

BUSINESS LAW

IE University

Professor: **ALBERTO MATA RODRIGUEZ**

E-mail: amata@faculty.ie.edu

Academic year: 22-23

Degree course: THIRD

Semester: 1^o

Category: **COMPULSORY**

Number of credits: 3.0

Language: English

PREREQUISITES

SUBJECT DESCRIPTION

The business paradigm has changed and evolved through time. Globalization, international business transactions and the Internet have changed the legal landscape and the way in which people do business. As geographical borders merge through institutions such as the EU, and barriers to trade are lifted, the competition among the skilled economists, business people and lawyers increases. It is no longer enough to be highly skilled in your area of expertise or jurisdiction; the market expects business experts and economists to be legally literate, in the same way as lawyers need to be commercially aware and have a fair understanding of economics and business.

Every single business transaction, to be sound, needs to take into account legal rules. People organize themselves in business organizations to trade; the form of organization will most definitely depend on legal implications.

Obviously, a business person or economist does not need to have a PhD in law in order to be able to take well-reasoned business decisions taking into account legal implications. The purpose of this course is to provide non-lawyers with a business vocation a clear understanding of the law, its basic structure and institutions with a clear focus on contractual and corporate law.

This course will be approached from a comparative law perspective, following a practical review of the two main legal systems, the Civil Law and Common Law systems, without aiming to draw attention to their differences but rather their similarities. This approach is followed since the business or economics student will find little benefit from knowing differences between jurisdictions, but how their decision making will be influenced by reoccurring legal problems throughout most jurisdictions. Thus, the non-lawyer requires knowledge of legal fundamentals which will help him shape his business strategy.

This course aims to provide a starting point for the students' understanding of business law, particularly contractual and corporate law. The course covers a wide array of practices and legal problems through the use of case studies. We will examine the formation and termination of contracts, tortious liability, land and property transactions and corporate and business transactions, including mergers and acquisitions, initial public offerings and insolvency.

OBJECTIVES AND SKILLS

- To gain from a very practical standpoint a fair understanding of the basic legal framework of public institutions and private organizations across the main developed countries of the world, mainly focusing on those of the UK, the US and continental Europe.
- To acquire a basic knowledge of the key questions of corporate and contractual law.
- To understand how legal implications affect business decisions.
- To acquire a good command knowledge of legal concepts.
- To provide tools for the students to identify risks and implications when dealing with legal documents.
- To identify strategies for reducing or managing legal risks of business decisions.

METHODOLOGY

Several methods of teaching and learning will be used during the 20 sessions, including lectures, organized discussions, group work and review of media/press releases.

Teaching methodology	Weighting	Estimated time a student should dedicate to prepare for and participate in
Lectures	20.0 %	20 hours
Discussions	15.0 %	15 hours
Exercises	10.0 %	10 hours
Group work	25.0 %	25 hours
Other individual studying	30.0 %	30 hours
TOTAL	100.0 %	100 hours

PROGRAM

PART I

SESSION 1 (LIVE IN-PERSON)

Contract Law (I). Concept and elements of a contract.

SESSION 2 (LIVE IN-PERSON)

Contract Law (II). Formation of a contract.

SESSION 3 (LIVE IN-PERSON)

Contract Law (III). Fraud, mistake, threats and misrepresentation.

SESSION 4 (ASYNCHRONOUS)

Application activities for sessions 1 to 3.

SESSION 5 (LIVE IN-PERSON)

Property Law (I). Ownership vs. possession. Personal property and real property. Freehold, leasehold and other interests in land.

SESSION 6 (LIVE IN-PERSON)

Property Law (II). Real Estate Contracts.

SESSION 7 (LIVE IN-PERSON)

Property Law (III). Securities and Guarantees.

SESSION 8 (ASYNCHRONOUS)

Application activities for sessions 5 to 7.

SESSION 9 (LIVE IN-PERSON)

Torts. The division between contract and tort. Liability and negligence.

SESSION 10 (LIVE IN-PERSON)

Examination Part I – multiple choice –.

PART II

SESSION 11 (LIVE IN-PERSON)

Partnerships and corporations.

SESSION 12 (LIVE IN-PERSON)

The internal structure of corporations. Incorporating a company. The role of share capital and shares.

