

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

**BUSI0010B – Company Law
Course Outline
2011-2012 semester II**

I. Information on Instructor and Tutor

Instructor: Mr. Beau Lefler
Email: BLefler@hku.hk (recommended)
Office: Room 205A, Meng Wah Complex
Phone: 2219-4218 (only recommended during office hours)
Office hours: Monday and Friday 9:00 am to 12:00 pm

Tutor: Mr. Thomas Ng (Rm 601B Meng Wah Complex)
Email: mail@ngthomas.org
Phone: 9695-0008

Pre-requisites: BUSI1001, Business Law

Reading Materials:

Essential:

- Textbook: Stott V., Hong Kong Company Law, 12th Ed. (Longman)
- Book Review: Nicholas Shaxson, Treasure Islands: Tax Havens and the Men who Stole the World (Bodley Head). Feel free to use either a hard copy (available at the bookstore) or electronic version.

Supplemental:

- Smart P., Lynch K., Tam A., Hong Kong Company Law – Cases and Materials (Butterworth's)
- Cheng, Po Wah, et al., The Hong Kong Company Secretary's Handbook, Practice and Procedure, 8th Edition (Longman).
- HK Companies Ordinance (at <http://www.legislation.gov.hk/eng/home.htm>)

II. COURSE INFORMATION

Course Description

The aims of the course are to develop students' knowledge and understanding of the main concepts, principles, and rules of Company Law, bearing in mind the contribution of Partnership Law. The course will explore the economic and political context of Company Law and in particular the way in which the law seeks to strike a balance between the interests of companies, shareholders, creditors, and the public.

Course Objectives:

- Gain a detailed understanding of the laws governing companies in Hong Kong, and how those laws form the foundational structure not only of corporate operations, but also for much of the modern economy.
- Obtain an understanding of how the law is involved in the formation, operation, and dissolution of a company.
- Gain an understanding of, and appreciation for, the complexities behind how companies operate, with a particular emphasis on the role that law and attorneys play in such operation.

- Improve your research, debate, problem solving, communication, and analytical skills through analysis of legal problems in both group and individual settings.

III. INTENDED LEARNING OUTCOMES

Intended Learning Outcomes: At the end of this course, students are expected to achieve the following intended learning outcomes (ILOs):

1. Gain the ability to explain legal theories and concepts related to Company Law, both within Hong Kong and otherwise.
2. Critically assess the main concepts of Hong Kong Company Law within the context of real-life business scenarios.
3. Demonstrate the inter-relationship of members, directors, creditors, the public, and the registered company, and analyze the role, powers and duties of such persons.
4. Sharpen critical thinking skills to discern legal issues and create appropriate solutions to legal problems.
5. Demonstrate effective communication skills, both in written and oral formats.

Alignment of Program and Course Outcomes

Program Learning Outcome	Intended Learning Outcome (ILO)
1. Acquisition and internalization of knowledge of major disciplines	1, 2, 3
2. Application and integration of knowledge	2, 3, 4
3. Inculcating professionalism and leadership	3, 4, 5
4. Developing global outlook	1, 3
5. Mastering communication skills	5

IV. TEACHING AND LEARNING ACTIVITIES

1. *Lectures and in-class discussions:* the instructor will lecture and guide class discussion related to the Intended Learning Outcomes. Students are encouraged to participate through graded class participation. Every student will be expected to hold in-class dialogues with the instructor.
2. *Tutorials:* students will attend mandatory tutorial sessions during which they will be given opportunities to ask questions about lectures and readings.
3. *Blog:* students will contribute to a running blog based on analyses of the interaction of Hong Kong company law and businesses through the lens of current events.
4. *Book Review:* Students will individually complete a book review in which they will critique a book on written about the societal collateral effects flowing from company organization and operation.
5. *Take Home Project:* Students will complete a take home assignment designed to simulate the application of course material to a real-world hypothetical situation.

V. ASSESSMENT

This class follows a continuous assessment model, which means that the student's progress is assessed throughout the course, rather than just at the end. Students will be assessed according to the following formula:

Assessment Items:

- | | |
|------------------------|-----|
| 1. Blog | 20% |
| 2. Class Participation | 20% |
| 3. Book Review | 30% |
| 4. Take Home Project | 30% |

Relationship Among ILOs, TLAs, and Assessments:

ILO	TLA	Assessment
1. Gain the ability to explain legal theories and concepts related to Company Law, both within Hong Kong and otherwise.	1, 2, 3, 4, 5	1, 2, 3, 4
2. Critically assess the main concepts of Hong Kong Company Law within the context of real-life business scenarios.	2, 3, 4, 5	1, 2, 4
3. Demonstrate the inter-relationship of members, directors, creditors, the public, and the registered company, and analyze the role, powers and duties of such persons.	1, 2, 3, 4, 5	1, 2, 3, 4
4. Sharpen critical thinking skills to discern legal issues and create appropriate solutions to legal problems.	2, 3, 4, 5	2, 4
5. Demonstrate effective communication skills, both in written and oral formats	1, 2, 3, 4, 5	1, 2, 3, 4

VI. STANDARDS OF ASSESSMENT

1. **Blog** (20%)

Students will be asked to spend time each week reading and summarizing news articles concerning law related matters and how law relates to business and society. Students will be required to (i) write at least one blog post during the semester for our course blog (hkucompanylaw.wordpress.com), and (ii) comment at least one time every week on one of your classmate’s blog posts. Additional information concerning this assessment activity will be provided.

