

LW6103E: COMPANY LAW

Effective Term

Semester B 2024/25

Part I Course Overview

Course Title

Company Law

Subject Code

LW - Law

Course Number

6103E

Academic Unit

School of Law (FL)

College/School

School of Law (FL)

Course Duration

One Semester

Credit Units

3

Level

P5, P6 - Postgraduate Degree

Medium of Instruction

English

Medium of Assessment

English

Prerequisites

Nil

Precursors

Nil

Equivalent Courses

Nil

Exclusive Courses

Nil

Part II Course Details

Abstract

The overriding aim of this course is to acquaint the students with the law and underlying principles governing Company Law in Hong Kong. It examines the law and regulation of companies and other business organizations: 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 analyses the theoretical underpinning of the legal rules and principles as well as the policy drivers shaping corporate law.

Course Intended Learning Outcomes (CILOs)

CILOs		Weighting (if DEC-A1 app.)		DEC-A2	DEC-A3
1	Describe and explain the basic principles of the law relating to companies.	20	x		
2	Solve legal problems by: - analysing cases - interpreting statutes - 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 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	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	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.	1, 2, 3	2

2	Lectures	Students will be introduced to issues and concerns and aspects of the operation of the substantive rules of company law.	3	
3	Reading of cases, statutes and other material, and research	Students will acquire knowledge of the substantive rules of company law through set readings.	1, 2	
4	Reading of cases, statutes and other material, and research	Students will learn and evaluate conceptual and policy issues in company law through set readings.	3	
5	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.	2	1
6	Several lectures will include small group / interactive sessions	Students will scrutinise, analyse and evaluate issues and concerns in the field of company law through group discussions.	3	

Assessment Tasks / Activities (ATs)

ATs	CILO No.	Weighting (%)	Remarks (e.g. Parameter for GenAI use)
1	Participation	20	The use of Generative AI tools is not allowed.
2	Students will analyse primary and secondary materials, synthesize the material, and apply them to legal problems and then contribute their analysis through active participation in class discussions.	1, 2, 3	

Continuous Assessment (%)

Examination (%)

80

Examination Duration (Hours)

2

Additional Information for ATs

Exam:

Students' ability to apply the principles of company law to given situations, to resolve problems, and to communicate arguments in writing will be tested.

The use of Generative AI tools is not allowed.

Applicable to students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter

To pass this course students must obtain a minimum mark of 40% in the examination element and an overall mark of 40% of the assessment.

The duration of the examination is 2 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.

Applicable to students admitted from Semester A 2022/23 to Summer Term 2024

To pass this course students must obtain a minimum mark of 50% in the examination element and an overall mark of 50% of the assessment.

The duration of the examination is 2 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.

Assessment Rubrics (AR)

Assessment Task

Examination (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion

1.1 Ability 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

Participation (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion

2.1 Depth of analysis

2.2 Synthesis and argument

Excellent

(A+, A, A-) High

Good

(B+, B, B-) Significant

Fair

(C+, C, C-) Moderate

Marginal

(D) Basic

Failure

(F) Inadequate

Assessment Task

Examination (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion

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Assessment Task

Participation (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion

2.1 Depth of analysis

2.2 Synthesis and argument

Excellent

(A+, A, A-) High

Good

(B+, B) Significant

Marginal

(B-, C+, C) Moderate

Failure

(F) Inadequate

Part III Other Information

Keyword Syllabus

- 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.

Reading List

Compulsory Readings

Title	
1	Textbook: Stefan HC Lo & Charles Z Qu, Law of Companies in Hong Kong, 4th Edition, Sweet & Maxwell. 2023.
2	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 the 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/).

Additional Readings

Title	
1	Gower's Principles of Modern Company Law, Sweet and Maxwell, London (latest edition)
2	Company Law in Hong Kong: Practice and Procedure 2023, Sweet & Maxwell, 2023
3	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