

City University of Hong Kong

Course Syllabus

offered by School of Law
with effect from Semester B 2018/19

Part I Course Overview

Course Title: Capital and Securities Market Regulation

Course Code: LW6107E

Course Duration: One semester

Credit Units: 3

Level: P6

Medium of Instruction: English

Medium of Assessment: English

Prerequisites:
(Course Code and Title) LW5656 (applied to JD students only)

Precursors:
(Course Code and Title) Nil

Equivalent Courses:
(Course Code and Title) Nil

Exclusive Courses:
(Course Code and Title) Nil

Part II Course Details

1. Abstract

This course offers an introduction to the capital and securities market regulations. Students will learn about relevant laws of capital market, from the prospectus regime to continuing disclosure requirements and corporate governance of public companies. This course will also introduce the liability regime of public offering, insider dealing, other market misconducts, and the enforcement of securities laws.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs	Weighting (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	Describe and explain the basic principles of the law relating to capital markets	40%	√		
2.	Apply the principles of securities law to solve legal problems by analysing cases and interpreting statutes	20%	√		
3.	Conduct independent research on the law and relevant legal issues in relation to capital markets	20%		√	√
4.	Research, analyse and critically evaluate legal principles and doctrines in securities law in light of both doctrinal coherence and in relation to the policy objectives of the law	10%		√	
5.	Understand the business and practice of capital market transactions	10%		√	√
		100%			

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to self-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Teaching and Learning Activities (TLAs)

(TLAs designed to facilitate students' achievement of the CILOs.)

TLA	Brief Description	CILO No.					Hours/week (if applicable)
		1	2	3	4	5	
Lecture	Lecture	√	√	√	√		2
Group Discussion	In-class group discussion		√		√	√	1

4. Assessment Tasks/Activities (ATs)

(Ats are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.					Weighting	Remarks
	1	2	3	4	5		
Continuous Assessment: 40 %							
Class Participation	√	√			√	10%	
Coursework	√	√	√	√	√	30 %	
Final Examination: 60 % (duration: 3 hours)							
Final Exam	√	√	√	√	√	60 %	
						100%	

Students are required to attend at least 70% of the classes (lectures, seminars, presentations). If a student does not meet this requirement, he/she may be disqualified for assessment.

Students must obtain a minimum mark of 40% in both coursework and examination and an overall mark of 40% in order to pass the course.

When University facilities and resources are available, students are required to take a computer-based examination in computer labs. During the examination, students are blocked from access to files, programme and the Internet.

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
Class Participation	Ability to identify the right issues and address the problems; Ability to apply the relevant laws to the issues; Ability to present arguments and observations clearly and in a well thought out manner.	Strong evidence of original thinking; good organization, capacity to analyse and synthesize; superior grasp of subject matter; evidence of extensive knowledge base.	Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature.	Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material.	Sufficient familiarity with the subject matter to enable the student to progress without repeating the course.	Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited, or irrelevant use of literature.
Coursework	Ability to identify issues, demonstrate an understanding of the relevant principles/regulations, apply principles to real or hypothetical scenarios, and articulate one's views orally	Excellent identification of issues, evidence of understanding principles/regulations and applying them to hypothetical scenarios, and articulation of one's views in a coherent and persuasive manner	Good identification of issues, evidence of understanding principles/regulations and applying them to hypothetical scenarios, and articulation of one's views in somewhat coherent and persuasive manner	Adequate identification of issues, evidence of understanding principles/regulations and applying them to hypothetical scenarios, and articulation of one's views	Barely adequate identification of issues, evidence of understanding principles/regulations and applying them to hypothetical scenarios, and articulation of one's views	Poor identification of issues, evidence of understanding principles/regulations and applying them to hypothetical scenarios, and articulation of one's views
Final Exam	Ability to analyse facts, identify relevant issues, apply principles/regulations, and communicate one's reasoned views in writing	Strong evidence of original thinking; good organization, capacity to analyse and synthesize; superior grasp of subject matter; evidence of extensive knowledge base.	Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature.	Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material.	Sufficient familiarity with the subject matter to enable the student to progress without repeating the course.	Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited, or irrelevant use of literature.

Part III Other Information (more details can be provided separately in the teaching plan)

1. Syllabus

1.1 Keyword Syllabus

(An indication of the key topics of the course.)

Prospectus Regime, Mandatory Disclosure, Corporate Governance, Prospectus Liability, Market Misconducts, Insider Dealing, Market Manipulation, Enforcement of Liability, Takeover Code, International Capital Market.

1.2 Detailed Syllabus

- International Capital Markets
- Regulatory Competition Among Stock Exchanges
- Corporate Governance of Public Companies
- Mandatory Disclosure and the Prospectus Regime
- Prospectus and Related Liability
- Market Misconduct
- Enforcement of Securities Law
- Takeover Code and the Market for Corporate Control

2. Reading List

2.1 Compulsory Readings

(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)

Course materials provided by the course leader.

2.2 Recommended Readings

Douglas W Arner, Berry Hsu, , Say H Goo, Syren Johnstone and Paul Lejot, *Financial Markets in Hong Kong : Law and Practice*, 2nd edition, (Oxford University Press, 2016).

David Donald (with Jefferson Vanderwolk and Wang JiangYu), *A Financial Centre for Two Empires: Hong Kong's Corporate, Securities and Tax Laws in its Transition from Britain to China* 292 pp. (Cambridge University Press, 2014)

Cally Jordan, *International Capital Markets: Law and Institutions* (Oxford University Press, 2014).

Marc Steinberg, Franklin A. Gevurtz, and Eric Chaffee, *Global Issues in Securities Law* (West, 2013).

Marco Ventoruzzo, Pierre-Henri Conac, Gen Goto, Sebastian Mock, Mario Notari and Arad Reisberg, *Comparative Corporate Law* (West, 2015).

2.3 Online Resources

<http://www.sfc.hk/web/EN/index.html>

<http://www.oecd.org/corporate/>

<https://www.sec.gov/>

<http://www.fca.org.uk/>