

City University of Hong Kong

Course Syllabus

offered by School of Law
with effect from Semester A 2023/24

Part I Course Overview

Course Title: Chinese and Comparative Company Law

Course Code: LW6134E

Course Duration: One semester

Credit Units: 3

Level: P6

Medium of Instruction: English

Medium of Assessment: English

Prerequisites:
(Course Code and Title) Nil

Precursors:
(Course Code and Title) Nil

Equivalent Courses:
(Course Code and Title) LW5534

Exclusive Courses:
(Course Code and Title) LW6534E

Part II Course Details

1. Abstract

This course covers the major aspects of company law and securities regulation in China, with reference to the corporate and securities law of major common law and civil law jurisdictions such as the United Kingdom, the United States, Hong Kong, Germany and Japan. The topics covered, all discussed in a comparative light, include the formation of companies, corporate finance, corporate governance, shareholders' rights, issuing of stocks and "going public", corporate mergers and acquisitions, as well as the regulation of the capital markets in China. The primary focus will be on providing students with a basic legal understanding of establishing and managing business organizations in China and accessing China's capital markets for finance. Significant issues relating to corporate law and securities regulation will be discussed in the context of China's legal, business and policy environments in the reform period.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

The course involves an analysis of statute law, cases, practical work products and scholarly writing. Beyond simply understanding the theoretical components and legal rules, the course is also designed to develop analytic and problem-solving skills that might be applied in formulating responses in real world cases and proposing legislative changes to China's corporate and securities law regime in light of China's unique political, economic, legal, cultural and historical contexts. By the end of this course students will be able to

No.	CILOs	Weighting (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	identify the key legal issues relating to the procedures of incorporate a business in China, as well as to corporate finance and corporate governance		✓	✓	✓
2.	demonstrate a critical understanding of the structure and key characteristics of business organizations in China		✓	✓	✓
3.	describe the legal rights of shareholders and identify the legal remedies in the case of violations of those rights		✓	✓	✓
4.	comprehend the key legal aspects of corporate mergers and acquisitions		✓	✓	✓
5.	conduct independent legal research in topics relating to Chinese company law and securities regulation		✓	✓	✓
6.	understand the application of Chinese Company Law and securities regulation in China's distinctive political, economic, and social backgrounds		✓	✓	✓
		100%			

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 self-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.

3. Teaching and Learning Activities (TLAs)

(TLAs designed to facilitate students' achievement of the CILOs.)

TLA	Brief Description	CILO No.						Hours/week (if applicable)
		1	2	3	4	5	6	
Lectures	Students will be given readings before each lecture and are expected to discuss the weekly topics.	√	√	√	√	√	√	3

4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.						Weighting	Remarks
	1	2	3	4	5	6		
Continuous Assessment: 40%								
Class Participation	√	√	√	√	√	√	10%	While generally students are not encouraged to rely on AI, they are permitted to use GenAI for assignment completion. The pedagogical objectives limit the use of AI to three specific purposes: 1. Utilizing AI instead of traditional search engines to gather sources; 2. Developing the skills to pose questions to AI that effectively prompt useful answers; 3. Garnering inspiration from the points of knowledge/ideas/thoughts generated by AI. Students are strictly prohibited from directly incorporating sentences or expressions produced by Gen AI into their assignments. This would be viewed as plagiarism. When AI has been utilized in their work, it is crucial that students acknowledge this fact.
Coursework assignment	√	√	√	√	√	√	30%	
Examination: 60% (duration 3 hours)								The use of Generative AI tools is not allowed.
							100%	

Applicable to students admitted in Semester A 2022/23 and thereafter

Students must obtain a minimum mark of 50% in both continuous assessment and examination and an overall mark of 50% in order to pass the course.

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, programmes and the Internet.

Applicable to students admitted before Semester A 2022/23

Students must obtain a minimum mark of 40% in both continuous assessment and examination and an overall mark of 40% in order to pass the course.

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, programmes and the Internet.

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Applicable to students admitted in Semester A 2022/23 and thereafter

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B)	Marginal (B-, C+, C)	Failure (F)
Class Participation	<p>Listening comprehension to demonstrate attentive participation in class and understanding of the reading materials;</p> <p>Comments are pointed to the questions and demonstrate insightful and critical thinking;</p> <p>Demonstration of ability to make original contribution in arguments</p>	High	Significant	Moderate	Inadequate
Coursework Assignment	<p>Demonstration of comprehension of principles, theories and concepts.</p> <p>Demonstration of ability to identify legal issues.</p> <p>Application of knowledge to specific problems and discussion questions.</p> <p>Application of research, writing and / or communication skills.</p> <p>Ability to engage in argument-</p>	High	Significant	Moderate	Inadequate

	<p>based analysis.</p> <p>Aptitude for formulating innovative solutions to designated fact-based questions.</p>				
Examination	<p>Demonstration of comprehension of principles, theories and concepts.</p> <p>Demonstration of ability to identify legal issues.</p> <p>Application of knowledge to specific problems and discussion questions.</p> <p>Application of research, writing and / or communication skills.</p> <p>Ability to engage in argument-based analysis.</p> <p>Aptitude for formulating innovative solutions to designated fact-based questions.</p>	High	Significant	Moderate	Inadequate

