

LA310-30 Law of Business Organisations

21/22

Department

School of Law

Level

Undergraduate Level 3

Module leader

Stephen Connelly

Credit value

30

Module duration

20 weeks

Assessment

30% coursework, 70% exam

Study location

University of Warwick main campus, Coventry

Description

Introductory description

The module offers an analysis of the principles and contexts of UK company law.

[Module web page](#)

Module aims

The module offers a comprehensive, critical and contextual analysis of the fundamental principles and concepts of UK company law and an introduction to some of the key policy issues facing lawyers, practitioners and theorists in this area of law today. It aims to provide a theoretical framework in which to understand developments in company law and corporate governance debates.

The module deals with the modern incorporated company - its formation and dissolution, its financial structure, the establishment and regulation of relations between its board of directors and shareholders and between the company itself and other stakeholder groups such as creditors and employees. An important focus of the module is the UK Companies Act 2006.

The module begins by tracing the historical development of the corporate form in its social and economic context, including the corporate constitution, the nature of shares and the emergence of

capital markets. Emphasis is placed on the doctrine of separate corporate personality and limited liability and its practical ramifications in the context of corporate groups. The module will also examine the role of companies in modern western economies from the perspective of various political and economic theories.

In term 2, the governance implications of dispersed share ownership are considered with a focus on the resulting tensions between: a) shareholders and corporate managers; b) shareholders and creditors; and c) controlling shareholders and minority shareholders. These relationships will be analysed using a conceptual framework offered by economics, namely agency theory. We will explore the various legal doctrines and regulatory techniques used to tackle problems emerging from the above relationships and attempt to evaluate their effectiveness.

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

Separate corporate personality: meaning and origins

Corporate structuring

The powers of the company

Social organisations

Lifting the veil in the context of Multinational Enterprises

The role of the company in modern society

The separation of ownership from control in companies

Capital structure

Modern equity finance and IPOs

Corporate Governance: the contractarian theory of the corporation

Disclosure and other obligations on public companies

Corporate Governance: Codes, and takeovers

Directors' duties I: duties of loyalty and care

Directors' duties II: duties of honesty

The derivative claim

The unfair prejudice petition

Protecting creditors of solvent companies

Protecting creditors of insolvent companies/ corporate rescue

Learning outcomes

By the end of the module, students should be able to:

- Understand the historical, political, economic and transnational contexts in which the law of business organizations has developed and continues to develop
- Understand basic concepts of company law and their influence on common and statutory law developments
- Recognise and manage the holistic nature of company law
- Appreciate the wide-ranging influence of corporate activity and the law relating to it
- Be familiar with the general body of company and related legislation
- Understand and apply rigorously specific statutory provisions

- Identify the range of judicial approaches to company law disputes
- Apply creatively the case law to continuing areas of legal uncertainty and to specific events in the news, e.g. take-overs
- Formulate and evaluate policy arguments at all levels of company law
- Appreciate different legal cultures in the company law sphere and draw comparisons where appropriate
- Be prepared to identify and search out the most appropriate sources
- Assimilate seminar materials and apply these to specific questions set for the seminarWork in a team, and be sympathetic to other contributions
- Apply the themes/issues developed in lectures and seminars to current eventsWork unsupervised as the main mode of work

Indicative reading list

LOWRY, John and REISBERG, Arad, Pettet's Company Law: Company Law and Corporate Finance (4th edn, Pearson 2012)

Blackstone Statutes on Company Law 2016-2017 (OUP)

Lee Roach, Company Law (Oxford, OUP 2019)

Subject specific skills

No subject specific skills defined for this module.

Transferable skills

No transferable skills defined for this module.

Study

Study time

Type	Required
Lectures	36 sessions of 1 hour (12%)
Seminars	14 sessions of 1 hour (5%)
Private study	250 hours (83%)
Total	300 hours

Private study description

No private study requirements defined for this module.

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Students can register for this module without taking any assessment.

Assessment group D7

	Weighting	Study time
2500 Word Essay	30%	
Students will write an essay on one of a selection of given topics.		
Online Examination	70%	
This is a 2hr exam to be completed within the given 24hr period.		
~Platforms - AEP		

- Online examination: No Answerbook required
- LA020: Students to bring own Relevant Statutes

Feedback on assessment

Feedback for essay on Tabula. Generic feedback for the exam will be provided on Moodle, with the option for one to one feedback by student request in October.

[Past exam papers for LA310](#)

Availability

Courses

This module is Core for:

- Year 3 of UIBA-MN34 Law and Business Four Year (Qualifying Degree)
- Year 3 of UIBA-MN31 Undergraduate Law and Business Studies
- Year 3 of UIBA-MN32 Undergraduate Law and Business Studies
- Year 4 of UIBA-MN37 Undergraduate Law and Business Studies (Qualifying Degree) with Intercalated Year
- UIBA-MN35 Undergraduate Law and Business Studies with Intercalated Year (3+1)
 - Year 3 of MN35 Law and Business Studies with Intercalated Year (3+1)

- Year 4 of MN35 Law and Business Studies with Intercalated Year (3+1)
- Year 4 of UIBA-MN36 Undergraduate Law and Business Studies with Intercalated Year (4+1)

This module is Optional for:

- Year 3 of ULAA-M300 Undergraduate Law
- ULAA-M105 Undergraduate Law (3 year) (Qualifying Degree)
 - Year 3 of M105 Law (3 year) (Qualifying Degree)
 - Year 3 of M105 Law (3 year) (Qualifying Degree)
- ULAA-M106 Undergraduate Law (4 year) (Qualifying Degree)
 - Year 3 of M106 Law (4 year) (Qualifying Degree)
 - Year 4 of M106 Law (4 year) (Qualifying Degree)
- Year 4 of ULAA-M104 Undergraduate Law (Year Abroad)
- ULAA-M108 Undergraduate Law (Year Abroad) (Qualifying Degree)
 - Year 4 of M108 Law (Year Abroad) (Qualifying Degree)
 - Year 4 of M108 Law (Year Abroad) (Qualifying Degree)
- Year 3 of ULAA-ML33 Undergraduate Law and Sociology
- Year 3 of ULAA-M110 Undergraduate Law with Humanities (3 Year)
- Year 3 of ULAA-M113 Undergraduate Law with Humanities (4 Year) (Qualifying Degree)

This module is Option list A for:

- Year 4 of ULAA-M10A Undergraduate Law with French Law (Qualifying Degree)
- Year 4 of ULAA-M10C Undergraduate Law with German Law (Qualifying Degree)
- Year 4 of ULAA-M113 Undergraduate Law with Humanities (4 Year) (Qualifying Degree)
- ULAA-M115 Undergraduate Law with Social Sciences (3 Year) (Qualifying Degree)
 - Year 3 of M115 Law with Social Sciences (3 year) (Qualifying Degree)
 - Year 3 of M115 Law with Social Sciences (3 year) (Qualifying Degree)

This module is Option list B for:

- ULAA-ML34 BA in Law and Sociology (Qualifying Degree)
 - Year 3 of ML34 Law and Sociology (Qualifying Degree)
 - Year 4 of ML34 Law and Sociology (Qualifying Degree)
- Year 5 of ULAA-ML35 BA in Law and Sociology (Qualifying Degree) (with Intercalated year)
- Year 4 of ULAA-ML33 Undergraduate Law and Sociology