BUSL301

Corporations Law

S1 Day 2017

Dept of Accounting & Corporate Governance

Contents

General Information 2

Learning Outcomes 3

General Assessment Information 3

Assessment Tasks 3

Delivery and Resources 5

Unit Schedule 7

Policies and Procedures 9

Graduate Capabilities 11

Research & Practice, Global & Sustainability 13

Disclaimer

Macquarie University has taken all reasonable measures to ensure the information in this publication is accurate and up-to-date. However, the information may change or become out-dated as a result of change in University policies, procedures or rules. The University reserves the right to make changes to any information in this publication without notice. Users of this publication are advised to check the website version of this publication [or the relevant faculty or department] before acting on any information in this publication.

General Information

Unit convenor and teaching staff
Unit Convenor and Lecturer
Zaman Khorseduzzaman
khorsed.zaman@mq.edu.au
Contact via khorsed.zaman@mq.edu.au
E4A316
See iLearn

Moderator
Michael Quilter
michael.quilter@mq.edu.au

Teaching Assistant
TBA
Contact via busl301@mq.edu.au
E4A Level 3

Credit points
3

Prerequisites
(39cp at 100 level or above) including BUSL250

Corequisites

Co-badged status

Unit description
This unit introduces students to corporate regulation in Australia and aims to create an awareness of corporate issues. It builds on the material covered in a general business law unit. Areas covered include: company formation; the legal status of a company; duties of directors; rights of members; and approaches to corporate insolvency. In this unit students gain an understanding of, and an interest in, corporate regulation, the role of companies and current corporate issues. The outcomes achieved assist in the development of critical thinking, problem solving, effective communication and adept professional judgement. The contents of and the issues raised in the unit, are of benefit to all students and particularly to those intending to enter commercial practice in accountancy or similar professions.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are

available at https://www.mq.edu.au/study/calendar-of-dates

Learning Outcomes

On successful completion of this unit, you will be able to:

Comprehend the characteristics of business organisations and the Australian corporate legislative framework including ability to understand how companies are formed, different types of companies and the relevance of the company constitution

Effectively recognise and gain knowledge of corporate management issues, in particular the role and obligations of directors.

Capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.

Critically assess corporate insolvency in the current regulatory environment.

Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

General Assessment Information

	Expected Workload - Activities	Hours
1	Weekly Seminars/Lectures/Tutorials	36
2	Assessment Task 1 (tutorial participation + preparation)	36
3	Assessment Task 2 (online quiz + preparation)	12
4	Assessment Task 3 (final examination + preparation)	42
5	Reading required material/self-study	24
	TOTAL	**150**

Assessment Tasks

Name	Weighting	Hurdle	Due
1. Class participation	20%	No	Ongoing
2. Quiz	20%	No	Week 7
3. Final Examination	60%	No	University Examination Period

1. Class participation

Due: **Ongoing**
Weighting: **20%**

Participation involves preparation, attendance and contribution to the tutorial. See Assessment Guide on iLearn for more information.

Other than where a relevant application pursuant to the Disruption to Studies policy is approved, If a student attends less than 50% of the allotted tutorials the total available mark for tutorial participation will be reduced by 50%.

On successful completion you will be able to:

- Comprehend the characteristics of business organisations and the Australian corporate legislative framework including ability to understand how companies are formed, different types of companies and the relevance of the company constitution
- Effectively recognise and gain knowledge of corporate management issues, in particular the role and obligations of directors.
- Capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
- Critically assess corporate insolvency in the current regulatory environment.
- Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

2. Quiz

Due: **Week 7**
Weighting: **20%**

The quiz will be administered online and be held on 12 April.

See Assessment Guide on iLearn for more information including the specific times during which the Quiz will be accessible.

Other than where a relevant application pursuant to the Disruption to Studies policy is approved no extensions will be granted.

On successful completion you will be able to:

- Comprehend the characteristics of business organisations and the Australian corporate legislative framework including ability to understand how companies are formed, different types of companies and the relevance of the company constitution
- Effectively recognise and gain knowledge of corporate management issues, in particular the role and obligations of directors.

- Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

3. Final Examination

Due: **University Examination Period**
Weighting: **60%**

Examination Conditions: Unless otherwise advised, formal closed book exam. See Assessment Guide on iLearn for more information.

Supplementary Exam:

If a Supplementary Examination is granted as a result of the Disruption to Studies process, the examination will be scheduled as per the Supplementary Examination timetable of the Faculty. Please note that the supplementary examination will be of a similar format to the final examination.

