activity where required;
 - viii. Copy of the business plan of the proposed or actual project which the pioneer status is sought.

Note that under the Industrial Development (Income) Tax Relief Act, the company is expected to have incurred capital expenditure of not less than #150,000. In practice, the regulations are being applied in order to obtain pioneer status from NIPC and not the substantive law.

3 marks for any 3

The benefits are as follows:

- i. Exemption of company profit from taxation for the first 3-years of operation.
- ii. The exemption can be extended by one or two additional terms of 2 years

2 marks for any 2

b. The assurances under the extant law are as follows:

- i. Unconditional transferability of capital, profits and dividend;
- ii. Guarantee against expiration of enterprise or capital and in the event of expropriation, compensation will be paid promptly and adequately.
- iii. Amicable dispute resolution mechanism chosen by the parties;
- iv. Freedom to invest in any sector in Nigeria except with respect to items in the Negative List.
- v. Opening of Domiciliary account
- vi. Opening of non-resident Naira account;
- vii. Interest accruing from such loan will not be taxed.

4 marks for any 4 point

c. Registration at the Corporate Affairs Commission is a prerequisite for engaging in business in Nigeria- S. 54 CAMA. However, by S. 56 some foreign investors/ companies can apply for exemption from registration. By Section 56(1)(b) one of such foreign companies that is eligible for exemption is a company that is in Nigeria for the extent execution of specific individual loan project on behalf of a donor country or international organization. Khalifa Global Habitat (UAB Inc.) is a foreign company being sponsored by the United Nations Housing For All (UNHFA) to city construct 500 units of two bedroom low cost flats in each of the 36 States

in Nigeria and the Federal Capital Territory. The company is therefore eligible for exemption.

4 marks

d. The documents are as follows:

- i. A certified copy of the charter, statutes, or memorandum and articles of association of the company, or other instrument constituting or defining the constitution of the company, a certified translation of the instrument where necessary.
- ii. The name and place of business of the foreign company outside Nigeria.
- iii. The name and place of business or the proposed name and place of business of the foreign company in Nigeria.
- iv. The name and address of each director, partner or other principal officer of the foreign company.
- v. The names and addresses of some one or more persons resident in Nigeria authorized to accept on behalf of the foreign company service of process and any notices required to be served on the company.
- vi. The business or proposed business in Nigeria of the foreign company and the duration of such businesses.
- vii. Particulars of any project previously carried out by the company as an exempted foreign company.
- viii. Such other particulars as may be required by the Secretary to the Federal Government.- S. 56(2) CAMA

e. i. The limitation of liability clause of New Age Insurance Broke:

"The liability of the members is limited by shares. "

ii. The limitation of liability clause of China -Nigeria Chamber of Commerce:

"Every member of the company undertakes to contribute to the assets of the company in the event of the company being wound-up where he is a member or within one year after he ceases to be a member, and the costs, charges and expenses of winding-up which shall not be less than N10,000.00"

f. The type of company required to be registered for New Age Insurance Broker is a Public limited company.

The type of company required to be registered for China -Nigeria Chamber of Commerce is a company limited by Guarantee.

g. The documents to be presented to the Federal Commissioner of Stamp Duties(FIRS) for stamping in order to incorporate New Age Insurance Broker and China -Nigeria Chamber of Commerce are:

- (1) Two copies of the Memorandum and Articles of Association;
- (2) Form CAC 1.1 – Application for Registration of Company. See Stamp Duties Act Cap. S8 LFN 200412

QUESTION 2

(a) The other five (5) Statutory Records that Elhadino Insurance PLC must keep excluding the two mentioned in the scenario are as follows:

- i. Index of Members
- ii. Register of Interest in Shares;
- iii. Register of Directors Shareholdings
- iv. Register of Charges
- v. Register of Debenture Holders

vi. Minutes Books and Accounting Records; and

vii. Register of Directors Shareholding

2marks for any 5 (½ mark each)

b. The contents of the Statutory Records mentioned by you in (a) above are

i. INDEX OF MEMBERS S. 85

It contains the names and sufficient indications to enable the account of members in the Register of Members to be readily found.

