

Hot Topics: Intro to UK Company Law & Corporate Social Responsibility

**SUBJECT DETAILS**

Data on the subject	
Name	Introduction to UK Company Law
Degree	Postgraduate in Master in International and European Business Law
Year	2016-17
Nature	Spring
ECTS Credits	10 hours = 1 credit
Department	Law
Area	Law
Teaching staff	Roseanne Russell

Data on the teaching staff	
Teaching staff	Roseanne Russell
e-mail	RussellR8@cardiff.ac.uk
Telephone	+44 02920 875454
Office	
Tutoring Schedule	Upon request from students

**SPECIFIC DATA ON THE SUBJECT**

Pre-requisites
None
Contribution of the degree to the professional profile
Please fill this out

**COMPETENCES TO BE IMPROVED**

What skills you'll gain from this class:
(1) To provide students with knowledge and critical appreciation of UK company law principles.

- (2) To develop an appreciation of the practical operation of these legal principles and the scope of their operation.
- (3) To foster key legal writing skills and the ability to apply UK company law principles to given fact situations.

## THEMATIC AREA AND CONTENT

<b>AREA 1: Introduction to UK Company Law (Arranged over 4 Thematic Classes)</b>
<b>Theme 1: Choice of Business Forms</b>
<ul style="list-style-type: none"> <li>1.1 Comparison of companies with other business forms</li> <li>1.2 Introduction to different types of companies and their main features</li> <li>1.3 Introduction to concepts of separate legal personality and limited liability</li> <li>1.4 Practical activity: advising a client on appropriate structure for intended business</li> </ul>
<b>Theme 2: Corporate Constitution and Introduction to Directors' Fiduciary Duties</b>
<ul style="list-style-type: none"> <li>2.1 Effect of articles of association and how these may be altered</li> <li>2.2 Shareholders agreements</li> <li>2.3 Duty to act within articles and for proper purpose</li> <li>2.4 Class debate: What are companies for? Introduction of UK principle of "Enlightened Shareholder Value"</li> </ul>
<b>Theme 3: Directors' Duties</b>
<ul style="list-style-type: none"> <li>3.1 Duty of loyalty: conflicts, transactional conflicts, and substantial property transactions</li> <li>3.2 Duties of care, skill and diligence</li> <li>3.3 Wrongful trading in insolvency</li> </ul>
<b>Theme 4: Majority rule and minority protection</b>
<ul style="list-style-type: none"> <li>3.1 Overview of shareholders' remedies</li> <li>3.2 Statutory derivative action and problems with enforcement</li> <li>3.3 Shareholder personal action and unfair prejudice rule</li> <li>3.4 Class Test: Case study/problem question on directors' duties</li> </ul>

## BIBLIOGRAPHY AND RESOURCES

<b>Basic Bibliography</b>
<b>Text books</b>
<p><u>Mayson, French &amp; Ryan on Company Law 2015-2016 (32<sup>nd</sup> ed)</u>, Oxford University Press ("Mayson, French &amp; Ryan"): Up-to-date, easy to read, well organised, clear structure. Very comprehensive.</p> <p><u>Hannigan, Company Law 2015 (4<sup>th</sup> ed)</u>, Oxford University Press ("Hannigan"): Very solid, detailed and well-structured.</p>

Davies, *Principles of Modern Company Law 2012 (9th ed)*, Sweet and Maxwell (“Gower and Davies”): An intellectually and academically challenging book.

#### Chapters of books

**Theme 1:** B. Cheffins, *Company Law: Theory, Structure and Operation* (Clarendon Press, Oxford, 1997), pp. 36 – 41

#### Articles

**Theme 1:** M.T. Moore, ‘A Temple Built on Faulty Foundations: Piercing the Corporate Veil and the Legacy of *Salomon v Salomon*’, (2006) *Journal of Business Law* 180

**Theme 2:** Lord Wedderburn, ‘Shareholder Rights and the Rule in *Foss v Harbottle*’ (1957) *Cambridge Law Journal* 193 pp 212-215

J. Parkinson ‘Models of the Company and the Employment Relationship’ (2003) 41 *British Journal of Industrial Relations* 481

**Theme 3:** D. Arsalidou, ‘The Impact of Section 214 of the Insolvency Act 1986 on Directors’ Duties’, (2001) *The Company Lawyer* 19

A. Hicks, ‘Advising on wrongful trading’ (1993) *Company Lawyer* 16

**Theme 4:** A. Keay, ‘Company Directors Behaving Poorly: Disciplinary Options for Shareholders’ (2007) *Journal of Business Law* 656

A Keay and J Loughry, ‘Something Old, Something New, Something Borrowed: An Analysis of the New Derivative Action Under the Companies Act 2006’ (2008) 124 *Law Quarterly Review* 469.

