

**City University of Hong Kong
Course Syllabus**

**offered by School of Law
with effect from Semester A 2019/20**

Part I Course Overview

Course Title:	<u>Company Law</u>
Course Code:	<u>LW6103E</u>
Course Duration:	<u>One Semester</u>
Credit Units:	<u>3</u>
Level:	<u>P6</u>
Medium of Instruction:	<u>English</u>
Medium of Assessment:	<u>English</u>
Prerequisites: <i>(Course Code and Title)</i>	<u>Nil</u>
Precursors: <i>(Course Code and Title)</i>	<u>Nil</u>
Equivalent Courses: <i>(Course Code and Title)</i>	<u>LW5656 Company Law I</u>
Exclusive Courses: <i>(Course Code and Title)</i>	<u>Nil</u>

Part II Course Details

1. Abstract

This course examines the law and regulation of companies and other business organisations: the formation, management and operation of companies, corporate governance, the constitutional framework of corporate bodies, the relationship between the internal stakeholders of the company, as well as their relationship with external parties. The course will analyse the theoretical underpinning of the legal rules and principles of corporate law, as well as the policy drivers behind the shaping of corporate law.

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 companies.	20%	✓		
2.	Apply the principles of company law to solve legal problems by: <ul style="list-style-type: none"> • analysing cases • interpreting statutes • conducting independent research on the law and relevant legal issues • marshalling arguments clearly, logically, coherently and effectively, both orally and in writing. 	30%	✓	✓	
3.	Research, analyse and critically evaluate: <ul style="list-style-type: none"> • legal principles and doctrines in company law in light of both doctrinal coherence and in relation to the policy objectives of the law • the implications of company law in facilitating or limiting the achievement of a business's commercial or other goals and in balancing the competing interests of the investors, creditors, managers, employees and the public. 	50%	✓	✓	✓
		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	
Lectures	Students will receive guidance on their reading and research through multimedia or other presentations. Students' understanding will be enhanced by seeing the operation of the law in case studies, and through group discussions.	✓	✓	✓	2
	Students will be introduced to issues and concerns and aspects of the operation of the substantive rules of company law.			✓	
Reading of cases, statutes and other material, and research	Students will acquire knowledge of the substantive rules of company law through set readings as well as readings acquired through the student's own research.	✓	✓		
	Students will learn and evaluate conceptual and policy issues in company law through set readings as well as readings acquired through the student's own research.			✓	
Several lectures will include small group / interactive sessions	Students will analyse cases, interpret statutes, and may need to research issues of company law. Students will apply relevant legal analysis to case study situations, thereby developing issue recognition, problem solving and application skills. Students will present arguments orally and may need to provide written submissions.		✓		1
	Students will scrutinise, analyse and evaluate issues and concerns in the field of company law through group discussions.			✓	

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		
I. Continuous Assessment				30%	
Group Assignment					
Students' ability to conduct in-depth research, analyse primary and secondary materials, synthesize the material, and evaluate the legal questions will be tested	✓		✓		
II. Examination (duration: 3 hours)				70%	
Students' ability to apply the principles of company law to given situations, to resolve problems, and to communicate arguments in writing will be tested	✓	✓			
				100%	

Grading of Student Achievement: Standard (A+ A A- ... F)

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.

The assessment in LW6103E Company Law shall differ from the assessment in LW4656 LLB Company Law I by involving a level of complexity and sophistication appropriate to a course conducted at the postgraduate level.

To pass this course students must obtain an aggregate mark of 40% and a minimum of 40% in each of the coursework and the examination elements of the assessment. Coursework for this purpose means those ways in which students are assessed otherwise than by the end of session examination.

The duration of the examination is 3 hours.

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)
1. Examination	1.1 Ability in identifying the nature of the legal issue/s implicated	High	Significant	Moderate	Basic	Inadequate
	1.2 Sophistication in analysis	High	Significant	Moderate	Basic	Inadequate
2. Assignment	2.1 Depth of research	High	Significant	Moderate	Basic	Inadequate
	2.2 Synthesis and argument	High	Significant	Moderate	Basic	Inadequate

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

1. Keyword Syllabus

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

- Different forms of business organisations: sole proprietorship; partnership, registered company.
- Legal personality, liability of companies and piercing the corporate veil.
- The constitution of registered companies.
- Division of corporate powers
- Directors' duties.
- Corporate contracting.
- Shareholder remedies

Detailed Syllabus:

- The historical and economic background to the development of the registered company in Hong Kong.
- An examination of the organisational modes in which business activities may be conducted: sole proprietorship; partnership, registered company – their legal status powers and characteristics.
- Partnership law – nature of partnership, creation of a partnership, powers and duties of partners, relationship with persons dealing with the firm, dissolution of partnerships.
- Comparison of partnerships and registered companies.
- Legal personality, liability of companies and piercing the corporate veil.
- The constitution of registered companies, the effect of the articles. Constitutional change; alteration of articles and memorandum.
- Directors and their duties; division of power.
- Directors' authority, agency principles, and *Turquand's* case.
- Minority protection; rule in *Foss v Harbottle* and exceptions, just and equitable winding-up, unfair prejudice.

2. Reading List

Textbook:

Stefan HC Lo & Charles Z Qu, *Law of Companies in Hong Kong*, 3rd Edition, Sweet & Maxwell. Sept. 2018.

Cases and Legislation:

Cases and legislation marked with an asterisk (*) in the reading guide are compulsory reading. Cases and legislation will be uploaded to the course website. The main piece of legislation for this course is Companies Ordinance (Cap 622). You are advised to print a paper copy from the pdf available from the Hong Kong e-Legislation website. (<https://www.elegislation.gov.hk/>).

Recommended Reading:

Books:

- *Gower's Principles of Modern Company Law*, Sweet and Maxwell, London (latest edition)

Online Resources:

- Hong Kong e-Legislation, <https://www.elegislation.gov.hk/>
- Companies Registry, <http://www.info.gov.hk/cr>
- Securities and Futures Commission, <http://www.hksfc.org.hk>
- Hong Kong Stock Exchange, <http://www.hkex.com.hk/index.htm>