

City University of Hong Kong

**Information on a Course
offered by School of Law
with effect from Semester A in 2014/2015**

Part I

Course Title:	Corporate and Commercial Practice
Course Code:	PLE5013
Course Duration:	Semesters A and B
Credit Units:	6 units
Level:	P
Medium of Instruction:	English
Prerequisites:	Nil
Precursors:	Nil
Equivalent Courses:	Nil
Exclusive Courses:	Nil

Part II

Course Aims

This course aims to prepare students to advise and assist clients in the determination of the appropriate business structures and financing arrangements for their business ventures and to provide the documentation necessary to achieve their desired goals.

Course Intended Learning Outcomes (CILOs)

Upon successful completion of this course, students should be able to:

No.	CILOs	Weighting (if applicable)
1.	Analyse what a typical business transaction involves and apply the principles learnt to real life problems.	
2	Use some of the vocabulary that business clients use when talking about business transactions.	
3	Understand what business clients expect their lawyers to do for them.	
4	Identify legal issues which might arise in achieving clients' goals.	
5	Apply the law to the client's particular circumstances so as to achieve the client's desired outcomes.	
6.	Resolve problems encountered in achieving the client's objectives, identify the legal issues raised and the one or more processes to be undertaken, with appropriate advice to a client or a supervising practitioner.	
7.	Draft, review, and modify documents used in the practice of commercial and corporate law.	

Alignment of CILOs with PILOs

Programme Intended Learning Outcomes Contributed to.	Course Intended Learning Outcomes
1. Communicate at an advanced level, both verbally and in writing.	2, 6, 7
2. Obtain and act upon clients' instructions and provide practical solutions for clients' objectives and problems.	3, 5, 6
3. Organize and manage their work appropriately, and to meet deadlines.	
4. Research and learn independently.	4, 6
5. Demonstrate strategic and critical thinking in their professional work.	3, 5, 6
6. Identify professional ethical issues which may arise in practice and deal with them professionally.	

Rationale for Teaching/Learning method(s)	<p>This course provides students with basic knowledge and skills to create the foundation for their training as a corporate and commercial lawyer which will continue into their traineeship or pupillage and beyond.</p> <p>Whilst they will enhance their knowledge of substantive corporate law, the rationale for teaching is to <i>practise the law</i>, which involves an interaction between legal skills and the law (substantive and procedural) in the context of transactions. So whilst in this course skills will be dealt with and developed, that is not an end in itself but rather contributes, along with the study and understanding of the law, to what might be called lawyering – which is bringing all of three elements together. Really understanding the law is in fact what a lawyer must do <i>in order to</i> carry out a transaction. Similarly a lawyer might exercise a skill, such as drafting, <i>in order to</i> do the work for the client.</p>
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Teaching and Learning Activities (TLAs)

(Indicative of likely activities and tasks designed to facilitate students' achievement of the CILOs. Final details will be provided to students in their first week of attendance in this course.)

CILO No.	TLAs	Hours/week (if applicable)
CILO 1	Primarily lectures, exercises and discussions in large groups and small groups.	
CILO 2	Primarily in lectures in large groups and interactive exercises in small groups	
CILO 3	Primarily in discussions in small groups.	
CILO 4	Primarily in modeling in large group lectures and in exercises in small groups.	
CILO 5	Primarily in exercises in small groups.	
CILO 6	Primarily in exercises in small groups.	
CILO 7	Primarily in lectures in large groups and discussions in small groups.	

Assessment Tasks/Activities

(Indicative of likely activities and tasks designed to assess how well the students achieve the CILOs. Final details will be provided to students in their first week of attendance in this course.)

CILO No.	Type of Assessment Tasks/Activities	Weighting (if applicable)	Remarks
CILOs 1 - 7	Examination at the end of Semester A. Examination at the end of Semester B.	50% 50%	

Grading of Student Achievement: *Set out below are the PCLL descriptors.*

Course Grade	Indicative Range	PCLL Descriptors
A- to A+	75 – 100%	<p>Excellent</p> <p>The work meets the client’s needs in all respects, evidenced by –</p> <ul style="list-style-type: none"> • a superior grasp of the issues and subject matter • good organization • a capacity to analyze and synthesize • possession of an extensive knowledge base • a superior use of lawyer skills.
B- to B+	60 – 74%	<p>Good</p> <p>The work meets the client’s needs in most respects, evidenced by –</p> <ul style="list-style-type: none"> • a strong grasp of the issues and subject matter • some critical and analytical ability • an understanding of the applicable law and procedures • a good use of lawyer skills.
C & C+	50 – 59%	<p>Pass</p> <p>The work meets the client’s main needs, evidenced by –</p> <ul style="list-style-type: none"> • an adequate grasp of the issues and subject matter • an ability to develop solutions to the client’s problems • a basic use of lawyer skills.
F	0 – 49%	<p>Fail</p> <p>The work does not meet the client’s needs, evidenced by little or an insufficient –</p> <ul style="list-style-type: none"> • grasp of the issues and subject matter • critical and analytical ability • understanding of the applicable law and procedures.

