



FICHA TÉCNICA DE LA ASIGNATURA

Datos de la asignatura	
Nombre completo	Taller sobre auditoría legal / Due Diligence Clinic
Código	E000001240
Título	Máster Universitario en Derecho Internacional y Europeo de los Negocios (International and European Business Law)
Impartido en	Máster Universitario en Derecho Internacional y Europeo de los Negocios [Primer Curso]
Créditos	1,0 ECTS
Carácter	Obligatoria
Departamento / Área	Máster Universitario en Derecho Internacional y Europeo de los Negocios

Datos del profesorado	
Profesor	
Nombre	Carlos Franco Duque
Departamento / Área	Centro de Innovación del Derecho (CID - ICADE)
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Profesor	
Nombre	Stephen Jon Hess Linn
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DATOS ESPECÍFICOS DE LA ASIGNATURA

Contextualización de la asignatura	
Competencias - Objetivos	
Competencias	
GENERALES	
CG02	Capacidad de comunicación oral y escrita
CG04	Capacidad de resolución de problemas
CG05	Capacidad de toma de decisiones
CG06	Capacidad de trabajo en equipo



CG07	Capacidad de trabajo en un contexto internacional
CG13	Capacidad de negociación
ESPECÍFICAS	
CE04	Dominar las principales normas de derecho comunitario y de derecho internacional con relevancia para el desarrollo de negocios internacionales
CE14	Desarrollar habilidades prácticas, especialmente en materia de negociación de contratos y disputas complejas, y de desarrollo de procesos de auditoría legal

BLOQUES TEMÁTICOS Y CONTENIDOS

BIBLIOGRAFÍA Y RECURSOS

METODOLOGÍA DOCENTE

Aspectos metodológicos generales de la asignatura

RESUMEN HORAS DE TRABAJO DEL ALUMNO

HORAS PRESENCIALES
HORAS NO PRESENCIALES
CRÉDITOS ECTS: 1,0 (0 horas)

EVALUACIÓN Y CRITERIOS DE CALIFICACIÓN

En cumplimiento de la normativa vigente en materia de **protección de datos de carácter personal**, le informamos y recordamos que puede consultar los aspectos relativos a privacidad y protección de datos [que ha aceptado en su matrícula](#) entrando en esta web y pulsando "descargar"

[https://servicios.upcomillas.es/sedelectronica/inicio.aspx?csv=02E4557CAA66F4A81663AD10CED66792](https://servicios.upcomillas.es/sedeelectronica/inicio.aspx?csv=02E4557CAA66F4A81663AD10CED66792)

SUBJECT DETAILS

Data on the subject	
Full Name	Due Diligence Clinic
Code	E000001240
Degree	Postgraduate in Master in International and European Business Law
Year	2019-20
Nature	Spring
ECTS Credits	1
Department	Law
Area	Law
Teaching staff	Steve J. Hess and Carlos Franco Duque

Data on the teaching staff	
Teacher	
Name	Steve J. Hess
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Tutoring Schedule	Upon request from students

Data on the teaching staff	
Teacher	
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Tutoring Schedule	Upon request from students

SPECIFIC DATA ON THE SUBJECT

Framework of the subject
Pre-requisites
General knowledge of corporate law generally and M&A transactions specifically.

Contribution of the degree to the professional profile

The due diligence clinic will provide students with an opportunity to broaden and deepen their understanding of the M&A transaction process by means of case studies and interactive exercises. The discursive nature and practical focus of the clinic will serve to develop key professional skills of critical analysis, communication and negotiation, thereby enhancing students' professional profiles.

Competences - Goals

Competences to be developed

Generic Competences

GC 4: Problem-solving skills

GC 5: Decision-making skills

GC 6: Team work skills

Specific Competences

SC 14 Developing practical skills, especially in negotiation of contracts and complex disputes, and developing legal audit or due diligence abilities.

COURSE SYLLABUS AND CONTENT

Content

Area 1.

