

**FINAL EXAMINATION****DIPLOMA OF ACCOUNTANCY**

COURSE	: COMPANY LAW
COURSE CODE	: LAW2013
DURATION	: 2 HOURS 30 MINUTES

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **TWO (2)** parts : PART A (2 questions)
: PART B (3 questions)
2. Answer ALL questions from PART A and PART B.
 - i. Answer PART A and PART B in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of:
 - i. The Question Paper
 - ii. An Answer Booklet
4. Do not bring any material into the examination hall.
5. Please write your answer using permanent ink.

MYKAD/ PASSPORT NO : _____
ID. NO. : _____
LECTURER : _____
SECTION : _____

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of 4 printed pages including the front page

PART A : SHORT ESSAY

Answer ALL questions.

1. Explain the following cases in regard to the validity of pre-incorporation contract:

a. *Kelner v. Baxter.* (5 marks)

b. *Cosmic Insurance Corporation Ltd. v. Khoo Chiang Poh.* (5 marks)

(Total: 10 marks)

2. Explain the following cases in regard to the effects of incorporation of a company:

a. *Foss v. Harbottle.* (5 marks)

b. *Re Noel Tedman Holdings Pty. Ltd.* (5 marks)

(Total: 10 marks)

(TOTAL: 20 MARKS)

PART B : LONG ESSAY**Answer all questions.**

1. Andika was in the process of incorporating of a company. During the process of incorporation, Andika proposed two names, Andi Sdn. Bhd. and Adilah Sdn. Bhd. to the Registrar. Unknown to Andika, Andi Sdn. Bhd. has been used by other company and another different person has also proposed Adilah Sdn. Bhd to be used as the name of a company a week ago.

Advise Andika whether he would be able to use one of those two names as his company names.

(20 marks)

2. Alia is one of the members in Nilam Bhd., a public company limited by guarantee (the company). The company's constitution includes:
- i. That the company required to have maximum of 100 members;
 - ii. The company will issue one million shares as its capital; and
 - iii. All members will be given some dividends in the event the company managed to secure profits.

Advise the company on the validity of these constitution's provisions.

(20 marks)

3. Dinamik Bhd. (the company) is a new public company limited by shares. As a new company, the company has met with several problems and it is seeking your help to solve those problems:

a. The company wants to invite public to buy its shares but does not know the requirement in order to be able to do so.

(10 marks)

b. Dika is a preference shareholder in the company. He argued that as a shareholder of the company, he should have the right to vote in a meeting.

(10 marks)

c. The company's constitution provides that the company is to issue one million shares as capital. However, the company then worried that it may need more capital in future as the economy right now is very challenging.

(10 marks)

- d. The company's constitution outlined a procedure to alter the rights of shareholders, where it requires the 90% majority to pass the alteration. However, the Companies Act 2016 requires 75% only. The company is uncertain on whether to follow the constitution or comply with the Companies Act 2016.

(10 marks)

Advise the company.

(Total: 40 marks)

(TOTAL: 80 MARKS)
(TOTAL: 100 MARKS)

END OF QUESTION PAPER