To pass this course students must obtain an aggregate mark of 50%. Students do not need to obtain a minimum of 50% on each of the exams.

Examination Duration:

Semester A: 3 hours and 30 minutes

Semester B: 3 hours and 30 minutes

Part III

Keyword Syllabus

Semester A:

- Choice of business vehicles
- Partnership and incorporation
- Members, directors
- Meetings and resolutions
- Employment agreement
- Due diligence
- Term sheet
- Confidentiality agreement
- Stock purchase agreement
- Joint venture agreement
- Shareholders agreement

Semester B:

- Loans
- Guarantees
- Company charges
- IPO
- Listing regime in Hong Kong
- Corporate rescue
- Receivership
- Liquidation
- bankruptcy

Recommended Reading

Text(s)

(a) Highly recommended

Butterworths *Hong Kong Company Law Handbook*, Butterworths Asia, latest edition.

Brewer, John. *The Law and Practice of Hong Kong Private Companies*, Sweet & Maxwell Asia, 2005.

Smart, Philip et al. *Hong Kong Company Law – Cases, Materials and Comments*, Butterworths Asia, 1997.

Stott, Vanessa. *Hong Kong Company Law*, (12th ed), Pearson Education Asia, 2008.

(b) For reference

Goode, Rm. *Legal Problems of Credit and Security* (3rd ed), Sweet and Maxwell, London, 2003

Goode, RM. *Commercial Law* (3rd ed), Penguin, London, 2004.

Carver, Anne. *Hong Kong Business Law*, Longman, latest edition.

Stott, Vanessa. *An Introduction to Hong Kong Business Law*, Longman, latest edition.

Tomasic, Roman and ELG Tyler. *Hong Kong Company Law – Legislation and Commentary*, Butterworths Asia, 1999 (looseleaf, two volumes).

Ho, Betty. *Hong Kong Agency Law*, Butterworths Asia, 1991.

Butterworths *Hong Kong Partnership Handbook*, latest edition.

Ho, Betty. *Security for Credit – Law and Practice in Hong Kong*, Butterworths Asia, 1992.

Lingard, James R. *Bank Security Documents* (3rd ed), Butterworths, London, 1993.

Butterworths *Hong Kong Bankruptcy Law Handbook*, Butterworths Asia, latest edition.

Getzler & Payne, *Company Charges: Spectrum and Beyond*, Oxford University Press, 2007

Smith, *The Law of Assignment: The Creation and Transfer of Choses in Action*, Oxford University Press, 2007

Company Law in Hong Kong – Practice and Procedure, Thomson Sweet and

Maxwell, 2007 (Looseleaf, two volumes).

Hillman on Commercial Loan Documentation – Thomas S Hemmendinger

Hong Kong Corporate Law – Paul Kwan

Hong Kong Corporate Insolvency Manual – Stephen Briscoe

How to Negotiate Eurocurrency Loan Agreements – Lee C Buchheit

Company Charges – W J Gough

Business Organization and Finance – William Klein and John C Coffee

2. Ordinances

(a) Essential

Transfer of Businesses (Protection of Creditors) Ordinance

Partnership Ordinance

Business Registration Ordinance

Companies Ordinance and Companies (Winding-up) Rules

(b) General Reference

Banking Ordinance

Bankruptcy Ordinance and Bankruptcy Rules

Control of Exemption Clauses Ordinance

Employment Ordinance

Interpretation and General Clauses Ordinance

LARCO [Law Amendment and Reform (Consolidation) Ordinance]

Misrepresentation Ordinance

Sale of Goods Ordinance

3. Recommended Viewing (movies and documentaries)

(a) The Corporation

(b) Barbarians at the gate

(c) Enron: the smartest guys in the room

(d) I.O.U.S.A.

(e) Wall Street 1 & 2

(f) Inside Job

(g) Maxed Out

- (h) Inside the meltdown
- (i) Ascent of money
- (j) Freakonomics