Theme 1. Overview of the acquisition process

- 1.1 Principal ways to acquire a business
- 1.2 Different types of acquisition process
- 1.3 Role of M&A intermediaries

Theme 2. EU Regulation 1215/2012

- 2.1 Purpose and limitations

Theme 3. Legal due diligence

- 3.1 What information is of interest?
- 3.2 How to find it
- 3.3 Presentation of legal due diligence
- 3.4 Potential issues

Theme 4. Transfer of undertaking: what to look for

- 4.1 Importance of understanding "the numbers"
- 4.2 Specific areas of interest

Theme 5. General / suggested due diligence process

- 5.1 Initiating the process
- 5.2 Briefing meeting
- 5.3 Summary of the due diligence

Theme 6. Due diligence report

- 6.1 Overview of contents of the report

Theme 7. Impact on the purchase agreement

- 7.1 Structure of the transaction
- 7.2 Conditions precedent
- 7.3 Representations and warranties
- 7.4 Indemnification

Theme 8. Exercise

- 8.1 Interactive group exercise: representations and warranties

AREA 2.

Theme 1. Overview of auction sales

- 1.1 Introduction: what is an auction sale and when is it used?
- 1.2 Seller vs. Buyer: contrasting perspectives
- 1.3 Bilateral vs. auction
- 1.4 Overview of the process

Theme 2. Vendor's due diligence

- 2.1 Concept
- 2.2 Benefits
- 2.3 Problems
- 2.4 Complexities for law firms

Theme 3. Approach to the SPA

- 3.1 "Auction draft": striking the balance
- 3.2 Private equity sales
- 3.3 Ancillary documents

Theme 4. Evaluation of offers

- 4.1 Review of assumptions
- 4.2 Assessment of execution risk
- 4.3 Review of SPA mark-up

Theme 5. Release and reliance letters

- 5.1 Overview of purpose and contents of each
- 5.2 Controversial issues in negotiation

Theme 6. Exercise

- 6.1 Interactive group exercise: due diligence report and risk management

TEACHING METHODOLOGY

General methodology of the subject

Contact hours methodology: Activities

Highly interactive seminar involving due diligence exercises. Short lectures will be given by the professor but the bulk of the educational experience will be through hands-on exercises.

Outside class methodology: Activities

Readings will be assigned.

SUMMARY OF STUDENT WORK HOURS

NUMBER OF CONTACT HOURS	
Lecture	Practical class
3	7
NUMBER OF INDEPENDENT WORK HOURS	
Lecture	Practical class
	15
ECTS CREDITS: 1 (25,00 hours)	

GRADE EVALUATION AND CRITERIA

Evaluation Activities	Indicators	Evaluation weighting
Continuous evaluation: Participation	Participation in the clinic; critical analysis; value adds	5%
Continuous evaluation: In-class group exercise 1 - representations and warranties (first session)*	Performance on series of in-class exercises designed to apply the concepts explained during the clinic	17,5%

Continuous evaluation: In -class group exercise 2 - due diligence reports and risk management (second session)*	Performance on series of in-class exercises designed to apply the concepts explained during the clinic	17,5%
Evaluation: exam (final)	Given during the final session. Tests students' knowledge of the concepts and methodologies taught during the clinic	50%
Attendance	Regular attendance to classes - control by signature of a daily sheet	10%
<p>*Students will work in teams on two complex in-class exercises where they will be required to apply the concepts expounded upon during the seminar. The exercises will be reviewed in class and potential responses and rationale will be debated. Students will be graded on their participation within their respective teams (which the professors will monitor) as well as their performance in the review and critical analysis of the potential responses during the all-hands session.</p>		

BIBLIOGRAPHY AND RESOURCES

Basic Bibliography and Resources

REQUIRED READINGS

For the first session:

- Due Diligence and Disclosure in Private Acquisitions and Disposals. Slaughter and May, August 2007.

https://www.slaughterandmay.com/media/39323/due_diligence_and_disclosure_in_private_acquisitions_and_disposals.pdf

For the second session:

- Vendors Due Diligence: What, Why & How? By: Salvador Sánchez-Terán and Stephen J. Hess. This article will be posted in Moodle. It was originally prepared as a paper given at the 4th International Mergers and Acquisitions Conference of the International Bar Association in New York, June 2005. ©International Bar Association.

SUGGESTED ARTICLES

For students looking to delve deeper into the subject matter, we may recommend the following articles:

- A Look at Due Diligence. Francis J. Aquila (partner, Sullivan & Cromwell). In: Business Due Diligence Strategies: Leading Lawyers on Conducting Due Diligence in Today's M&A Deals. Aspatore, 2012.

<https://www.sullcrom.com/siteFiles/Publications/Aquila-Inside-Minds-April-2012.pdf>

- Business Acquisition Agreements.. William F. Griffin (Davis, Malm & D'Agostine). In: Drafting & Negotiation Massachusetts Contracts, 2013.