

Subject Description Form

Subject Code	AF3507
Subject Title	Company Law
Credit Value	3
Level	3
Normal Duration	1-semester
Pre-requisite / Co-requisite/ Exclusion	Pre-requisite: Introduction to Business Law (AF2504)
Role and Purposes	The role of the company law course is to provide business students with the necessary knowledge, abilities and skills in relation to the law governing companies in Hong Kong. The course is of value to future business graduates who, in a corporate context, will need to understand the legal and compliance risks of their entrepreneurial activity and eventually deal with legal problems. The course aligns with the BBA programme's generic outcomes 1 (communication) and 5 (adopt an entrepreneurial perspective) and specific outcomes 9 (corporate governance) and 10 (parameters of choice for business planning and action). Those programme outcomes are reflected in the course's subject learning outcomes.
Subject Learning Outcomes	<p>Upon completion of the course, students will be able to:</p> <ol style="list-style-type: none"> a) Describe and explain the rights and duties under Hong Kong company law of companies, company officers, shareholders and other relevant stakeholders. b) Prepare and analyze financial reports for organizations from a legal perspective. c) Apply Hong Kong company law to legal and ethical issues or problems typically arising as a result of company operations. d) Communicate in written and oral English the meaning of HK company law rules and the reasoning of courts, and use this ability to participate actively in diverse settings. e) Conduct elementary research on legal and financial theories to support their own understanding and analysis of operations of financial markets under Hong Kong company law regime. f) Critically analyze Hong Kong company law, its effects and what improvements might be necessary.
Subject Synopsis/ Indicative Syllabus	<p>Formation of a Company The process of formation and the documentation required; the legal nature of corporation and the doctrine of separate legal entity; the significance of the memorandum and articles of association; overseas companies regulation in Hong Kong.</p> <p>Share and Loan Capital Types of share capital and methods of raising and re-organising share capital including prospectuses and the legal responsibilities of promoters; debt financing from a corporation's perspective; company debentures and registration.</p> <p>Company Directors and Officers Appointment and removal of directors and company secretary; powers and duties of directors and company secretary; disclosure requirements.</p> <p>Company Control and Procedures</p>