On successful completion you will be able to:

- Comprehend the characteristics of business organisations and the Australian corporate legislative framework including ability to understand how companies are formed, different types of companies and the relevance of the company constitution
- Effectively recognise and gain knowledge of corporate management issues, in particular the role and obligations of directors.
- Capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
- Critically assess corporate insolvency in the current regulatory environment.
- Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

Delivery and Resources

Classes

Students will attend one lecture (time allotted 2 hours) and one tutorial (time allotted 1 hour) each week. There may be some reorganisation, overlapping, and/or integration of areas to accommodate assessment and unit structure. **Lectures begin in the first week – Tutorials start in week 2** (see iLearn for practice/tutorial questions) – the sequencing of the lecture program and the unit content will allow you to develop your understanding of company law as the unit progresses. Note that together with the designated practice/tutorial questions; the tutorials may cover other issues relevant to the unit.

The timetable for classes can be found on the University web site at:

http://www.timetables.mq.edu.au/

Students must remain in their allocated tutorials.

Prizes

•There is a prize for the most successful student in this unit.
http://www.businessandeconomics.mq.edu.au/undergraduate_degrees/prizes_scholarships

Required and Recommended Texts and/or Materials

Required: Quilter, Michael, **Company Law Perspectives, 3rd ed. 2017** Thomson Reuters (Lawbook Co.)

Recommended: Lipton, Herzberg and Welsh, **Understanding Company Law, 18th ed. 2016** Thomson Reuters (Lawbook Co.)

NB: Please note that **Company Law Perspectives** is the required text. The **UCL** is not required and it is a recommended text.)

Both above texts can be purchased from the Macquarie University Co-op Bookshop, and are available in the Macquarie University Library.

After considering the law of partnership, the unit will focus on corporate issues and the relevance and effect of the Corporations Act. Note that certain relevant sections of the Corporations Act are set out in Company Law Perspectives 3rd ed. 2017. Both statutes (the Partnership Act and the Corporations Act) may be viewed in full at www.austlii.edu.au

Also note that the law is constantly changing and evolving, and you will be alerted to any substantial changes that are relevant to the unit or the texts.

Useful websites

- www.asic.gov.au
- www.asx.com.au
- www.takeovers.gov.au
- www.camac.gov.au

By using www resources, students are able to gain a perspective on their studies and be aware of real world situations where company law is relevant. Newspaper coverage of company law gives depth and realism to the formal explanations of the law in texts.

Technology Used and Required

Lectures and tutorials may make use of PowerPoint; overhead projectors; visualizers.

Unit Web Page

- Unit material is available on the learning management system (iLearn)
- There is a web page for this unit.

Learning and Teaching Activities

This unit is taught by way of lectures and tutorials. Practice questions are discussed to enable application of content.

What is expected of students – criteria for success

Students should take responsibility for their own learning, and this will incorporate reading as required, attendance at lectures and tutorials, developing effective study strategies, reflection on their abilities, and a task-oriented approach to assessment – that is, do not think solely about gathering information - think about what will be required - what makes for successful performance in tests and exams - how you will use the law you have studied. There are 2 main components of successful company law study: one is that students must have some knowledge of the core issues of the relevant topics [take short clear notes in lectures, think about your task, involve yourself in classes], the second is that students will only be successful if they can apply what they have learned, that is, in your test or exam you have to be able to use the law to solve problems [either multiple-choice or written answer style].

Unit Schedule

Week	Lecture Areas
1	**COMPARISON OF BUSINESS ORGANISATIONS** Agency; Associations; Sole Traders; Partnerships Quilter, **Company Law Perspectives**, Thomson Reuters (Lawbook Co.) **3rd ed. 2017** [referred to herein as "Q"] Chs.4 and 5 Lipton, Herzberg and Welsh, **Understanding Company Law**, Thomson Reuters (Lawbook Co.) **18th ed. 2016** [referred to herein as "L&H"] Ch.2 Partnership Act: www.austlii.edu.au/au/legis/nsw/consol_act/pa1892154/
2	**HISTORY AND LEGISLATIVE FRAMEWORK, REGISTRATION AND TYPES OF COMPANIES** Evolution of modern company and Australian developments: Q Ch. 6 L & H Ch.1; Applying for registration and the consequences of incorporation: Q Ch. 8 L & H Ch.2 Types of Companies: Q Ch. 7 L & H Ch.3 Corporations Act: www.austlii.edu.au/au/legis/cth/consol_act/ca2001172/
3	**THE COMPANY CONSTITUTION AND THE RELATIONSHIP BETWEEN THE COMPANY AND OUTSIDERS** The company constitution and the replaceable rules: Q Ch. 9 L&H Ch 4 Company liability in contract, tort and crime: Q Chs. 10 and 11 L&H Ch 5 Promoters and pre-registration contracts: Q Ch. 12 L&H Ch 6

