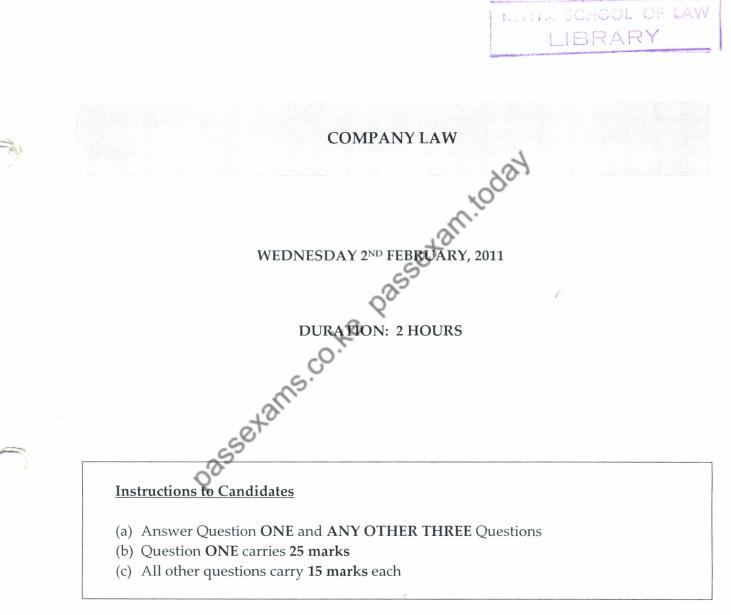
COUNCIL OF LEGAL EDUCATION



DIPLOMA IN LAW (PARA-LEGAL STUDIES)



PLEASE TURN OVER

QUESTION ONE

(a)"The word company has no strict legal meaning' Anonymous.

Attempt a definition of a company.

{3 marks}

(b) Highlight the functions which a modern day company seeks to achieve.

{6 marks}

(c) Draw a distinction between the various forms of limited companies that may be registered under the Companies Act (Cap 486, Laws of Kenya).

{6 marks}

(d) 'In carrying out their businesses, it is preferable that such business be carried out by way of a legal outfit christened company. This is fundamentally so, because of the numerous advantages that may be derived from such an outfit' Anonymous

Discuss briefly FIVE advantages derived from incorporation of a company. {10 marks}

QUESTION TWO

.0. * The procedure for incorporation of a company is embodied in Part II of the Companies Act (Cap 486, Laws of Kenya).

You are a senior clerk in the firm of Ngawa & Co. Advocates. A client walks into your offices and wishes to instruct the firm to incorporate a company for him. However, Ngawa the proprietor of the firm is away attending to court matters. The client wants to be briefed on the procedure for incorporating a Company. Brief the client on the procedure. {15 marks} PUBLIC.

QUESTION THREE

The doctrine of ultra vires is important in company law. With the aid of decided (a) case(s) elaborate the meaning and import of the said doctrine.

{9 marks}

- (b) Highlight the meaning of the following as understood in company law:
 - (i) Disclosure
 - **Constructive Notice** (ii)
 - (iii) Rule in Turquand's case

{6 marks}