BUSN2101
Law of Business Entities

Course Description

This course introduces the legal principles relevant to business structures in Australia. Corporate law is emphasised, comprising issues such as: corporate governance (the structure and role of the board of directors, directors’ duties, members’ rights and shareholder meetings); corporate liability (corporate contracting, negligence issues faced by corporations); corporate finance (debt and equity financing, profit distribution and protection of creditors); and external administration (corporate insolvency, receivership, voluntary administration and winding up).

Semester and Year
Semester 1/2016

Course URL
http://programsandcourses.anu.edu.au/2016/course/BUSN2101

Mode of Delivery
On campus

Prerequisites
BUSN1101

Incompatible Courses
You are not able to enrol in this course if you have previously completed LAWS2203.

Course Convener
Associate Professor Keturah Whitford

Office Location
Hanna Neumann 2031

Phone
61254726

Email
Keturah.whitford@anu.edu.au

Consultation hours
To be advised

Bio and research interests
Keturah Whitford is Associate Professor and Reader in Business Law in the Research School of Accounting at the Australian National University. She is also Director of Students and Learning.
in the College of Business and Economics. Prior to joining ANU in 2004, Keturah was head of the School of Law at the University of Canberra. She has taught and published in areas of business law, company and insolvency law and banking law. She is a director on the boards of Australian Science Innovations Inc and St John Ambulance (ACT) Inc.

Keturah has many years’ experience as a legal practitioner, initially in private practice in Adelaide and later working for The State Bank of South Australia, Street Thompson Holdings Ltd (a listed public company) and the Australian Association of Permanent Building Societies in Canberra.

Keturah holds the degrees of Bachelor of Laws, Master of Laws and a Diploma of Education from the University of Adelaide. She is admitted as a barrister and solicitor in South Australia, The Australian Capital Territory and the High Court of Australia.

Tutor(s)

<table>
<thead>
<tr>
<th>Tutor(s)</th>
<th>Names and contact details and consultation hours will be posted to wattle</th>
</tr>
</thead>
</table>

Student Administrators

<table>
<thead>
<tr>
<th>Student Administrators</th>
<th>HN 2037 Hanna Neumann Bld 21 <a href="mailto:enquiries.rsa@anu.edu.au">enquiries.rsa@anu.edu.au</a> 6125 0025 or 6125 7968</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Office hours : Monday – Friday 9-5 pm</td>
</tr>
</tbody>
</table>

COURSE OVERVIEW

Course Learning Outcomes

Upon successful completion of the requirements for this course, students will be able to:

- apply your knowledge of corporate law to analyse and address legal issues typically encountered by Australian companies and their advisers;
- understand the way the law will view a set of circumstances and why the law exists rather than only viewing a situation from a commercial viewpoint and also know how to apply this to influence and inform decision making;
- identify legal issues amongst factual issues;
- find current statements of case law and legislation regarding legal issues;
- direct ongoing learning especially in the context of amendments to corporate law.

Research-Led Teaching

This course introduces students to the law applicable to companies. There is an emphasis on current events in corporate law and students will be referred to appropriate journal articles to enhance their understanding of the core topics and to enhance discussion of current corporate legal events.

Continuous Improvement

We use feedback from students, professional bodies and staff to make regular improvements to the course. In response to this feedback, design improvements from the previous version of the course include
- changes to the assessment scheme to include assessment of performance as discussion leader and tutorial participant.
- change to more interactive lecture format.

**Staff Feedback**

Students will be given feedback in various ways in this course, including verbal or written feedback on the return of assessment tasks, during class discussion, or during consultation with lecturers and tutors.