ii. REGISTER OF INTEREST IN SHARES-Ss. 95&97

It contains in alphabetical order the names, addresses and the full particulars of the shares held by members who have become substantial shareholders of the company at least 10% of the voting rights at general meetings of the company.

iii. REGISTER OF DIRECTORS SHARE HOLDING-S. 275

It contains in respect of each director of the company, the number, description and amount of any shares or debentures of the company or its parent company or subsidiaries held by or in trust for the director

iv. REGISTER OF CHARGES-S. 191

It contains all charges affecting the properties of the company, a short description of the property charged, the amount of the charge and the names of the persons entitled to the charge.

v. REGISTER OF DEBENTURE HOLDERS-S. 193

It contains the names and addresses of the debenture holders, the principal of the debentures held by each of them, the amount or the highest amount of any premium payable on redemption of the debentures, the issue price of the debentures and the amount paid up on the issue price, the date on which the name of each person was entered on the register as a debenture holder and the date on which each person ceased to be a debenture holder.

vi. MINUTES BOOK-S. 241

It contains the proceedings of general meetings, board meetings and where there are managers, proceedings of the meetings of the managers of the company.

vii. ACCOUNTING RECORDS-S. 331

it contains entries from day to day of all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure took place, and a record of the assets and liabilities of the company.

3 marks for any 2 (1 marks each)

b. Draft of the notice of the 2nd Annual General Meeting of the Company

ELHADINO INSURANCE PLC

ANY ADDRESS

ANY RC No.

½ Mark

NOTICE OF THE 2ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2 Annual General Meeting of the above named company will be held at

day of _____ on the _____ day of _____ 2019 at 9 O'clock to transact the following business:

Ordinary Business:

1. Presentation of financial statement, Director's Report and Auditor's Report
- 2 Re-election of retiring directors

3 Appointment of Auditor and fixing the remuneration of Auditor.

4 Appointment of Audit Committee

5 Declaration of dividend

Special Business: ½ Mark

Any other business that does fall under ordinary business

Dated the day of 2019-½ Mark

By the Order of the Board of Directors. ¼ Mark

Company Secretary. ¼ mark

Note:

Proxy

Closure of Register of Members

Payment of Dividend

Questions from Shareholders

Audit Committee

Biographical details of directors for election/Re-election

Unclaimed Dividend and Share Certificates

d. The Codes of Corporate Governance applicable to the company are as follows:

i. Nigerian Code of Corporate Governance

- ii. Code of Corporate Governance for Public Companies in Nigeria; and
- iii. Code of Corporate Governance for Insurance Industry in Nigeria.

1½ Marks

e. The comments on the propriety of the quantum of shares held by the shareholders in Table A are as follow:

a) The Code of Corporate Governance for Public Companies did not provide for quantum of shares that shareholders must hold -2 Marks

i) The comments on the portfolio of the Directors in Table B above are as follows:

b) By the provisions of the Code, the position of the Chairman of the board and Chief Executive Officer/Managing Director shall be separate and held by different individuals but in the scenario, both positions are fused and held by the same person.

b) It does not comply with the provision of the Code in respect of the composition of the board. The Code provides that the board shall comprise a mix of executive and non-executive directors, headed by a Chairman.

The majority of the board members should be non-executive directors and at least one of whom should be an independent director. In the instant case, there is no mix rather all the directors are executive directors.

QUESTION 3

(a) The documents required for the incorporation of the Ofome Foundation under Part C of the Companies and Allied Matters Act are:

- i. Application form (CAC/IT/1)
- ii. Trustee declaration form
- iii. Original receipt of fees
- iv. Two passport photos of each trustee
- v. Two copies of the applicant's Constitution
- vi. Newspaper publication (originals)
- vii. Form of approval for name
- viii. Formal letter of application signed by the Chairman and Secretary or applicant's Solicitor.
- ix. Impression of the common seal of the body
- x. Letter of authority authorizing the person effecting the registration of the applicant body
- xi. Minutes of meeting where the trustees were elected and special clause adopted.