#### Additional Bibliography

#### Chapters in books

**Theme 2:** Parkinson, *Corporate Power and Responsibility*, (Clarendon Press, Oxford, 1993), p 25 – 32

#### Articles

**Theme 1:** P. Ireland *et al*, ‘The Conceptual Foundations of Modern Company Law’ (1987) 14 *Journal of Law and Society* 149, especially pp 149-154

Easterbrook & Fischel, ‘Limited Liability and the Corporation’ (1985) 52 *The University of Chicago Law Review* 89 (especially 89-109)

E. Lim ‘Of ‘Landmark’ or ‘Leading’ Cases: *Salomon’s Challenge*’ (2014) 41 (4) *Journal of Law and*

Society 523

**Theme 2:** R. Drury, 'The Relative Nature of a Shareholder's Right to Enforce the Company Contract' (1986) 45 *Cambridge Law Journal* 219

P. Ireland, 'Corporate Governance, Stakeholding and the Company: Towards a Less Degenerate Capitalism?' (1996) 23 *Journal of Law and Society* 287

SB Banerjee, 'Corporate Social Responsibility: The Good, the Bad and the Ugly' (2008) 34 (1) *Critical Sociology* 51

**Theme 3:** J. Lowry, 'The Irreducible Core of the Duty of Care, Skill and Diligence of Company Directors', (2012) *Modern Law Review* 249

D. Prentice, 'Creditor's interests and director's duties' (1990) 10 *Oxford Journal of Legal Studies* 265

**Theme 4:** B Hannigan, 'Drawing Boundaries between Derivative Claims and Unfairly Prejudicial Petitions' (2009) 6 *Journal of Business Law* 606

## TEACHING METHODOLOGY

General methodological aspects of the subject

Contact hours methodology: Activities

Interactive lectures, small group discussions and case studies/problem solving

Independent study methodology: Activities

Reading and preparation for class activities

SUMMARY OF STUDENT WORK HOURS			
Activity	Number of class hours	Number of independent study hours	Total number of hours
Lecture	3 (interactive)		
Practical class	2.5		
Debate	1		
In class presentation	0		
Individual work	0		
Work in collaboration	2.5		
Evaluation: one minute paper	0		
Evaluation: class test	1		
Evaluation: exam	0		
Evaluation: exam review	0		
Others	0		
<b>ECTS Credits:</b>	<b>10</b>	<b>35</b>	<b>45</b>

## GRADE EVALUATION AND CRITERIA

Evaluation Activities	Generic Competences	Indicators	Evaluation Weighting
Individual work			
Work in collaboration			10%
Debate			10%
Class presentation			
Evaluation: one minute paper			
Evaluation: class test			20%
Evaluation: exam (final)			50%
Attendance			10%

## SUBJECT DETAILS

Data on the subject	
Name	Corporate Social Responsibility Clinic and Human Rights
Degree	Postgraduate in Master in International and European Business Law
Year	2015-2016
Nature	Clinic /Fall
ECTS Credits	1
Department	1
Area	1
Teaching staff	Maheta Molango

Data on the teaching staff	
Teaching staff	Maheta Molango
Group	
e-mail	maheta.molango@bakermckenzie.com
Telephone	670970992
Office	
Tutoring Schedule	Upon request from students

## **SPECIFIC DATA ON THE SUBJECT**

### **Pre-requisites**

Basic legal background and basic understanding of general features of Corporate Social Responsibility programs.

### **Contribution of the degree to the professional profile**

Raising awareness about an increasingly important and global phenomenon such as CSR which plays a key role in companies' compliance programs, as well as in its business/marketing strategies. CSR as a new possible professional opportunity for the students.

## **COMPETENCES TO BE IMPROVED**

### **Generic Competences**

#### **Instrumental**

Understanding the functioning of online research tools linked to CSR issues and being able to use efficiently the research resources made available by the university.

#### **Interpersonal**

Improving team work skills, understanding the importance of interpersonal relationships within the framework of a professional environment, learning to manage internal/external client relationships.

#### **Systemic**

Assessing and understanding the impact of a specific CSR issues on a company's broader strategy or/and business operations.



<b>Specific competences of the subject</b>
<b>Conceptual (knowing)</b>
Basic understanding and analysis of key CSR regulations and practical guidelines. Comparative analysis of applicable EU and local regulations.
<b>Procedural (doing)</b>
Based on the concepts learned during the class, implementation through in-class debates and presentations. In addition, presentation to Baker & McKenzie's CSR committee of innovative CSR proposal by the students.
<b>Professional (knowing how)</b>
Implementing/adapting theoretical knowledge to specific real life circumstances. Focus on practical cases linked to real CSR policies of important companies.