**Student Feedback**

All CBE courses are evaluated using Student Experience of Learning and Teaching (SELT) surveys, administered by Planning and Statistical Services at the ANU. These surveys are offered online, and students will be notified via email to their ANU address when surveys are available in each course. Feedback is used for course development so please take the time to respond thoughtfully. Course feedback is anonymous and provides the Colleges, University Education Committee and Academic Board with opportunities to recognise excellent teaching and to improve courses across the university. For more information on student surveys at ANU and reports on feedback provided on ANU courses, visit [http://unistats.anu.edu.au/surveys/selt/students/](http://unistats.anu.edu.au/surveys/selt/students/) and [http://unistats.anu.edu.au/surveys/selt/results/learning/](http://unistats.anu.edu.au/surveys/selt/results/learning/)

**Examination material or equipment**

Details regarding materials and equipment that is permitted in an examination room can be found on the ANU website:

[http://www.anu.edu.au/students/program-administration/assessments-exams/examination-conduct](http://www.anu.edu.au/students/program-administration/assessments-exams/examination-conduct)

Information regarding permitted examination materials for the course will be available on the examination timetable website when the examination timetable is released:

<table>
<thead>
<tr>
<th>Week</th>
<th>Theme / Topic / Module</th>
<th>Activity</th>
<th>Required student preparation</th>
<th>Deadlines</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Companies and Company Law</td>
<td>Lecture, no tutorial</td>
<td>Text chapters 1 and 2</td>
<td>15, 18 Feb</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>22, 25 Feb</td>
</tr>
<tr>
<td>2</td>
<td>Legal nature of companies and business planning</td>
<td>Lecture</td>
<td>Tutorial – Problem set 1. Problem sets are in ch 26 of your text. You need to read the case studies as well as the questions in the problem set.</td>
<td>Text chapters 3 and 4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>29 Feb</td>
</tr>
<tr>
<td>3</td>
<td>Constituting companies and managing companies,</td>
<td>Lecture</td>
<td>Tutorial – Problem set 2,</td>
<td>Text chapters 5 and 6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2 March</td>
</tr>
<tr>
<td>4</td>
<td>Member decision making and member’s meetings</td>
<td>Lecture</td>
<td>Tutorial – Problem set 3.</td>
<td>Text chapters 7 and 8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7, 10 March</td>
</tr>
<tr>
<td>5</td>
<td>Restrictions on member-decision making and company directors</td>
<td>Lecture</td>
<td>Tutorial – Problem set 4.</td>
<td>Text chapters 9 and 10.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14 March</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>21, 24 March</td>
</tr>
<tr>
<td>7</td>
<td>Directors’ duties – duty to act in good faith and for a proper purposes, duty to avoid conflicts of interest.</td>
<td>Lecture</td>
<td>Tutorial –Problem set 6</td>
<td>Text chapters 13 and 14</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>28 March</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>public holiday</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>31 March</td>
</tr>
<tr>
<td>8</td>
<td>Consequences of breach and Members’ remedies</td>
<td>Lecture</td>
<td>Tutorial –Problem set 7.</td>
<td>Text chapters 15 and 16.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>18, 21 April</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Mid-semester break</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4 April -15 April</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>18 April News report due</td>
</tr>
<tr>
<td>Week</td>
<td>Theme / Topic / Module</td>
<td>Activity</td>
<td>Required student preparation</td>
<td>Deadlines</td>
</tr>
<tr>
<td>------</td>
<td>------------------------</td>
<td>----------</td>
<td>------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>9</td>
<td>Reporting and disclosure and financing companies</td>
<td>Lecture</td>
<td>Text chapters 17 and 18.</td>
<td>28 April</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tutorial – Problem set 8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Shares and shareholding, Securities</td>
<td>Lecture</td>
<td>Text chapters 19 and 20., beginning of ch 21.</td>
<td>5 May</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tutorial – Problem set 9</td>
<td></td>
<td>Assignment due</td>
</tr>
<tr>
<td>11</td>
<td>Market Misconduct Takeovers</td>
<td>Lecture</td>
<td>Text chapters 21 (last part) and ch 23.</td>
<td>9, 12 May</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tutorial – problem set 10 questions 1, 3, 4 and 5..</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Problem set 11 questions 1 and 2.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Transacting by companies Receivership and voluntary administration</td>
<td>Lecture</td>
<td>Text chapter 24 and 25.</td>
<td>16, 19 May</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tutorial –Problem Set 11 qu 3. Problem set 12 and see wattle for additional questions.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Winding up Revision</td>
<td>Lecture</td>
<td>Past exam papers will be posted to wattle and will be the basis of revision this week.</td>
<td>23, 26 May</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tutorial Problem set 13</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Lectures**