4	**CORPORATE FINANCING and DIVIDENDS** Disclosure to Investors – fundraising: Q Ch. 14 L&H Ch 7 Share capital: Q Ch. 15 L&H Ch 8 Membership: Q Ch. 13 L&H Ch 9 Debentures and Loan Capital: Q Ch. 17 L&H Ch 11 Dividends: Q Ch. 16 L&H Ch 10
5	**DIRECTORS and MANAGEMENT** Q Ch. 18 L&H Ch 12
6	**DIRECTORS DUTIES and CORPORATE GOVERNANCE** Q Chs. 19, 20 and 21 L&H Ch 13
7	**THERE WILL BE AN ONLINE QUIZ HELD IN THIS WEEK. NO REGULAR LECTURES OR TUTORIALS WILL BE HELD. FURTHER DETAILS WILL BE ADVISED IN LECTURES AND BE AVAILABLE ON iLEARN.**
8	**DIRECTORS DUTIES (cont.); FINANCIAL and REPORTING OBLIGATIONS; AUDIT** Duties of directors and other officers (continued): Q Chs. 19, 20 and 21 L&H Ch. 13 Financial and Reporting Obligations of Directors: Q Ch. 22 L&H Ch. 15 The Role of Auditors and Issues of Audit Liability: Q Ch. 23 L&H Ch. 16 ASIC Investigation: Q Ch. 24 L&H Ch 21
9	**MEETINGS AND MEMBERS RIGHTS** Members Meetings: Q Ch. 26 L&H Ch.14 Members Rights and the position of the Minority: Q Ch. 25 L&H Ch. 17
10	**TAKEOVERS; FINANCIAL SERVICES AND MARKETS** Takeovers: Q Ch. 27 L&H Ch. 18 Financial Services and Markets: Q Ch. 28 L&H Ch. 19
11	**RESTRUCTURING & LIQUIDATION (PART 1)** Insolvency Arrangements and Reconstructions; Receivership; Voluntary Administration Q Chs. 29, 30, 31 and 32 L&H Chs. 22, 23, and 24
12	**RESTRUCTURING AND LIQUIDATION (PART 2)** Liquidation - Insolvent trading Q Ch. 33 L&H Ch. 25 (for insolvent trading Ch.13)
13	**OVERVIEW AND REVISION**

Policies and Procedures

Macquarie University policies and procedures are accessible from Policy Central. Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy http://mq.edu.au/policy/docs/academic_honesty/policy.html

Assessment Policy http://mq.edu.au/policy/docs/assessment/policy_2016.html

Grade Appeal Policy http://mq.edu.au/policy/docs/gradeappeal/policy.html

Complaint Management Procedure for Students and Members of the Public http://www.mq.edu.au/policy/docs/complaint_management/procedure.html

Disruption to Studies Policy (in effect until Dec 4th, 2017): http://www.mq.edu.au/policy/docs/disruption_studies/policy.html

Special Consideration Policy (in effect from Dec 4th, 2017): https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration

In addition, a number of other policies can be found in the Learning and Teaching Category of Policy Central.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/support/student_conduct/

Results

Results shown in *iLearn*, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in eStudent. For more information visit ask.mq.edu.au.

Academic Honesty

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at http://www.mq.edu.au/policy/docs/academic_honesty/policy.html

Grades

Macquarie University uses the following grades in coursework units of study:

- HD - High Distinction
- D - Distinction
- CR - Credit
- P - Pass
- F - Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at:

http://www.mq.edu.au/policy/docs/grading/policy.html

Grading Appeals and Final Examination Script Viewing

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

http://www.businessandeconomics.mq.edu.au/new_and_current_students/undergraduate_current_students/how_do_i/grade_appeals/

Disruption to Studies Policy

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A disruption to studies policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at:

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

Student Support

Macquarie University provides a range of support services for students. For details, visit http://students.mq.edu.au/support/

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- Workshops
- StudyWise

- Academic Integrity Module for Students
- Ask a Learning Adviser

Student Services and Support

Students with a disability are encouraged to contact the Disability Service who can provide appropriate help with any issues that arise during their studies.

