

ST.AUGUSTINE UNIVERSITY OF TANZANIA

FACULTY OF LAW

Course: SLW 300 - BUSINESS ASSOCIATIONS LAW

REVIEW QUESTIONS-II

COMPANY LAW

DEC-JAN 2010-2011

- 1) What do you mean by the word 'Company'?
- 2) What are the defining characteristics of a company?
- 3) What is the difference between Company and Partnership?
- 4) What is Illegal Association under the Companies Act 2002?
- 5) What happens when the number of members exceeds the prescribed maximum? And does it stand different if the number of members goes beyond the statutory one?
- 6) Elaborate the concept of incorporations and state the consequences of non-registration?
- 7) What is the minimum number of members for forming a Company?
- 8) How many types of Companies are there?
- 9) Under what circumstances a private company shall be treated as a deemed public limited company?
- 10) What does the word 'Promotion' refer to? And what are the basic duties of promoters towards the company formed?
- 11) What is the prerequisite for Incorporation of a Company?
- 12) What is Memorandum of Association of a company and how does it differ from Articles of Association?
- 13) What should be the Contents of company Memorandum?

- 14) Explain how does the doctrine of ultra-vires operate in Company Law and elucidate how ultra-vires actions can be avoided.
- 15) What are the Consequences of an ultra-vires transaction in a company?
- 16) What is Articles of Association and what are its contents?
- 17) Can Articles of Association be altered after incorporation?
- 18) Write short notes on each of the following
- a) Share capital
 - b) Certificate of Incorporation
 - c) Certificate of compliance
 - d) Ultra-vires doctrine
 - e) Promotion
 - f) Veil of incorporation
- 19) Harry is one of three directors in Engineering Products Co. Ltd. Harry is out for lunch one afternoon with a supplier of engineering parts, and after a long session of talking and drinking with the supplier, he agrees to place a very large order with that supplier.
- a) The other directors discover the order that Harry has made and attempt to cancel the order. It appears the parts are inappropriate for their business, overpriced and the supplier has a poor record in the industry for delivering on time. According to the company constitution Harry is not permitted to sign off orders without the signatures of the other directors.
 - b) Can the Engineering Products Co. Ltd cancel the order? Explain the viewpoint of the supplier and Engineering Products Co. Ltd and its directors.
 - c) Would your answer be different if Harry was not a director of a company but instead a partner in a partnership called Engineering Products?
- 20) Five months after Lucy purchased Tsh 30,000,000 shares in the company, she discovers that the information she based her decision to invest upon was incorrect. She based her decision to purchase shares on the company's previous year's profit figures. However the auditor made an error in the preparation of these figures for the company and the profit was overstated by 50%. She comes to you for advice. Advise Lucy whether she can collect damages from the company and/or the auditor.