

LW4657: COMPANY LAW II

Effective Term

Semester A 2025/26

Part I Course Overview

Course Title

Company Law II

Subject Code

LW - Law

Course Number

4657

Academic Unit

School of Law (FL)

College/School

School of Law (FL)

Course Duration

One Semester

Credit Units

3

Level

B1, B2, B3, B4 - Bachelor's Degree

Medium of Instruction

English

Medium of Assessment

English

Prerequisites

- (a) LW4656 Company Law I for LLB students.
- (b) LW4656 Company Law I or LW3902 Law Relating to Companies for BBA Students.

Precursors

Nil

Equivalent Courses

- LW4148 Company Law (LLB) (from the old curriculum).
- LW4148A Company Law (AMLLB) (from the old curriculum)
- LW5657 Company Law II

Exclusive Courses

Nil

Part II Course Details

Abstract

This course aims to build upon basic company law knowledge through a review of the law, policy and practice in relation to equity and debt financing of companies, and the external administration of companies (receivership, liquidation etc).

Course Intended Learning Outcomes (CILOs)

	CILOs	Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1	Describe and explain principles of company law dealing with corporate financing and external administration.	20	x		
2	Apply principles of company law to solve legal problems involving corporate financing and external administration of companies by: - 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	x	x	
3	Research, analyse and critically evaluate: - legal principles and doctrines in company law dealing with corporate financing and external administration in light of both doctrinal coherence and in relation to the policy objectives of the law - the implications of the above principles and doctrines 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	x	x	x

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 real-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.

Learning and Teaching Activities (LTAs)

LTAs	Brief Description	CILO No.	Hours/week (if applicable)
1	Reading of cases, statutes and other material, and research	Students will acquire knowledge of the substantive rules of company law dealing with corporate finance and external administration. This would be through both set readings and other materials acquired through the student's own research.	1
2	Reading of cases, statutes and other material, and research	Students will learn and evaluate conceptual and policy issues in company law dealing with corporate finance and external administration through multimedia or other presentations. This would be through both set readings and other materials acquired through the student's own research.	3
3	Lectures	Students will receive guidance on their reading and research through multimedia or other presentations. # Students' will deepen their understanding by seeing the operation of the law in case studies, and by engaging in group discussions.	1
4	Lectures	Students will engage with issues and concerns and aspects of the operation of the substantive rules of company law dealing with corporate finance and external administration.	3

5	Small group discussion / interactive sessions	Students will analyse cases, interpret statutes, and may also conduct their own research on issues of company law dealing with corporate finance and external administration. # 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.	2	
6	Small group discussion / interactive sessions	Students will scrutinise, analyse and evaluate issues and concerns in the field of company law dealing with corporate finance and external administration through group discussions	3	
7	Small group discussion / interactive sessions	# Students will evaluate the utility and limitations of GenAI tools for generating answers to legal problems, and apply critical analysis to GenAI outputs in legal contexts. Students will apply their legal knowledge to correct/amend/improve AI-generated outputs to craft a work product that is fit for purpose.	2, 3	
8	Small group discussion / interactive sessions	Students will develop self-confidence in application of legal principles, advocacy skills and public speaking.	3	
9	Small group discussion / interactive sessions	Students will develop greater intellectual and interpersonal maturity	3	

Assessment Tasks / Activities (ATs)

	ATs	CILO No.	Weighting (%)	Remarks ("- for nil entry)	Allow Use of GenAI?
1	Contribution toward Knowledge Building	1, 2, 3	15	Students' ability to describe and explain substantive rules of company law will be tested by the above assessment tasks/ activities. Students' ability to research, analyse and resolve problems, and to communicate arguments orally and in writing will be tested. Students' ability to analyse and critically evaluate, and to communicate arguments orally and in writing will be tested.	Yes
2	Presentation	3	15	Students' ability to research, collect data and decipher primary and secondary materials, and to analyse and critically evaluate issues in company law, and to communicate arguments in writing will be tested. Confidence building and students' maturity	Yes

Continuous Assessment (%)

30

Examination (%)

70

Examination Duration (Hours)

2-3

Minimum Continuous Assessment Passing Requirement (%)

0

Minimum Examination Passing Requirement (%)

30

Additional Information for ATs

The use of Generative AI tools is only allowed as specified in instructions provided by the course leaders for contribution toward knowledge building and presentation. The use of Generative AI tools is not allowed in Examination.

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

To pass each course, students need a total score of at least 40% and a minimum of 30% in both the continuous assessment (CA) component and final exam component. To ensure fair and comprehensive assessment of students' course performance, the pass mark requirement for the CA component will be waived for courses with a CA component equal to or less than 30%. This means students only need to achieve the pass marks for the final exam component AND the overall mark to pass the course. Continuous Assessment for this purpose means those ways in which students are assessed otherwise than by the end of session examination.

The portion of the overall mark allocated to performance/participation in inter-active in class activities will be assessed on the quality of the participation. Assessment criteria for those activities, their nature and their timing will be set out in the study guide/course manual and will be further expanded upon by the course leader.

To enable the full benefit to be obtained from this course, students should attend all of the classes and activities.

Assessment will be formative to enable students to demonstrate their capacity to understand, analyse and apply rules and principles and summative to assess ability to synthesise primary and secondary material to solve novel problems.

Assessment Rubrics (AR)

Assessment Task

Examination

Criterion

- 1.1 Perspicacity in identifying the nature of the legal issue/s implicated
- 1.2 Sophistication in analysis

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Inadequate

Assessment Task

Presentation

Criterion

- 2.1 Depth of research
- 2.2 Synthesis and argument
- 2.3 Confidence building and students' maturity

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Inadequate

Assessment Task

Contribution toward Knowledge Building

Criterion

3.1 Preparedness and contribution

3.2 Ability to work in groups

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Inadequate

Part III Other Information

Keyword Syllabus

- Financing corporate enterprises.
- Share capital.
- Public issues of securities and official listing.
- Borrowing and loan capital.
- Security for loans and charges.
- Creditor remedies, including receivership.
- Corporate rescue processes.
- Liquidation.

Detailed Syllabus:

- Financing corporate enterprises – an overview. Background to Hong Kong as a financial centre. Debt and Equity.
- Share capital: the issue of equity and equity type securities, types of share, rights issues and subscription agreements; the rules of maintenance of share capital, reduction of capital, financial assistance, purchase of own shares, reorganizations. Problems on transfer.
- Public issue: requirements of the Companies Ordinance, disclosure obligations, contents of prospectuses and defective information.
- Official listing: minimum requirements, preparation for flotation, procedures and requirements. Continuing obligations and raising additional capital.
- Borrowing and loan capital: money, debt, credit, security; loans and borrowing; loan facilities and loan agreements, security and creditor protection covenants, debt securities – an examination of various types, their uses and purposes.
- Security for loans, types of charge, registration of charges and priorities, typical protection clauses and their efficacy, eg negative pledge and automatic crystallization.
- Creditor remedies, including receivership.
- Corporate failure: causes and effects.
- Corporate rescue processes.
- Liquidation (an overview of the winding-up procedure and its consequences, including the re-opening of antecedent transactions and the role of the liquidator) and dissolution.

Reading List

Compulsory Readings

	Title
1	Refer to attached reading list