

NATIONAL UNIVERSITY OF SINGAPORE
NUS Business School

ACC3702 Corporate & Securities Law

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Session: Semester 1, 2025/26

Aim

The primary aim of this course is to develop an appreciation and understanding of the legal framework for companies. It delves into the legal obligations and implications in operating a company from an insider's perspective of shareholders and directors, as well as from an outsider's perspective of creditors. A secondary objective is to introduce pertinent provisions of securities legislation.

Learning Outcomes

- Analyse provisions of the Companies Act to form and manage companies effectively.
- Apply legal principles under the Companies Act and securities legislation to navigate through decision-making mechanisms in a company and deal effectively with relationships between different stakeholders.
- Understand directors' duties and risks assumed by management and strategize to avoid legal pitfalls.
- Identify potential conflicts of interests within business decisions and deal with them effectively to avoid incurring personal liability.
- Anticipate issues arising when a company seeks financing and apply legal concepts to resolve them.
- Visualise rescue and restructuring options within the framework of the Insolvency, Restructuring and Dissolution Act when a company is insolvent.
- Initiate appropriate legal actions during the liquidation of a company to ensure a fair distribution of assets.

Course Pre-requisites

No accounting or financial background is necessary. The only requirement is that students must have taken a foundation law course such as BSP1702 Legal Environment of Business or its equivalent. If in doubt, do consult the Course Coordinator.

Course Outline

1. Introduction to Company Law

- a. The state and development of Company Law in Singapore
- b. Current reforms in Company Law
- c. Basic concepts and types of companies

- 2. Legal issues at the formation stage of the company**
 - a. Incorporation procedure
 - b. Name reservation and potential challenges
- 3. The Company as a Legal Entity**
 - a. The importance of the separate legal entity
 - b. Lifting the corporate veil and the impact on the manager/entrepreneur
 - c. Pre-incorporation contracts to seize business opportunities
- 4. Administration of the Company**
 - a. Different stakeholders – members and directors
 - b. Decision-making mechanisms within the company
 - c. Members' rights
 - d. Proceedings at meetings and passing of resolutions
- 5. Directors' Duties**
 - a. Potential disqualification events
 - b. Fiduciary duties of directors and insights into courts' interference with business decisions
 - c. Potential conflicts of interest in business decisions and how to avoid them
 - d. Directors' negligence and insights into the courts' varied approaches towards different types of corporate decisions
 - e. Insider Trading, civil penalty, civil liability and criminal liability
- 6. Share Capital Structure, Maintenance of Capital, Accounts and Audit**
 - a. Nature of Shares
 - b. Class Rights
 - c. Maintenance of capital
 - d. Capital Reduction
 - e. Accounts and audit
- 7. Protection of Creditors' Security Interests**
 - a. Rights and protection of creditors
 - b. Types of security interests
 - c. Fixed and floating charges
 - d. Priority between charges
- 8. Crisis Management, Corporate Rescue, Methods of Dissolution**
 - a. Schemes of arrangement
 - b. Judicial management
 - c. Types of winding up
 - d. Distribution of assets
 - e. Avoidance Proceedings

Assessment Methods

Individual Class participation and Discussion Forum participation 20%

- Individual class participation marks are awarded for contributions during class. Our classes inject fun into learning law by allowing students to explore the rationale of the law from different perspectives: ranging from an *insider's* perspective of shareholders/management to an *outsider's* perspective of creditors/trading partners. Students' contributions earn good marks, whether their answers are right or wrong because it is an exploration and not a test of prior knowledge.
- A Discussion Forum on the course will be set up. Students are encouraged to use this Forum to seek clarification on legal concepts as well as to answer questions posted by fellow classmates. Marks will be given for good quality answers which provide the clarification sought by fellow classmates. Marks will also be given for relevant questions provided the student who poses such a question makes a reasonable attempt to answer that question.
- Each student's overall participation will be monitored on a regular basis.

Group Presentation 30%

- The class will be divided into smaller groups of students. Each group will collaborate and present its answer to the questions pre-assigned to it.
- There is an optional peer review on each group member's contribution to the presentation.

Final Examination (Open Book) 50%

- This is an open-book examination of 3 hours. The duration of 3 hours is to give students sufficient time to properly digest and analyse the questions. More details will be announced in class.

Reading List (Reference Texts)

- *Singapore Business Law*, 10th Edition, 2025 Thomson Reuters
- *Walter Woon on Company Law*, Revised 3rd Edition. Thomson – Sweet & Maxwell Asia.
- Law Articles distributed through Canvas.

Academic Honesty and Plagiarism

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is 'the practice of taking someone else's work or ideas and passing them off as one's own' (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise,

your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. In case of any doubts, you should consult your instructor.

Please comply with the **NUS Plagiarism Policy** and **NUS Code of Student Conduct** (section A on academic integrity). NUS Libraries' **Academic Integrity Essentials** summarises these in an accessible manner.