(b) The following persons are qualified to be appointed as trustee of Ofome Foundation:

- i. Any person who is not infant
- ii. A person who is not of unsound mind who had been found to be so by the court.
- iii. Any person who is not an un-discharged bankrupt
- iv. A person who has not been convicted of an offence involving fraud and dishonesty within five years of his proposed appointment.

(c)

Letter Head

(Any Address)

Managing Director/ Legal Adviser

Any address

Dear Sir,

RE-INCORPORATION OF OFOME FOUNDATION

We refer to your instructions to incorporate Ofome Foundation. $\frac{1}{2}$ Mark

We are happy to notify you that we have executed the instructions. $\frac{1}{2}$ Mark

Please, find attached the following documents obtained from the Corporate Affairs Commission:

- a) Certificate of Incorporation
- b) Certified True Copy of Form CAC/IT1
- c) Certified True Copy of the Constitution of the Foundation
- d) Common Seal
- e) Receipt of payment of filing fees. **2 Marks for any 4**

Thank You

Yours faithfully,

$\frac{1}{4}$ Mark

Any Signature of the Solicitor

Any name of the Solicitor

$\frac{1}{4}$ Mark

(d) The statutory books required to be kept by the foundation are

i. Register of Members

ii. Register of Trustees

iii. Minutes Book

iv. Books of Account

2 Marks for any 4

e) Obtaining the consent of Attorney General of the Federation for the registration of the Memorandum of Association

1 Mark

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MARKING SCHEME

SECTION B

QUESTION 4:

(a) By the provision of **Section 214 of the Companies and Allied Matters Act**, the following are the ordinary businesses that may be transacted at Mangola Nig. Ltd's Annual General Meeting:

- i. Declaration of dividends
- ii. Presentation of financial statements
- iii. Directors/Auditors' Report
- iv. Election of Directors to replace retiring Directors
- v. Appointment and fixing of remuneration of Auditors
- vi. Appointment of Audit Committee members

4 MARKS

(b) In order to effect the conversion of Mangola Nig. Ltd from private company to a public company, the following consequential alterations must be made in the company's Memorandum of Association:

- i. The heading of the Memorandum of Association will be altered to reflect the new name (Mangola Nig. Ltd)
- ii. The name Clause will be altered to reflect the name.
- iii. The status clause will be altered to reflect that it is public company.
- iv. Authorised share capital clause will be changed if it is less than #500,000.00 (Note that the increase in share capital would have been done before the share capital clause can be changed.

(Any 2). 2 marks

In order to effect the conversion of Mangola Nig. Ltd from private company to a public company, the following consequential alterations must be made in the company's Article of Association:

- i. The heading of the Article will be altered to reflect the new name (Mangola Nig. Ltd).
- ii. Alteration of clause restricting membership to 50.
- iii. Removal of restrictions on transfer of shares
- iv. Under the law, pre-emptive right clause applies to both private and public companies but in practice pre-emptive right clause is not usually included in the articles of a public company. That clause should be removed in the articles of association of this company.
- v. Provision of qualification of company secretary.
- vi. Inclusion of procedure for removal of Company secretary.
- vii. Provision for appointment of members of Audit Committee..
- viii. Requirement for additional notice of Annual General Meeting.
- ix. Age of Directors.
- x. General Meeting by written resolution
- xi. Provision relating to appointment of more than one director by a single resolution

Any 2 for 2 marks

(c) The most suitable debenture is secured debenture. **2 marks.**

The appropriate charge is a fixed charge

The charge must be registered within 90 days of creation.

6 marks

(d) Post incorporation documents in respect of conversion from private company to public company as provided under S. 50 CAMA (1 mrk) are:

- i. A printed copy of the Special resolution

- ii. Application for the re-registration and conversion to public company- CAC 2.7
- iii. Altered and stamped Memorandum and Articles of Association
- iv. Written statement on oath by director and secretary stating that the paid up capital of the company is not less than 25% of its authorised share capital.
- v. Copy of the Company Balance Sheet at the date of resolution or preceding 6 months whichever is earlier.
- vi. statutory declaration signed by Director and Secretary that the net assets of the company are not less than the aggregate of the paid up capital and undistributable reserve.
- vii. A Copy of prospectus/statement in lieu of prospectus issued in the last 6 months.