2. **Class Participation** (20%)

Students will be expected to contribute to class discussion. Students will be given reading assignments for each week and will be expected to have read the assignments and be prepared to discuss with the instructor. The instructor will call on students in a more-or-less random fashion to engage in dialogue with the instructor. Rather than merely a test of whether or not the student has read the assignment, the dialogue will focus on the students’ reactions to the readings, as well as follow-on questions and discussion. The purpose of class participation is not to produce a “right answer” but instead provoke critical reasoning and enable students to practice “thinking on their feet.” An explanation of the grading scheme for class participation will be provided.

3. **Book Review** (30%)

Students are expected to employ critical thought to how companies function within various contexts: Hong Kong’s legal framework and government regulators; interaction and competition with other companies; individuals in society, both in their role as buyers and purchasers as well as other roles; and other countries and citizens of other countries. Students will read the book, “Treasure Islands” by Nicholas Shaxson, and write a critical book review. Additional information on the book review will be provided.

4. *Take Home Project* (30%)

As one of the primary tools of assessing individual competency and understanding of relevant skills and topics in this course, every student must complete a final project which will be handed out and completed at the end of the semester.

The final project will be a 48 hour, individual, take-home project. It will focus on legal issues presented to a hypothetical company. Students will be expected to deal with these issues and present well thought out solutions through the use of knowledge gained during the course of the semester. Students will be expected to use the hypothetical company's constitutional documents, as well as relevant case law and statutes. More information concerning the final take home project will be provided during the term.

Final Course Grade

The final course grade will be given by aggregating the points earned by each student in each of the above categories. The final grade will be determined by the following chart.

A+ A A-	B+ B B-	C+ C C-	D+ D	F
An aggregate score of 90% to 100%	An aggregate score of 80%-90%	An aggregate score of 60%-80%	An aggregate score of 50%-60%	An aggregate score of less than 50%

VII. Academic Honesty and Integrity

You are expected to do your own work whenever you are supposed to. Incident(s) of academic dishonesty will **NOT** be tolerated. Cheating or plagiarism of any kind will result in an automatic F grade for the course plus strict enforcement of all Faculty and/or University regulations regarding such behavior.

The University Regulations on academic dishonesty will be strictly enforced! Please check the University Statement on plagiarism on the web: <http://www.hku.hk/plagiarism/>.

Academic dishonesty is a behavior in which a deliberately fraudulent misrepresentation is employed in an attempt to gain undeserved intellectual credit, either for oneself or for another. It includes, but is not necessarily limited to, the following types of cases:

- a. *Plagiarism* - The representation of someone else's ideas as if they are your own. Where the arguments, data, designs, etc., of someone else are being used in a paper, report, oral presentation, or similar academic project, this fact must be made explicitly clear by citing the appropriate references. The references must fully indicate the extent to which any parts of the project are not one's own work. Paraphrasing of someone else's ideas is still using someone else's ideas, and must be acknowledged.
- b. *Unauthorized Collaboration on Out-of-Class Projects* - The representation of work as solely one's own when in fact it is the result of a joint effort.
- c. *Cheating on In-Class Exams* - The covert gathering of information from other students, the use of unauthorized notes, unauthorized aids, etc.
- d. *Unauthorized Advance Access to Assessment Materials* - The representation of materials prepared at leisure, as a result of unauthorized advance access (however obtained), as if it were prepared under the rigors of the exam setting. This misrepresentation is dishonest in itself even if there are not compounding factors, such as unauthorized uses of books or notes.

VIII. COURSE SCHEDULE

WEEK	LECTURING TOPICS	READING BEFORE TUTORIAL	READING BEFORE LECTURE	PROJECTS DUE
1 16 Jan	Course Overview The Nature of a Company	Ch. 1		
2 23 Jan	LUNAR NEW YEAR			
3 30 Jan	The Nature of a Company	Ch. 1		Blog – January birthdays
4 6 Feb	Promotion, Incorporation and Non-Hong Kong Companies	Ch. 2		Blog – February birthdays
5 13 Feb	Company Constitution	Ch. 3		Blog – March birthdays
6 20 Feb	Share Capital	Ch. 4		Blog – April birthdays
7 27 Feb	Raising Capital; Shares and Their Transfer	Ch. 5, 6		Blog – May birthdays
8 5 Mar	READING WEEK			Blog – June birthdays
9 12 Mar	Maintenance of Capital; Membership and Control	Ch. 7, 8		Blog - July birthdays
10 19 Mar	Meetings & Resolutions; Officers of the Company	Ch. 9, 10		Blog – August birthdays
11 26 Mar	Protection of Outsiders; Dividends and Profits	Ch. 11, 12		Blog – September birthdays
12 2 Apr	Debentures; Company Accounts	Ch. 13, 14		Blog – October birthdays
13 9 Apr	Audits and Investigations	Ch. 15		Book Review Due Blog – November birthdays
14 16 Apr	Amalgamations, Reconstructions and Take-overs	Ch. 17		Blog – December birthdays
15 23 Apr	Winding-up	Ch. 18, 19, 20, 21		