



# BG 1401

## Business Law II

- Bill
- Partnership
- Company Limited
- Public Company Limited

**Nattapong Posakabutra**



# Contents

	Page
Preface	iii
Acknowledgement	iv
Contents	v
<b>Chapter 1 Bills</b>	<b>1</b>
Nature of bill	1
Types of bill	1
Parties to the bill	2
Liability of parties signing on the bill	6
Person signing as agent or in representative capacity	6
Capacity of parties to the bill	6
<b>Chapter 2 Bill of Exchange</b>	<b>8</b>
Definition	8
Form of bill of exchange	9
Maturity and payment of a bill of exchange	10
Maturity	10
Payment of a bill of exchange	12
Negotiation of a bill of exchange	13
Negotiation of an order bill	13
Indorsement	14
Restrictive indorsement	15
Liability of drawer and indorser	16
Rights of the drawer	16
Optional stipulation by drawer or indorser	17
Negotiation or limiting liability to the holder	17
Waiving as regard himself some or all of the holder's duties	17
Rights of the holder	17
Negotiation of a dishonored bill	18

Negotiation of bill to party already liable thereon	18
Negotiation of a bearer bill	19
Acceptance	19
When presentment for acceptance is necessary	20
Rules as to presentment for acceptance	20
Forms of acceptance	21
General and Qualified acceptance	21
Duties as to qualified acceptance	21
Liability of acceptor	22
Aval	22
Form of aval	22
Liability of the giver of an aval	22
Dishonored bill and the holder's right of recourse	23
Non-acceptance	24
Non-payment	24
Notice of dishonors of protest	24
<b>Chapter 3 Promissory Note</b>	25
The differences between a promissory note and a bill of exchange	26
Form of Promissory note	26
Application of Chapter II to Promissory Notes	27
Liability of the maker	27
<b>Chapter 4 Cheque</b>	28
Form of cheque	29
Application of chapter II to Cheque	30
Presentment of cheque for payment	30
Duty of a banker	30
Revocation of a banker's authority	31
Banker's acceptance	32
Crossed cheque	32



	Page
Crossing a material part of cheque	35
Protection to banker and drawer where cheque is crossed	36
Protection of banker collecting payment of cheques	36
Banker paying demand bill whereon indorsement is forged	37
Forged and unauthorized signature	39
The rights of a holder to the forged bill	40
<b>Chapter 5 Partnership and Company Limited Partnership</b>	<b>41</b>
Nature of partnership	41
Forms of Partnership and Company	41
<b>Chapter 6 General Partnership</b>	<b>43</b>
Forming a general partnership	43
Registration of a general partnership	43
Relation of partners between themselves	44
Relation of partners to third persons	46
Management of a general partnership	46
Dissolution and liquidation of a general partnership	47
Liquidation of the General Partnership	48
Amalgamation of registered partnership	49
<b>Chapter 7 Limited Partnership</b>	<b>50</b>
Definition	50
Forming a limited partnership	50
Relation of partners between themselves	51
Relation of partners to third persons	52
Management of a limited partnership	54
Dissolution of a limited partnership	54
<b>Chapter 8 Company Limited</b>	<b>55</b>
Nature	55

	Page
Formation of a company limited	55
Shares and shareholders	57
Classes of shares	57
Payment of shares	58
Certificates of shares	59
Forms of certificate of share	59
The register of shareholders	59
Transfer of shares	60
Management of a company limited	61
Directors	62
Appointment of directors	62
Resignation, retirement, dismissal and disqualification of directors	62
Board of directors	63
General meeting	65
Notice of the summoning	66
Quorum of a general meeting	66
Voting right	67
Proxy	67
Voting	67
Resolution	68
Chairman of a general meeting	69
Adjournment of the meeting	69
Balance sheet	69
Dividends and reserves	69
Interim dividends	70
Books of account	70
Minutes	70
Audits ad inspections	71
Eligibility as auditors	71
Appointment of auditors	71
Remuneration	72

	Page
Rights and duties of auditors	72
Inspections	72
Increase and reduction of capital	73
Increase of capital	73
Reduction of capital	73
Dissolution and liquidation	73
Liquidation	74
Appointment of liquidators	74
Removal of liquidators	75
Duties of liquidators	75
Power of liquidators	76
Order of payment of debts	77
Prescription	78
Amalgamation of company limited	78
<b>Chapter 9      Public Company Limited</b>	79
Definition	79
Formation of a Public Company Limited	79
Shares and shareholder	80
Characteristic of shares	80
Classes of share	81
Transfer of share	82
Management of public company Limited	82
Direct Management	82
Cumulative voting of the Directors	83
Board of Directors	84
Quorum of the board of directors meeting	84
Chairman of the board of directors meeting	85
Voting at the board of directors meeting	85
Power and duties of the directors	85
Power of the directors	85

	Page
Duties of the directors	85
Shareholder Meetings	87
Notice of the summoning	84
Quorum of a shareholder meeting	88
Voting at a shareholder meeting	88
Voting	88
Resolutions	88
Accounts and Reports	89
Accounts	89
Report	89
Audits and Inspections	90
Audit	90
Inspection	90
Dividends and Reserves	92
Interim dividends	92
Reserve	92
Increase and Reduction of Capital	92
Increase of capital	92
Decrease of capital	93
Dissolution and Liquidation	94
Merger	94
Conversion of Private Company to Public Company	95
<b>Bibliography</b>	96