(7 marks)22

(e) Reasons why I will advise Mangola Nigeria Limited to secure its debenture by floating charge instead of a fixed charge are:

- i. The Debenture holder is confined to the asset charged in the fixed charge and cannot proceed against other assets of the company.
- ii. The particular asset charged is ear marked and kept available to satisfy the charge's claims

22

QUESTION 5

(a)

- i. Investments and Securities Act (ISA)
- ii. Companies and Allied Matters Act (CAMA)
- iii. Securities and Exchange Commission Rules

- iv. Central Bank of Nigeria Act
- v. Constitution of the Federal Republic of Nigeria
- vi. Federal High Court Act
- vii Federal High Court (Civil Procedure) Rules
- viii. Banks and Other Financial Institutions Act
- ix. Nigerian Deposit Insurance Corporation Act
- x. Assets Management Company of Nigeria Act²³

(Any 6 for 3 marks)

(b)

- i. Securities and Exchange Commission
- ii. Corporate Affairs Commission²³
- iii. Nigeria Stock Exchange
- vi. Federal High Court
- vii. Federal Inland Revenue Service
- viii. Federal Competition and Consumer Protection Commission
- ix. National Office for Technology Acquisition and Promotion Commission
- x. Financial Reporting Council of Nigeria
- xi. Nigerian Investment Promotion Commission
- xii. Nigerian Immigration Act
- xiii. Standard Organization of Nigeria
- xiv. National Agency for Food and Drugs Administration and Control

(Any 6 for 3 marks)

(c) The various grounds upon which a Company may be compulsorily wound up by the court are provided under S. 406 of CAMA as follows:

- i. Where the company has by special resolution resolved that the company be wound up by the court;
- ii. Where default is made in delivering the statutory report to the Commission or in holding the statutory meeting;
- iii. Where the number of members is reduced below two;
- iv. Where the company is unable to pay its debts;
- v. Where the court is of the opinion that it is just and equitable that the company be wound up. **See S. 408 CAMA**

(Any 3 for 3 marks)

(d) Persons that can bring a petition for compulsory winding up by the Court as provided under S. 410 of CAMA are as follows:

- i. the company;
- ii. a creditor, including a contingent or prospective creditor of the company;
- iii. the official receiver;
- iv. a contributory;
- v. a trustee in bankruptcy to, or a personal representative of a creditor or contributory;
- vi. the Commission;
- vii. a receiver, if authorized by the instrument under which he was appointed; or
- viii. by all or any of those parties, together or separately.

(Any 6 for 3 marks)

(e) The steps involved in members' voluntary winding up:

- i. The company pass Board and company special Resolution to wind up the company and to appoint a liquidator to wind up the company
- ii. it gives notice of the special Resolution and appointment of liquidator passed to CAC and the public within 14 days of its passage and advertises it in the Gazette or two daily newspapers – section 457(B)& 458(1) of CAMA.
- iii. a Statutory Declaration of Solvency that the company can pay its debts within 12 months of winding-up is made by the Directors within 5 weeks of passing the Special Resolution to wind up voluntarily and delivered to CAC –S.462 CAMA.
- iv. The liquidator holds meeting if the process of winding-up last more than a year
- v. The liquidator holds meetings to adopt the audited accounts of the winding-up and send copies to members
- vi. The liquidator holds final meetings upon liquidation of the company and send a copy of the accounts/ return of the meeting to CAC WITHIN 7 DAYS of the meeting–S.468&469 CAMA
- vii. The liquidator send to the members the audited accounts and he is required to preserve all the books/papers of the company on his activities as liquidator for a period of 5 years before destruction.-s.470 CAMA
- viii. The liquidator apply for dissolution Order and send the Order to CAC. The company is deemed dissolved after 3 months of the registration of the accounts/returns with CAC-s.468(4) CAMA.