	<p>Types of company's meetings and their significance; the role and function of auditors and inspectors; the protection of minority members.</p> <p>External Regulation of Companies Insider dealing provisions; audit requirements; the role of the Stock Exchange; powers and functions of the Securities and Futures Commission and Market Misconduct Tribunal; powers and duties of the Financial Secretary.</p> <p>Winding Up of Companies Compulsory & voluntary winding up; appointment of liquidators; winding up procedures.</p>																																																																					
<p>Teaching/Learning Methodology</p>	<p>Legal principles and concepts will be introduced through lectures. In seminars students will gain a better understanding of key legal principles, and apply them to various issues and scenarios involving companies and their directors, shareholders and other stakeholders, and/or to think about those principles in a critical manner. By working and writing an essay assignment the students will elaborate, in a deeper and more extensive way, on a selected topic of HK company law.</p> <p>In seminars the students will be required to describe concepts and answer questions using either oral presentations or writing exercises. To this purpose, seminars may include a variety of tasks including problem and essay questions. Problem questions in seminars align with the subject learning outcomes ILOs (a) and (b) by enabling students to develop the ability to identify, explain and apply legal rules to resolve business situations. Essay questions reflect ILOs (a) and (e) as students develop the ability to identify, explain and analyze critically key issues of HK company law, its reform and policy effects. Students will also be required to participate actively in seminars, in line with ILOs (c), by raising relevant questions, making comments or critiques, advancing explanations, or stating arguments.</p> <p>Discussing and writing on an essay assignment study is aligned with ILOs c), d) and e). This activity allows the students to learn how to write and develop concepts and arguments in a logical, analytical and critical manner, and how to use basic research tools including internet, library and other resources to this effect.</p>																																																																					
<p>Assessment Methods in Alignment with Intended Learning Outcomes</p>	<table border="1" data-bbox="456 1240 1490 1839"> <thead> <tr> <th data-bbox="456 1240 762 1397" rowspan="2">Specific assessment methods/tasks</th> <th data-bbox="762 1240 919 1397" rowspan="2">% weighting</th> <th colspan="6" data-bbox="919 1240 1490 1335">Intended subject learning outcomes to be assessed (Please tick as appropriate)</th> </tr> <tr> <th data-bbox="919 1335 995 1397">a</th> <th data-bbox="995 1335 1072 1397">b</th> <th data-bbox="1072 1335 1149 1397">c</th> <th data-bbox="1149 1335 1225 1397">d</th> <th data-bbox="1225 1335 1302 1397">e</th> <th data-bbox="1302 1335 1490 1397">f</th> </tr> </thead> <tbody> <tr> <td data-bbox="456 1397 762 1487">Continuous Assessment</td> <td data-bbox="762 1397 919 1487">50%</td> <td data-bbox="919 1397 995 1487"></td> <td data-bbox="995 1397 1072 1487"></td> <td data-bbox="1072 1397 1149 1487"></td> <td data-bbox="1149 1397 1225 1487"></td> <td data-bbox="1225 1397 1302 1487"></td> <td data-bbox="1302 1397 1490 1487"></td> </tr> <tr> <td data-bbox="456 1487 762 1576">1. In-Class Group Exercises</td> <td data-bbox="762 1487 919 1576">10%</td> <td data-bbox="919 1487 995 1576">√</td> <td data-bbox="995 1487 1072 1576">√</td> <td data-bbox="1072 1487 1149 1576">√</td> <td data-bbox="1149 1487 1225 1576">√</td> <td data-bbox="1225 1487 1302 1576"></td> <td data-bbox="1302 1487 1490 1576"></td> </tr> <tr> <td data-bbox="456 1576 762 1644">2. Class Participation</td> <td data-bbox="762 1576 919 1644">10%</td> <td data-bbox="919 1576 995 1644">√</td> <td data-bbox="995 1576 1072 1644">√</td> <td data-bbox="1072 1576 1149 1644">√</td> <td data-bbox="1149 1576 1225 1644">√</td> <td data-bbox="1225 1576 1302 1644"></td> <td data-bbox="1302 1576 1490 1644"></td> </tr> <tr> <td data-bbox="456 1644 762 1711">3. Individual Essay</td> <td data-bbox="762 1644 919 1711">30%</td> <td data-bbox="919 1644 995 1711"></td> <td data-bbox="995 1644 1072 1711"></td> <td data-bbox="1072 1644 1149 1711">√</td> <td data-bbox="1149 1644 1225 1711">√</td> <td data-bbox="1225 1644 1302 1711">√</td> <td data-bbox="1302 1644 1490 1711">√</td> </tr> <tr> <td data-bbox="456 1711 762 1778">Final Examination</td> <td data-bbox="762 1711 919 1778">50%</td> <td data-bbox="919 1711 995 1778">√</td> <td data-bbox="995 1711 1072 1778">√</td> <td data-bbox="1072 1711 1149 1778">√</td> <td data-bbox="1149 1711 1225 1778">√</td> <td data-bbox="1225 1711 1302 1778"></td> <td data-bbox="1302 1711 1490 1778"></td> </tr> <tr> <td data-bbox="456 1778 762 1839">Total</td> <td data-bbox="762 1778 919 1839">100 %</td> <td colspan="6" data-bbox="919 1778 1490 1839"></td> </tr> </tbody> </table> <p data-bbox="456 1854 1490 1921">To pass this subject, students are required to obtain Grade D or above in both of the Continuous Assessment and Examination components.</p>								Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)						a	b	c	d	e	f	Continuous Assessment	50%							1. In-Class Group Exercises	10%	√	√	√	√			2. Class Participation	10%	√	√	√	√			3. Individual Essay	30%			√	√	√	√	Final Examination	50%	√	√	√	√			Total	100 %						
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	<p>Class contact:</p> <ul style="list-style-type: none"> ▪ Lectures 						<p>13 Hrs.</p>																																																															

Student Study Effort Required	▪ Seminars	26 Hrs.
	Other student study effort:	
	▪ Off-class preparation for seminars	26 Hrs.
	▪ Reading textbook and related materials	52 Hrs.
	Total student study effort	117 Hrs.
Reading List and References	<p><i>Course Textbook</i></p> <p>Vanessa Stott, Hong Kong Company Law (14th ed), Pearson, 2015. (available for consultation at the PolyU's library and for purchase at the PolyU's bookstore)</p> <p>Course handouts and other course materials</p> <p>Companies Registry: <http://www.cr.gov.hk></p> <p><i>References</i></p> <p>Stefan HC Lo and Charles Z Qu, <i>Law of Companies in Hong Kong</i>, 2nd Edition, Sweet and Maxwell, 2015 (available for consultation in PolyU's Library)</p> <p>Susan Kwan, <i>Company Law in Hong Kong: Practice and Procedure</i>, Sweet and Maxwell, 2018 (available for consultation in PolyU's Library)</p> <p>Students can consult a copy of the <u>Companies Ordinance (Cap.622)</u> from the PolyU's library or online at the BLIS website.</p> <p>Securities and Futures Ordinance (SFO), Chapter 571 of the Laws of Hong Kong</p> <p>Roman Tomasic, E.L.G. Tyler, Vanessa Stott <i>Butterworths Hong Kong Company Law Handbook</i>, Hong Kong: LexisNexis, 2010.</p> <p>Cheng Po Wah, <i>The Hong Kong Company Secretary's Handbook: Practice and Procedure</i>, 8th Edition, 2008</p> <p>Sealey, L.S., <i>Cases and Materials in Company Law</i>, Butterworths, 8th Edition, 2008.</p> <p>Hicks, A., & Goo, S.H., <i>Cases and Materials on Company Law</i>, Oxford: Oxford University Press, 2008.</p>	