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

IT Help

For help with University computer systems and technology, visit http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

When using the University's IT, you must adhere to the Acceptable Use of IT Resources Policy. The policy applies to all who connect to the MQ network including students.

Graduate Capabilities

Discipline Specific Knowledge and Skills

Our graduates will take with them the intellectual development, depth and breadth of knowledge, scholarly understanding, and specific subject content in their chosen fields to make them competent and confident in their subject or profession. They will be able to demonstrate, where relevant, professional technical competence and meet professional standards. They will be able to articulate the structure of knowledge of their discipline, be able to adapt discipline-specific knowledge to novel situations, and be able to contribute from their discipline to inter-disciplinary solutions to problems.

This graduate capability is supported by:

Learning outcomes

- Comprehend the characteristics of business organisations and the Australian corporate legislative framework including ability to understand how companies are formed, different types of companies and the relevance of the company constitution
- Effectively recognise and gain knowledge of corporate management issues, in particular the role and obligations of directors.
- Capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
- Critically assess corporate insolvency in the current regulatory environment.
- Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

Assessment tasks

- 1. Class participation
- 2. Quiz
- 3. Final Examination

Critical, Analytical and Integrative Thinking

We want our graduates to be capable of reasoning, questioning and analysing, and to integrate and synthesise learning and knowledge from a range of sources and environments; to be able to critique constraints, assumptions and limitations; to be able to think independently and systemically in relation to scholarly activity, in the workplace, and in the world. We want them to have a level of scientific and information technology literacy.

This graduate capability is supported by:

Learning outcomes

- Effectively recognise and gain knowledge of corporate management issues, in particular the role and obligations of directors.
- Capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
- Critically assess corporate insolvency in the current regulatory environment.
- Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

Assessment tasks

- 1. Class participation
- 2. Quiz
- 3. Final Examination

Problem Solving and Research Capability

Our graduates should be capable of researching; of analysing, and interpreting and assessing data and information in various forms; of drawing connections across fields of knowledge; and they should be able to relate their knowledge to complex situations at work or in the world, in order to diagnose and solve problems. We want them to have the confidence to take the initiative in doing so, within an awareness of their own limitations.

This graduate capability is supported by:

Learning outcomes

- Comprehend the characteristics of business organisations and the Australian corporate legislative framework including ability to understand how companies are formed, different types of companies and the relevance of the company constitution

- Effectively recognise and gain knowledge of corporate management issues, in particular the role and obligations of directors.
- Capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
- Critically assess corporate insolvency in the current regulatory environment.
- Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

Assessment tasks

- 1. Class participation
- 2. Quiz
- 3. Final Examination

Effective Communication

We want to develop in our students the ability to communicate and convey their views in forms effective with different audiences. We want our graduates to take with them the capability to read, listen, question, gather and evaluate information resources in a variety of formats, assess, write clearly, speak effectively, and to use visual communication and communication technologies as appropriate.

This graduate capability is supported by:

Learning outcomes

- Effectively recognise and gain knowledge of corporate management issues, in particular the role and obligations of directors.
- Capability to understand how shareholders rights are protected and how the Corporations Act regulates acquisition and disposal of shares.
- Critically assess corporate insolvency in the current regulatory environment.
- Analyse the legal aspects of particular sets of facts or case studies relevant to corporations law and identify and solve the legal problems associated with these.

Assessment tasks

- 1. Class participation
- 2. Quiz
- 3. Final Examination

Research & Practice, Global & Sustainability

This unit addresses global and sustainability issues as direct areas of study and as necessary implications arising from the materials, assessment and academic discussion and debate in classes. We promote sustainability by developing ability in students to research and locate

information within the legal context as it relates to the accounting discipline. We aim to provide students with an opportunity to obtain skills which will benefit them throughout their career.

The main/required text for this unit (Company Law Perspectives) and the recommended text (Understanding Company Law) are the result of research in relation to the area of company law. The material in these texts provides you with a thorough coverage of the relevant issues. Interested students can pursue further research (not a compulsory requirement of this unit) into any of the areas of this unit via the various scholarly journals focussing on company law. Examples of journals that can be consulted to follow up matters of interest are: Australian Journal of Corporate Law; Company and Securities Law Journal.