Course Title: INTRODUCTION TO BUSINESS LAW II

Course Code: BUL 102

Course Status: (Compulsory/2 Credits)

Lecturers:

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DEPARTMENT OF BUSINESS LAW,
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UNIVERSITY OF ILORIN, ILORIN,
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OFFICE LOCATION: - Department of Business Law, Faculty of Law, University of Ilorin

CONSULTATION HOURS: - Mondays 1-3 pm and Thursdays 1-2 pm

COURSE CONTENT:
Introduction to Alternative Dispute Resolution (ADR) and Introduction to Company law.
Introduction to ADR- Definition of ADR and Litigation, types of ADR, xteristics of ADR, advantages and disadvantages of ADR, and differences between ADR and Litigation.
Introduction to Company law- Brief history of company practice in Nigeria, types and classifications of company, formation of a company, registration of a company, meetings of a company, company’s security, company’s officials, and dissolution of company. 30 h (T) C

**COURSE DESCRIPTION:**

This Course is designed to introduce some basic principles of ADR and Company Law. ADR will deal with Definition of ADR and Litigation, types of ADR, characteristics of ADR, advantages and disadvantages of ADR, and differences between ADR and Litigation. While company law will deal with Brief history of company practice in Nigeria, types and classifications of company, formation of company, registration of a company, meetings of company, company’s security, company’s officials, and dissolution of company.

**COURSE JUSTIFICATION:**

**COURSE OBJECTIVE**

The general objective of the course as an integral part of the LL.B (Hons) programme is to familiarise the students to the introductory part of ADR and Company law respectively.

At the end of the semester, students are expected to:

- Have basic understanding of the ADR
- appreciate different methods of settling dispute.
- appreciate the working of the guiding principles in formation of company
- understand the legal status of company.

**COURSE REQUIREMENT:**

- This is a required course which must be taken and passed by all 100 level law students.
- The course is to be taken in the 2nd semester.
A Student must have a minimum of 75% attendance to be able to write the final examination.

**METHODS OF GRADING**

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**COURSE DELIVERY STRATEGIES: -**

The mode of course delivery shall be interactive. Thus a combination of face to face techniques shall be employed towards imparting knowledge on the students’ i.e Discussion, brief note taking System and tutorial.

**Lectures**

*Week 1: A brief history of Nigerian Company Law.*

**Objectives:** At the end of week 1, students should be able to

- discuss the history of Nigerian company law.
- Identify and appreciate the origin of corporate practice.

**Description:** - History of Nigeria Company Law and practice from 18th century till date

**Study questions**

i) Trace the history of Nigerian company practice?

ii) Nigerian Company Law is a replica of English company law. Discuss
**Week 2: Types and classifications of company**

**Objective:** At the end of week 2 students should be able to
- enumerate and discuss types and classifications of a company
- differentiate between types and classifications a company
- demonstrate the importance of each type and classification under the Nigeria law.

**Description:** - The topic will focus on the following outline:
- The meaning of types and classifications of a company
- Specific example of types and classifications of a company
- The advantage(s) and disadvantage(s) of each type and classification.

**Study questions.**
- State and discuss characteristics of various types of a company.
- Enumerate and discuss the advantages of a Private Company over Public company?

**Statute:**
Companies and Allied Matters Act, Cap C20, LFN 2004.

**Week 3: Incorporation / Formation of company.**

**Objective:** At the end of week 3, students should be able to
- understand the process of formation/ incorporation of a company.
- know those who can join in the formation of company (capacity to form a company).
- understand brief legal requirements to form a company.

**Description:** - The topic will focus on the following outline:
- The legal capacity of certain categories of persons such as the underage, insane, alien, corporation, bankrupt and those that are disqualified to be a director under sec. 54 CAMA, to form a company under the Nigeria Company Law.
Study questions:

- Discuss legal capacity to form a company?
- Analyse the concept of legal capacity under section 54 CAMA
- Discuss the effect of non compliance with the provisions of sections 18-20 CAMA.

Statute:
- Companies and Allied Matters Act, Cap C20, LFN 2004.

Week 4: Registration of company

Objective: At the end of week 4, students should be able to

- identify the steps to be taken in registration of company.
- Analyse the basic principles of law regulating registration of company in Nigeria.

Description: - The topic will focus on the following outline:

- Major steps in the registration of a company.

Study question

- What are the major steps you need to take to register a company under the CAMA?
- State the procedure for registration of a company under CAMA?

Week 5: Company’s Meeting

Objective: At the end of week 5, students should be able to

- discuss the nature and types company’s meetings.
- analyse the importance and effects of each type of meetings.

Description: - The topic will focus on the following outline:

- Types of meeting under the Nigeria company law
• Agenda of company’s meeting

Study questions:
• Briefly differentiate between Statutory meeting and Extra ordinary meeting of a company?
• Statutory meeting is very important to public company. Discuss?
• Briefly examine the agenda of a statutory meeting?
• What is an Extra ordinary meeting and when does it require to be held under the CAMA?

Statute:

Companies and Allied Matters Act, Cap C20, LFN 2004.

Week 6: Officers of a company: Director

Objective: At the end of week 6, students should be able to
• discuss the status of a director in a company to the students.
• Analyse the qualifications for appointment as a director.
• Identify the duties and liabilities of a company director.

Description: - The topic will focus on the following outline:
• The meaning of company director.
• Types of director and their status.
• Duties and liabilities of a director.

Study question
• Who is a company director?
• List and briefly explain different types of director?
• What are the duties and liabilities of a director of a private company?

