

**THE UNIVERSITY OF HONG KONG
FACULTY OF BUSINESS AND ECONOMICS**

**School of Business
Spring Semester 2011
Course Code BUS11001E –Business Law**

I. Information on Instructor and Demonstrator

Instructor: Mr. David Woods
Email: woods@business.hku.hk
Office: Rm209, Meng Wah Complex
Office Phone: 2857 8352
Consultation times: Wednesday 2:00 -5:00 p.m.

Demonstrator: Mr. Thomas Ng (Rm 601B Meng Wah Complex)
Email: thomasng@business.hku.hk
Mobile Phone: 9695 0008
Consultation times: Monday to Friday via appointment

II. Delivery:

Within the semester, students shall receive three hours in lectures and one hour tutorial per week.

III. Aims:

The aims of the course are to provide a wide basis of knowledge of the law relating to business issues relevant to Hong Kong.

IV. Methods of assessment

- In class oral presentation
- In class demonstration
- Individual written assignment based on a case study
- Examination

V. Course Content:

Week 1 - Introduction to the Hong Kong Legal System and Method

- Civil and Common law systems
- Judicial Precedent
- Legislation

Week 2- Introduction to the Hong Kong Legal System and Method (continued)

- Other sources
- Judicial method
- Institutions and officers of the law

Week 3 - Business Organizations

- Legal concepts of personality, capacity, agency and fiduciary duty
- Types of organization – sole proprietor, partnership and registered company.

Week 4- Business Organizations (continued)

- Types of registered company and constitution
- Formation of registered companies
- Officers of registered companies.

Week 5 - Contract

- Essential elements
 - Agreement
 - Consideration
 - Intention
 - Capacity
 - Vitiating factors

Week 6 Contracts (continued)

- Form and methods of creation
- Discharge of contracts
- Outline of remedies

Week 7 - Terms of Contracts

- Common Law and legislation
- Express and Implied terms
- Conditions and warranties
- The Sale of Goods Ordinance
- The Control of Exemption Clauses Ordinance

Week 8 - Tort

- General principles of liability
- Negligence-principles of liability
- Vicarious liability and contributory negligence
- Causation and remoteness
- Outline of remedies

Week 9 - Employment Law

- Nature of employment contracts and their formation
- Express and implied terms
- Employment Ordinance implied terms
- Termination of employment contracts and remedies
- Independent contractors and employees distinguished

Week 10 – Trade Finance

- Methods of financing international trade
- Guarantees and Factoring
- Letters of Credit

VI. Assessment

Class presentation: In the corresponding tutorials, following the lectures, students in each tutorial will be divided into various groups. These groups must collaborate to prepare an in class assessment on a relevant topic. Throughout the semester each student within the group must give an oral presentation, discussing and analyzing the issues. After both teams have presented in each tutorial session, there will be a general discussion and the tutor will give appropriate feedback. Each student will be awarded a mark.

Class presentation: 20%

Written assignment: Each student must submit an individual assignment based on a case study (Approximately 2500 words)

Written assignment: 30%

End of Semester Examination: 50%

VII. Learning Outcomes

On successfully completing the course students will be able to:

- Identify and describe the essential features, method and institutions of the Hong Kong legal system. The students should achieve this by an in-class presentation following collaborative investigation and discussion.
- Distinguish and explain the various forms of business organizations which may be utilized in Hong Kong. Students must list and compare characteristics of the forms and their relative merits and potential drawbacks.
- Explain the law of agency and critically analyse the applicability of the principal agent framework in the corporate context. This shall be displayed by tutorial discussion and by individual consideration of the case study within the written assignment.
- Critically evaluate the fundamental characteristics of a contract and apply these in the context of practical situations. Following a role playing exercise in tutorial, students should be able to achieve this.
- Illustrate by diagram and discussion in tutorial the relationship between the Sale of Goods Ordinance and the Control of Exemption Clauses Ordinance. Summarize the significance of the relationship.
- Review the significance of the Tort of Negligence in the allocation of economic loss. A case study in tutorial shall be attempted.
- Examine the importance of implied terms within a contract of employment. A case study in tutorial shall be attempted.
- Summarize the legal significance of letters of credit, in relation to international trade finance. A case study shall be attempted.

VIII. Reading materials

- Essential

Stott V. An Introduction to Hong Kong Business law (Longman)

OR

Carver A. Hong Kong Business Law (Longman) or

Supplementary

Stott V. Hong Kong Company Law (Longman)

Wesley Smith R. An Introduction to the Hong Kong Legal System (HKUP)