



CS PART II SECTION 4

LAW AND PROCEDURE OF MEETINGS

FRIDAY: 30 November 2018.

Time Allowed: 3 hours.

Answer ALL questions. Marks allocated to each question are shown at the end of the question.

**QUESTION ONE**

- (a) Highlight four restrictions imposed by the Companies Act on the powers of the board of directors of a company. (4 marks)
- (b) With reference to powers and duties of the chairperson of a meeting, explain four circumstances under which the chairperson can:
- (i) Exercise his casting vote. (4 marks)
- (ii) Exercise his power to adjourn a meeting. (4 marks)
- (c) Discuss four main causes of disorder during the conduct of meetings. (8 marks)
- (Total: 20 marks)**

**QUESTION TWO**

- (a) Communication of a matter which is untrue and likely to damage substantially a person's reputation is defamation. With reference to the above statement, summarise four elements of a defamatory statement. (4 marks)
- (b) Examine three differences between libel and slander. (6 marks)
- (c) (i) Explain five defences to an action of defamation. (5 marks)
- (ii) Analyse five circumstances under which the plaintiff in slander does not need to prove that he suffered any actual pecuniary damage. (5 marks)
- (Total: 20 marks)**

**QUESTION THREE**

- (a) Explain four objectives of holding the first meeting of creditors and contributories in a winding up by order of the court. (4 marks)
- (b) Discuss the effect of adjournment of a meeting in relation to:
- (i) Notice of the adjourned meeting. (2 marks)
- (ii) Business of the meeting. (2 marks)
- (iii) Proxies at the adjourned meeting. (2 marks)
- (c) Evaluate how a valid resolution of a company might be passed without holding a meeting. (10 marks)
- (Total: 20 marks)**

#### QUESTION FOUR

- (a) Describe the protection procedure accorded to minority shareholders of a particular class of shares. (6 marks)
- (b) Discuss the procedure to be followed when a quorum is not present during the proceedings of the County Assembly. (6 marks)
- (c) The chairman of a meeting instructed the stewards to remove any persons taking part in disturbance at the back of the hall in which the meeting was being held. Acting upon the chairman's instructions, the stewards proceeded to remove persons responsible for the disturbance and forcibly ejected them from the hall.

Chimwaga Yawa was among those ejected by the stewards though he was entirely innocent of complicity in the disturbance.

In the course of his removal, Chimwaga Yawa was severely hurt and has claimed damages for assault from the chairman of the meeting.

**Required:**

Advise Chimwaga Yawa on the legal considerations of his claim.

(8 marks)

**(Total: 20 marks)**

#### QUESTION FIVE

- (a) Describe the procedure of giving a notice of a motion in a National Assembly. (6 marks)
- (b) A chairperson of a meeting does not incur personal liability merely by reason of an erroneous decision or irregularities in procedure in relation to the proceedings of a meeting so long as he acts bona fide and exercises his discretion honestly.
- Discuss the above statement with respect to legal actions. (5 marks)
- (c) You are the secretary to the board of directors of Chizingo Level Five Hospital, a government entity responsible for managing local health service provision to the community. The hospital's management and leadership have a culture of being publicly accountable to the community.

The hospital holds an annual public meeting to review its performance. The board expects a significant amount of public criticisms regarding the management of the hospital. During the previous meeting, there were thorny issues raised about:

1. The rights of the press in reporting the proceedings of the meeting.
2. The correct method of dealing with public meetings on private premises where some members of the public are likely to engage in some form of disorderly conduct.
3. The chairperson's role in regulation of discussion during the meeting.

**Required:**

Advise the board on the three issues raised above.

(9 marks)

**(Total: 20 marks)**

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