Cases:
• Olufosoye v Fakorede (1993) 1 NWLR (Pt.272) 747.
• Yalaju Amaye v Associated Registered Engineering Contractors (1990) 4 NWLR (Pt. 145) 422.

Statute:
Companies and Allied Matters Act, Cap C20, LFN 2004.
Week: 7: Officers of company: Secretary.

Objective: At the end of week 7, students should be able to
- discuss the status of a company secretary.
- explain the functions/duties of a company secretary.

Description: The topic will focus on the following outline:
- Who is a company secretary?
- Status of a company secretary.
- Duties of a company secretary.

Study questions:
- Briefly examine the status of a company secretary?
- Who is a company secretary?
- Who appoints and removes company secretary?

Cases:
Wimpey (Nig.) Ltd. v Alhaji Balogun (1986) 3 NMLR (Pt.28)324.
Panorama Development (Guildford) Ltd. v Fidelis Furnishing Fabrics (1971) 2 QB 711

Statute:
Companies and Allied Matters Act, Cap C20, LFN 2004.

Week: 8 Revisions and Continuous Assessment
- To revise the topics treated so far so as to further refresh the students' memories
- To test the students on any of the topics treated so far.

Week 9: Company securities: Shares.

Objectives: At the end of week 9, students should be able to
- explain the relevance of share in a company.
- Analyse the differences classes of shares.
- Identify and discuss the right of a shareholder in a company.

Description: The topic will focus on the following outline:
- Meaning of share.
- Different classes of shares.
- Rights of a shareholder.

**Study questions:**
- Briefly examine different classes of shares under the Nigeria company Law?
- A shareholder has some rights in a company. Discuss?

**Cases:**
*Okoya v Santili (1994) 4 NWLR (Pt.338) 256*

**Statute:**
*Companies and Allied Matters Act, Cap C20, LFN 2004.*

**Week 10: Company securities: Debenture**

**Objectives:** At the end of week 10, students should be able to
- describe a debenture
- identify the differences between various classes of debenture.
- appreciate the rights of a debenture holder.

**Description:** The topic will focus on following outline:
1. Meaning of debenture.
2. Different classes of debentures.
3. Right of a Debenture holder.

**Study questions:**
- Briefly examine different classes of shares under the Nigeria Company Law?
- A Debenture holder has some rights in a company. Discuss?

**Case:**
General Auction Estate & Co, v Smith (1891)3 Ch. 432.

**Statute:**
*Companies and Allied Matters Act, Cap C20, LFN 2004.*

**Week 11: Company Dissolution.**

**Objectives:** At the end of week 11, students should be able to
- explain how company’s life can come to an end.
- identify different methods of terminating company’s life.

**Description:** The topic will focus on the following outline:
• The meaning of company dissolution.
• Methods of company dissolution.

Study questions:
State the rules of winding-up of a company?
Explain the circumstances in which the court can order the winding-up of a company?

Statutes:

Companies and Allied Matters Act, Cap C20, 2004

Week 12: Introduction to Alternative Dispute Resolution (ADR)

Objective: - At the end of week 12, students should be able to
• discuss the Concept of ADR.
• identify the advantages of ADR over Litigation.

Description: - The topic will focus on the following outline:
• Meaning of ADR and Litigation
• Law regulating ADR process in Nigeria
• Advantages of ADR over litigation and vice visa.

Study questions
• What is ADR?
• State the advantages of ADR over litigation?
• State the instrument(s) governing ADR process in Nigeria?

Statute: Arbitration and Conciliation Act, Cap A18 LFN 2004

Week 13: ADR: Type of ADR

Objectives: At the end of week 13, students should be able to
• differentiate between types of ADR.
• explain the workability of each type.

Description: - The topic will focus on the following outline:
• Brief introduction to different types of ADR
• Characteristics of different types of ADR
Study questions

- Mediation is simpler than that of conciliation. Discuss
- Explain the similarities between Arbitration and mediation

Statutes:
Arbitration and Conciliation Act, Cap A18 LFN, 2004

Week 14: Revision/ Tutorial Exercises
Objective: To give opportunity to students to ask questions on all the gray areas in the previous treated topics

Description: Students are expected to seek explanation on any difficult or not-too-clear concepts or topics treated during the course.

Study Questions:

- Trace the history of Nigerian company practice?
- Nigerian Company Law is a replica of English company law. Discuss.
- State and discuss the characteristics of various types of a company.
- Enumerate and discuss the advantages of a Private company over a Public company?
- Analyse the concept of legal capacity under section 54 CAMA
- Discuss the effect of non compliance with the provisions of sections 18-20 CAMA.
- What are the major steps you need to take in registration of a company under the CAMA?
- State the procedure for registration of company under CAMA
- Who is a company director?
- List and briefly explain different types of director?
- What are the duties and liabilities of director of a private company?
- Briefly examine the status of a company secretary?
- Who is a company secretary?
- Who appoints and removes company secretary?
- Briefly examine different classes of shares under the Nigeria Company Law?
- A shareholder has some rights in a company. Discuss?
• Briefly examine different classes of shares under the Nigeria Company Law?
• A Debenture holder has some rights in a company. Discuss?
• Using statutory and judicial authorities, explain the types of Winding-up?
• What is winding up?
• State type of winding up. Cite both statutory and judicial authorities?
• With the help of legal authorities, identify the persons who can petition for winding-up of a company?
• List and explain different types of ADR.
• Briefly differentiate between Statutory meeting and Extra ordinary meetings of a company?
• Statutory meeting is very important to public company. Discuss?
• State the agenda of statutory meeting?
• What is an Extra ordinary meeting and when does it require to be held under the CAMA?

READING LIST: