

LAW3102: CORPORATIONS LAW EXAM NOTES

INTRODUCTION

HISTORY OF CORPORATIONS

LEGISLATION

- United Kingdom = *Companies Act 1862 (UK)*
- Australia = *The Constitution* and *Corporations Act 2001 (Cth)*

TYPES OF CORPORATION

Chartered corporation

- Very old method of incorporation – Incorporation by royal charter or letters patent
- In Australia, this power is within the royal prerogative and may be exercised by the Governor-General
- A CC has all the common law powers of a corporation except for limitations expressed in the charter
- Examples:
 - Banks, managing and distributing land and foreign trade

Statutory/public corporation

- A corporation created by government, either State, Territory or Commonwealth
- These corporations are created by special statute and may also be made subject to other general legislation
- They are similar in essence to chartered corporations save for the manner in which they are created
- They include corporations that provide a service to the states like Australia Post and Air and Rail services

Registered corporation

- A corporation that has been created and registered by ASIC
- This type of corporation can be created by a person or group of people that decide there is a purpose for it

CORPORATE ANATOMY

WHAT IS A CORPORATION?

- A legal person, that is NOT a natural person

STAGES OF CORPORATIONS

- Promotion:
 - Promoters
- Registration
- Operation
- Liquidation (Winding Up)
 - Liquidators

PARTIES TO A CORPORATION

- Insiders:
 - Members:
 - Shareholders
 - A person (legal entity) that owns a share of the Corporation's shares
 - Contributories
 - Officers
 - Directors
 - Company Secretary
 - Employed Managers
- Outsiders:
 - Creditors
 - Debenture Holders
 - Banks
 - Trade Creditors
 - Employees

RECORDS, REGISTERS AND RULES

- Constitutions
 - The Act and Replaceable Rules
 - Memorandum of Association
 - Articles of Association
 - Constitution
 - Resolutions
- Shares:
 - Registers
 - Share Certificates
- Minutes:
 - Resolutions

ADVANTAGES OF A CORPORATION

- Perpetual succession:
 - Ease of changing ownership
- Limited liability:
 - Managing risk
 - Uncalled and unpaid share capital