### THEMATIC AREA AND CONTENT

<b>AREA 1: Key CSR Concepts and Guidelines</b>
<b>Theme 1: Introduction: European and International Approach to CSR</b>
1.1 Why talking about Corporate Social Responsibility now? 1.2 Applicable legal framework at EU and local level 1.3 Best practices at EU and local level 1.4 The European Alliance for CSR: 2006 - 2011
<b>Theme 2: Global Focus on CSR: Implications for Enterprises</b>
2.1 CSR Management: plan, do, check & act

2.2 The direct and indirect benefits of CSR
2.3 Triple bottom-line concepts of CSR: economic, social and environmental responsibility
2.4 In-class analysis and debate related to "corporate irresponsibility"
<b>Theme 3: European Perspective on CSR: a Renewed EU Strategy 2011-2014</b>
3.1 A modern understanding of CSR
3.2 The multidimensional nature of CSR
3.3 The role of Public Authorities and other stakeholders
<b>Theme 4: European Union Action Plan</b>
4.1 Enhancing the visibility of CSR and disseminating good practices
4.2 Improving and tracking levels of trust in business
4.3 Survey results on how companies influence our society: citizens' view
4.4 Improving self- and co-regulation processes
4.5 Integrating CSR into education, training and research
<b>AREA 2: Practical Implementation of CSR Regulations</b>
<b>Theme 1: Case Study</b>
1.1 Comparative analysis of CSR policies of various companies
1.2 In-class debate and presentations
<b>Theme 2: Presentation of Innovative CSR Project</b>
2.1 Presentation of innovative CSR project to Baker & McKenzie's CSR committee
2.2 Assessment of the student presentations by Baker & McKenzie's CSR committee

## **BIBLIOGRAPHY AND RESOURCES**

<b>Basic Bibliography</b>
Text books

*Just Business: Multinational Corporations and Human Rights*. Author: John Gerard Ruggie  
*The New Sustainability Advantage: Seven Business Case Benefits of a Triple Bottom Line*. Author: Bob Willard

#### Pieces of legislation / guidelines

OECD Guidelines for Multinational Enterprises  
Ten principles of the United Nations Global Compact  
ISO 26000 Guidance Standard on Social Responsibility  
ILO Tri-partite Declaration of Principles Concerning Multinational Enterprises and Social Policy  
United Nations Guiding Principles on Business and Human Rights

#### Articles

[http://economix.blogs.nytimes.com/2014/02/07/the-challenges-of-running-responsible-supply-chains/?\\_php=true&\\_type=blogs&\\_r=0](http://economix.blogs.nytimes.com/2014/02/07/the-challenges-of-running-responsible-supply-chains/?_php=true&_type=blogs&_r=0)  
<https://www.euroweeklynews.com/news/mallorca/item/118885-coca-cola-workers-protesting-against-closing-factories>  
<http://www.dailymail.co.uk/news/article-2284141/IKEA-meatballs-contain-horsemeat-Store-admits-selling-contaminated-food-Britain.html>  
[http://elpais.com/elpais/2014/02/19/inenglish/1392813798\\_164052.html](http://elpais.com/elpais/2014/02/19/inenglish/1392813798_164052.html)  
<http://www.forbes.com/sites/jacquelynsmith/2013/10/02/the-companies-with-the-best-csr-reputations-2/>

#### Websites

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0681:FIN:EN:PDF>

Spain: [http://ec.europa.eu/public\\_opinion/flash/fl\\_363\\_fact\\_es\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_363_fact_es_en.pdf)  
United Kingdom: [http://ec.europa.eu/public\\_opinion/flash/fl\\_363\\_fact\\_uk\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_363_fact_uk_en.pdf)  
Germany: [http://ec.europa.eu/public\\_opinion/flash/fl\\_363\\_fact\\_de\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_363_fact_de_en.pdf)  
Sweden: [http://ec.europa.eu/public\\_opinion/flash/fl\\_363\\_fact\\_se\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_363_fact_se_en.pdf)  
United States: [http://ec.europa.eu/public\\_opinion/flash/fl\\_363\\_fact\\_us\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_363_fact_us_en.pdf)

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**TEACHING METHODOLOGY**

General methodological aspects of the subject
Contact hours methodology: Activities
Independent study methodology: Activities

SUMMARY OF STUDENT WORK HOURS			
Activity	Number of contact hours	Number of independent study hours	Total number of hours
Lecture	2	10	7
Practical class			
Debate	3	5	6
In class presentation	5	20	15
Individual work			
Work in collaboration			
Evaluation: one minute paper			
Evaluation: class test			
Evaluation: exam			
Evaluation: exam review			

Others			
ECTS Credits:			

## Grades

10% Attendance

40% Continuous evaluation which will be broken down as follows:

- 30% In-class presentations in groups of 3-4 students about a CSR program selected by each group of students. Key elements to be assessed will be (i) sources used to analyze the CSR program, (ii) relevance of the program selected taking into account the issues discussed in class, (iii) quality of the presentation as well as materials used.
- 10% In-class debates linked to the presentations made by the different groups.

50% Final exam: Presentation of innovative proposal to Baker & McKenzie CSR Committee. Presentation will be done in groups.