Lectures will be recorded via echo 360 and recordings will be available on wattle. This is not an online course. It is expected that you will attend lectures in person. Recordings are designed as a back-up if you are ill or unavoidably away or you wish to go back over work. Aspects of the lectures will be interactive including the discussion of questions and issues and you will not get the full benefit of this if you do not attend. In some weeks short problem questions, or issues or news items will be posted to wattle prior to the lecture and you will need to come to the lecture prepared to discuss. Please also note that there are 3 public holiday Mondays in first semester and the Monday lecture (and any Monday tutorials) will be rescheduled in these weeks. Details will be posted to wattle.
**Tutorials**

Please see details of tutorial assessment at Assessment Task 1.

Tutorial “solutions” will not be posted to wattle. This is a university and we aim to develop independent learners. You will get the most out of tutorials by preparing well, coming to tutorials and participating in the discussion and making your own notes. If, after the tutorial, you are unsure about something you are welcome to attend your tutor’s consultation for clarification. You are also, always welcome to get feedback on written answers from your tutor in consultation time.

With legal problems there is not always one correct answer or even one way of approaching the problem. I will provide an answer guide to the problem question in the assignment. You will get specific feedback on your own papers and general feedback will be posted to wattle. The answer guides are not formatted as model answers but will indicate what the markers were looking for in terms of content.

I will post two past exam papers which will be used for revision purposes in week 13. After the final lecture the answer guides will be posted to wattle to assist with your exam revision.

**COURSE ASSESSMENT**

**Assessment Summary**

<table>
<thead>
<tr>
<th>Assessment Item</th>
<th>Title</th>
<th>Due Date</th>
<th>Weighting (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tutorial discussion leader and participation</td>
<td>Dates and questions to be allocated to you by your tutor in week 2</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>News report</td>
<td>5pm 18 April</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>Assignment</td>
<td>5pm 5 May</td>
<td>20</td>
</tr>
<tr>
<td>4</td>
<td>Final examination</td>
<td>Centrally timetabled during University examination period</td>
<td>60</td>
</tr>
</tbody>
</table>
**Assessment Task 1:**

**Tutorial discussion leader and participation details**

<table>
<thead>
<tr>
<th>Due Date</th>
<th>Dates and questions to be allocated to you by your tutor in week 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value or Weighting (%)</td>
<td>10</td>
</tr>
<tr>
<td>Marks</td>
<td>10</td>
</tr>
<tr>
<td>Suggested length</td>
<td>500 words (x 2)</td>
</tr>
<tr>
<td>Instructions</td>
<td>In week 2 your tutor will allocate 2 tutorial questions (in different weeks in weeks 4 - 12) in which you will be the discussion leader of that question in the tutorial. You need to submit to your tutor at the tutorial your written answer preparation but you are primarily being assessed on your leading of the discussion rather than your written answer. Half of your marks for assessment task 1 will come from your discussion leading. You will also be assessed on your own tutorial participation – you will be assessed on your contributions to tutorial discussion. Tutorial participation will be assessed in 5 weeks (these weeks will not be nominated to you in advance) and your best 2 marks will count towards half of your marks for assessment task 1.</td>
</tr>
</tbody>
</table>

**Purpose**

To give you an opportunity to develop and practise skills in group facilitation and discussion and to develop problem solving and discussion skills in a group setting.

**Marking Criteria**

**Discussion leading**

- Delivery – clear, confident,
- Content – demonstrated understanding of the law and analysis,
- Structure – ideas presented in an articulate and logical manner
- Group engagement – appropriately engaged the group by posing questions, sparing comments and discussion from others and built on the response of others
- Demonstrated consideration and respect for others

**Tutorial participation**

- Preparation – demonstrates good preparation -has read applicable cases and legislation and applied them to the problem.
- Offering of interpretation and analysis to discussion
- Contribution to discussion, responding to other student’s points, questions others in a constructive way
- Demonstrated consideration and respect for others
Assessment Task 2: News Report Details

<table>
<thead>
<tr>
<th>Due Date</th>
<th>5pm 18 April</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value or Weighting (%)</td>
<td>10</td>
</tr>
<tr>
<td>Marks</td>
<td>10</td>
</tr>
<tr>
<td>Suggested Length</td>
<td>700 words</td>
</tr>
</tbody>
</table>
| Instructions      | Select an Australian news item of current interest from an Australian newspaper or news site bearing a 2016 date relevant to corporate law (not just commercial law). An example will be posted to wattle. Write a paper:

  - Briefly summarising the article and
  - Discussing its significance or relevance for corporate law. Ensure that you put your discussion in a legal context

Include a link to the news item or include a scanned copy of the article.