QUESTION 6

Four advantages of doing business under the name and style of Kakaki are:

- i. Easy to register
- ii. Cost of registration is cheaper
- iii. Business commence before registration
- iv. Less formality
- v. Gives priority to use of the name.
- vi. Presumption of contemplated partnership
- vii. Shows true identity of the owner, if registered
- viii. Easy to manage
- ix. Easy decision making
- x. The partners will bear the liability of each other.

(ANY FOUR FOR 2 MARKS)

(b) The effect of incorporation of Kakaki Company Limited is as follows:

- i. The subscribers of the memorandum together become members of the company.
- ii. The company shall become a body corporate with powers to sue and be sued, power to hold land, having perpetual succession and a common seal.
- iii. There shall be liability on the to contribute to the assets of the company in the event of it being wound up.

Section 37 CAMA

(Any 2 for 2 marks)

(c) ½ mark KAKAKI COMPANY LIMITED RC NO. (Any)

(Any address, telephone number and email)

½ mk NOTICE OF FIRST MEETING OF THE BOARD OF DIRECTORS

NOTICE IS HEREBY GIVEN that the first meeting of the Board of Directors of the above named company will be held on the 20th day of August, 2019 at 9 0' clock to transact the following businesses:

AGENDA

- i. Appointment of the chairman of the Board
- ii. Appointment of Managing Director/ Chief Executive Officer of the company
- iii. Appointment of the Bankers to the company
- iv. Appointment of the Auditors of the company
- v. Discussion on pre-incorporation contracts/ matters
- vi. Allotment of Shares
- vii. Adoption of common seal
- iii. Fixing the quorum for Board meetings where the article did not provide for it
- ix. Fixing of the financial year of the company

(Any 6 for 1½ mark)

Dated thisday of 2019 (It should not be later than August 6th) ¼ mk

BY ORDER OF THE BOARD ¼ mk

Tamiam

Company Secretary

TOTAL: 4 MARKS

(d) **SEARCH REPORT ON KAKAKI LIMITED** (on the letterhead of the Solicitor)
1/2mk

1. DATE OF SEARCH Any date after 20 August, 2019.
- 2 PLACE OF SEARCH Corporate Affairs Commission, Abuja
3. NAME OF COMPANY: Kakaki Limited
4. COMPANY NUMBER RC: Any number
5. REGISTERED ADDRESS OF THE COMPANY; Any address
6. DATE OF INCORPORATION: 30th March, 2019.
- 7 BUSINESS/OBJECT CLASE: To take over the business of
furniture making caried on by Abel,
Zamal, and Taniam under the name and style of Kakaki Ventures To
borrow money and charge its undertakings and
uncalled capttals, etc
8. BORROWING POWER: Any amount
9. SHARE CAPITAL:
10. SHAREHOLDERS

- (a) Abel (any address and particulars)
- (b) Zamal (any address and particulars)
- (c) Taniam (any address and particulars)

11. SHAREHOLDING:

- (a) Abel ordinary shares of --# each
- (b) Zamal-ordinary shares of --# each
- (c) Taniarn ordinary shares of --# each

12. DIRECTORS

- (a) Abel of (any address and particulars)
- (b) Zamal (any address and particulars)
- (c) Taniam (any address and particulars)

13. COMPANY SECRETARY: Taniam (any address and particulars)

14 ANY ENCUMBRANCE Nil

15. FILING OF ANNUAL RETURNS Nil

16. REMARKS: If any

(4MKS)

SEARCH CONDUCTED BY: (Any name)

(Signature of the legal practitioner that conducted the search) **1/2mrks**

TOTAL-5MKS)

(e)

- i. He is an officer of the company. **See S. 567 CAMA.**
- ii. It is mandatory for a company to have a company secretary. **See S. 293(1) CAMA.**
- iii. Codification of the qualification, mode of appointment, duties and removal of a company secretary.
- iv. For public companies there is prescription of particular qualifications and stringent stipulations for removal of a company secretary.
- v. A Company secretary can also be a director of a company
- vii. Company secretaries can perform administrative duties subject to authorisation of the board.
- vii. Corporate bodies can act as company secretaries.

(Any 2 for 2 marks)