Applicable to students admitted before Semester A 2022/23

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
Class Participation	<p>Listening comprehension to demonstrate attentive participation in class and understanding of the reading materials;</p> <p>Comments are pointed to the questions and demonstrate insightful and critical thinking;</p> <p>Demonstration of ability to make original contribution in arguments</p>	Strong evidence of original thinking; good organization, capacity to analyse and synthesize; superior grasp of subject matter; evidence of extensive knowledge base.	Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature.	Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material.	Sufficient familiarity with the subject matter to enable the student to progress without repeating the course.	Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited, or irrelevant use of literature.
Coursework Assignment	<p>Demonstration of comprehension of principles, theories and concepts.</p> <p>Demonstration of ability to identify legal issues.</p> <p>Application of knowledge to specific problems and discussion questions.</p> <p>Application of research, writing and / or communication skills.</p> <p>Ability to engage in argument-based analysis.</p> <p>Aptitude for formulating innovative solutions to designated fact-based questions.</p>	Strong evidence of original thinking; good organization, capacity to analyse and synthesize; superior grasp of subject matter; evidence of extensive knowledge base.	Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature.	Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material.	Sufficient familiarity with the subject matter to enable the student to progress without repeating the course.	Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited, or irrelevant use of literature.
Examination	Demonstration of comprehension of principles, theories and concepts.	Strong evidence of original thinking; good organization, capacity to analyse and	Evidence of grasp of subject, some evidence of critical capacity and analytic ability;	Student who is profiting from the university experience; understanding of the	Sufficient familiarity with the subject matter to enable the student to progress without repeating the	Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited,

	<p>Demonstration of ability to identify legal issues.</p> <p>Application of knowledge to specific problems and discussion questions.</p> <p>Application of research, writing and / or communication skills.</p> <p>Ability to engage in argument-based analysis.</p> <p>Aptitude for formulating innovative solutions to designated fact-based questions.</p>	<p>synthesize; superior grasp of subject matter; evidence of extensive knowledge base.</p>	<p>reasonable understanding of issues; evidence of familiarity with literature.</p>	<p>subject; ability to develop solutions to simple problems in the material.</p>	<p>course.</p>	<p>or irrelevant use of literature.</p>
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Part III Other Information (more details can be provided separately in the teaching plan)

1. Syllabus

1.1 Keyword Syllabus

(An indication of the key topics of the course.)

China, Hong Kong, the US, comparative company law; business organizations; corporate directors; shareholders litigation; company constitution; fiduciary duties; initial public offering (IPO); mergers and acquisitions

1.2 Detailed Syllabus

All the topics outlined below may not be examined in any given semester. The course leader may choose to concentrate on comparative study of a selected number of topics outlined in the list.

- 1) Introduction: Contexts and Framework of Chinese and Comparative Company Law
- 2) Business Organizations in China: Partnership and Others
- 3) Formation of Companies
- 4) Corporate Governance: Theories and Comparative Practice
- 5) Corporate Governance: Shareholders' Rights and Litigation
- 6) Corporate Governance: Duties of Directors, Supervisors and Executives
- 7) The Governance and Regulatory Regimes of Foreign Invested Enterprises
- 8) Corporate Finance Law: Public Offering of Shares (including IPO)
- 9) Listing and Trading of Shares
- 10) Insider Trading, Market Manipulation, and Misrepresentation
- 11) Mergers and Acquisitions, and Takeover of Listed Companies
- 12) Related Party Transactions

2. Reading List

2.1 Class Readings

The compulsory textbook is Wang Jiangyu's *Company Law in China: Regulation of Business Organizations in a Socialist Market Economy*, published by Edward Elgar in 2014. You are not required to purchase the hardcopy of this book. CityU' eLibrary has subscribed to the electronic version of this book, which you can check online. It is supplemented by Huang Hui's *Securities and Capital Markets Law in China* (Oxford University Press 2015). Additional materials will be provided for each class to reflect the legal changes after the publication of the books. You may also find a compilation of bilingual version of the primary and second legislations of Chinese corporate and securities law on Canvas, together with a collection of articles of associations and bylaws (in English) of some representative Chinese companies including China Telecom, China Vanke, Bank of China, China Life,

Air China, among others.

2.2 Recommended Readings

(Additional references for students to learn to expand their knowledge about the subject.)

Andreas Cahn and David Donald, Comparative Company Law: Text and Cases on the Laws Governing Corporations in Germany, the UK and the USA (2nd edition) (Cambridge University Press 2018)

Reiner Kraakman, et al, The Anatomy of Corporate Law: A Comparative and Functional Approach, 3rd ed. (Oxford University Press, 2017)

Legislation lists

PRC Company Law

PRC Securities Law

The Companies Ordinance of Hong Kong (Cap. 32)

Delaware General Corporation Law

Model Business corporation Act