<table>
<thead>
<tr>
<th>Purpose</th>
<th>The aim is for you to engage with current affairs and understand the corporate law surrounding a current event. This will assist you to develop the skills necessary for identifying corporate law issues in a professional context through learning from a recent corporate experience with the law.</th>
</tr>
</thead>
</table>
| Marking Criteria | Communication

  - Correct syntax, grammar and spelling
  - Clarity of thought and expression
  - Coherent and logical structure

**Demonstrated understanding of the law, analysis & discussion**

  - The paper identifies the aspect/s of corporate law relevant to the news item
  - The paper shows an understanding of how the corporate law operates in practice
  - Discusses and analyses relevant arguments
  - Does not wander
  - Comes to some kind of conclusion

**Presentation**

  - Correct citation of cases and legislation in accordance with the Australian Guide to Legal Citation.
  - Layout/setting out (use of appropriate headings clarity, ease of reading)
### Assessment Task 3: Assignment Details

<table>
<thead>
<tr>
<th>Due Date</th>
<th>5pm 5 May</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value or Weighting (%)</td>
<td>20</td>
</tr>
<tr>
<td>Marks</td>
<td>20</td>
</tr>
<tr>
<td>Suggested Length</td>
<td>1500 words</td>
</tr>
<tr>
<td>Instructions</td>
<td>Write a paper identifying and advising on the legal issues that arise in the problem question supporting your advice by reference to the law.</td>
</tr>
<tr>
<td>Purpose</td>
<td>The aim of this assignment is to develop your legal reasoning and analysis skills through considering a set of facts and identifying and advising regarding the legal issues that arise. It will assist you to develop confidence and insight with legal problem solving. It will also allow you to practise your skills in writing a persuasive legal argument and synthesising your learning in a few areas of corporate law.</td>
</tr>
<tr>
<td>Marking Criteria</td>
<td></td>
</tr>
</tbody>
</table>

#### Communication
- Correct syntax, grammar and spelling
- Clarity of thought and expression

#### Demonstrated knowledge of the law
- Answer reflects a good knowledge of the relevant legislation and relevant case law - an understanding of their scope and operation

#### Analytical skills
- (legal problem solving technique)
- Ability to determine the legally relevant or "material" facts and the applicable legal rules:
  - ability to identify the legal issues raised by the relevant facts, ie the questions in dispute;
  - applying the law to the relevant facts (do the facts fit the legal rules?);
  - reaching a conclusion and expressing it ("In my view...." "I consider, on the basis of the facts provided, that...."). If the legislation is open to more than one interpretation your task is to say so and to decide which one should be considered of greater weight and to state why.

#### Presentation
- Correct citation of cases and legislation in accordance with the Australian Guide to Legal Citation
- Layout/setting out (use of appropriate headings-clarity, ease of reading)
Assignment Submission (Tasks 2 and 3)

The ANU is using Turnitin to enhance student citation and referencing techniques, and to assess assignment submissions as a component of the University’s approach to managing Academic Integrity. For additional information regarding Turnitin please visit ANU Online.

Online submission: Assignments are submitted using Turnitin in the course Wattle site. You will be required to electronically sign a declaration as part of the submission of your assignment. Please keep a copy of the assignment for your records.

As a further integrity control, students may be randomly selected for a 15 minute individual oral examination of their written assessment.

Extensions and Penalties

Extensions and late submission of assessment pieces are covered by the Student Assessment (Coursework) Policy and Procedure.

The Course Convener may grant extensions for assessment pieces that are not examinations or take-home examinations. If you need an extension, you must request it in writing on or before the due date. If you have documented and appropriate medical evidence that demonstrates you were not able to request an extension on or before the due date, you may be able to request it after the due date.

Late submission of assessment tasks without an extension are penalised at the rate of 5% of the possible marks available per working day or part thereof. Late submission of assessment tasks is not accepted after 10 working days after the due date, or on or after the date specified in the course outline for the return of the assessment item.

Returning Assignments

Student can access marks and feedback on assessed work via wattle. In some cases marking sheets may be returned via email or in tutorials.

Examinations

In order to pass the course you must achieve a minimum 45% in the final examination.

The final examination timetable is published on the following website: http://timetable.anu.edu.au/.

Students will be advised of the format of the final examination closer to the time. It is an open book exam. You may take anything into the examination except electronic materials.

Regarding permitted materials for the final examination please note:

1. Electronic dictionaries are not allowed

If Multiple Choice Answer Sheets are to be used you will require a lead pencil (preferably 2B). An eraser and sharpener are also useful when using these sheets.

Please note that the examination is worth 60%. In order to receive accounting body accreditation this course is required to have a minimum 50% examination.
Scaling

Your final mark for the course will be based on the raw marks allocated for each assignment or examination. However, your final mark may not be the same number as produced by that formula, as marks may be scaled. Any scaling applied will preserve the rank order of raw marks (i.e. if your raw mark exceeds that of another student, then your scaled mark will exceed or equal the scaled mark of that student), and may be either up or down.

Referencing Requirements

Referencing is required in accordance with the Australian Guide to Legal Citation. A link will be provided on wattle and a shorter guide to the most common references will also be provided.

READING LISTS

Prescribed Texts


Strongly recommended texts


Recommended reading


**Web sites**


Useful legal databases which can be accessed via the ANU library site include:

*LexisNexis AU* – for cases and journal articles – also provides access to the Encyclopaedic Australian legal Dictionary online.

*FirstPoint* (Legal online) – for cases and journal articles

*HeinOnline* – for journal articles (this service has a large number of Australian journals)

*Westlaw AU* – for journal articles

**TUTORIAL REGISTRATION**

Tutorial signup for this course will be done via the Wattle website. Detailed information about signup times will be provided on Wattle or during your first lecture. When tutorials are available for enrolment, follow these steps:

1. Log on to *Wattle*, and go to the course site.

2. Click on the link “Tutorial signup here”

3. On the right of the screen, click on the tab “Become Member of ……” for the tutorial class you wish to enter.

4. Confirm your choice

If you need to change your enrolment, you will be able to do so by clicking on the tab “Leave group…” and then re-enrol in another group. You will not be able to enrol in groups that have
reached their maximum number. Please note that enrolment in ISIS must be finalised for you to have access to Wattle.

COMMUNICATION

Email

If necessary, the lecturers and tutors for this course will contact students on their official ANU student email address. Information about your enrolment and fees from the Registrar and Student Services' office will also be sent to this email address.

Announcements

Students are expected to check the Wattle site for announcements about this course, e.g. changes to timetables or notifications of cancellations. Notifications of emergency cancellations of lectures or tutorials will be posted on the door of the relevant room.

Course URLs

More information about this course may be found on:

• Programs and Courses (http://programsandcourses.anu.edu.au/2016/course/BUSN2101)

• the College of Business and Economics website (https://www.cbe.anu.edu.au/students/student-information/college-courses/) and

• Wattle (https://wattle.anu.edu.au), the University's online learning environment. Log on to Wattle using your student number and your ISIS password.

POLICIES

The University offers a number of support services for students. Information on these is available online from http://www.anu.edu.au/students/get-involved

ANU has educational policies, procedures and guidelines, which are designed to ensure that staff and students are aware of the University’s academic standards, and implement them. You can find the University’s education policies and an explanatory glossary at: http://policies.anu.edu.au/

Students are expected to have read the Academic Misconduct Rules 2014 before the commencement of their course.

Other key policies include:

• Student Assessment (Coursework) Policy (https://policies.anu.edu.au/ppl/document/ANUP_004603)
• Student Assessment (Coursework) Procedure (https://policies.anu.edu.au/ppl/document/ANUP_004604)
• Student Surveys and Evaluations (https://policies.anu.edu.au/ppl/document/ANUP_004601)
• Copyright (http://copyright.anu.edu.au/)