SESSION 13 (LIVE IN-PERSON)

Agency problems.

SESSION 14 (LIVE IN-PERSON)

Director's duties and liabilities.

SESSION 15 (LIVE IN-PERSON)

Equity vs. Debt finance. How to achieve growth. Introduction to IPOs and the stock exchange.

SESSION 16 (LIVE IN-PERSON)

Fundamental changes (mergers, spin offs).

SESSION 17 (LIVE IN-PERSON)

Corporate sale and purchase agreements (I). Due diligence.

SESSION 18 (LIVE IN-PERSON)

Corporate sale and purchase agreements (II). Basic legal aspects of the sale and purchase agreement.

SESSION 19 (ASYNCHRONOUS)

Application activities for sessions 11 to 18.

SESSION 20 (LIVE IN-PERSON)

Examination Part II. Sessions 1 to 19.

Multiple choice – multiple choice (60%) + essay (40%) –.

BIBLIOGRAPHY

Compulsory

- Author: Kraakman, R. et al.. (2017). *“The Anatomy of Corporate Law (A Comparative Functional Approach)”*. 3RD. OUP. ISBN 9780198724315 (Printed)

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Recommended

- Jay M. Feinman. *“Law 101: Everything You Need to Know About American Law”*. 5th Edition. Oxford. ISBN 9780190866327 (Printed)

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- Paul L. Davies and Sarah Worthington. *“Principles of modern company law”*. 9th Edition. Thomson Reuters. ISBN 9780414022720 (Printed)

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EVALUATION CRITERIA

6.1. GENERAL OBSERVATIONS

Each student has four attempts over two consecutive academic years to pass this course.

Students must attend at least 70% of the sessions. Students who do not comply with the 70% attendance rule will lose their 1st and 2nd chance, and go directly to the 3rd one (they will need to enroll again in this course next academic year).

Students who are in third or fourth call should contact the professor during the first two weeks of the course.

Your final grade in the course will be based on both individual and group work of different characteristics that will be weighted in the following way:

Criteria	Percentage	Comments
Class Participation	20 %	
Workgroups	20 %	
Intermediate Tests	20 %	Multiple Choice
Final Exam	40 %	Multiple Choice (60%) + Essays (40%)

6.2. RETAKE POLICY

Each student has four (4) chances to pass any given course distributed over two (2) consecutive academic years. Each academic year consists of two calls: one (1) ordinary call (during the semester when the course is taking place); and one (1) extraordinary call (or “re-sit”) in June/July.

Students who do not comply with the 70% attendance requirement in each subject during the semester will automatically fail both calls (ordinary and extraordinary) for that Academic Year and have to re-take the course (i.e., re-enroll) during the next Academic Year.

The Extraordinary Call Evaluation criteria will be subject to the following rules:

Ø Students failing the course in the ordinary call (during the semester) will have to re-sit evaluation for the course in June / July (except those students who do not comply with the attendance rule, and therefore will not have that opportunity, since they will fail both calls and must directly re-enroll in the course during the next Academic Year).

Ø It is not permitted to change the format nor the date of the extraordinary call exams or deadlines under any circumstance. All extraordinary call evaluation dates will be announced in advance and must be taken into consideration before planning the summer (e.g. internships, trips, holidays, etc.)

Ø The June/July re-sit will consist of a comprehensive evaluation of the course. Your final grade for the course will depend on the performance in this exam or evaluation only. I.e., continuous evaluation over the semester (e.g. participation, quizzes, projects and/or other grade components over the semester) will not be taken into consideration on the extraordinary call. Students will have to achieve the minimum passing grade of 5 and the maximum grade will be capped at 8.0 (out of 10.0) – i.e., “notable” in the extraordinary call.

Ø Re-takers: Students who failed the subject on a previous Academic Year and are now re-enrolled as re-takers in a course will need to check the syllabus of the assigned professor, as well as contact the professor individually, regarding the specific evaluation criteria for them as re-takers in the course during that semester (ordinary call of that Academic Year). The maximum grade that may be obtained as a retaker during the ordinary call (i.e., the 3rd call) is 10.0 (out of 10.0).

After exams and other assessments are graded by the professor (on either the ordinary or extraordinary call), students will have a possibility to attend a review session (whether it be a final exam, a final project, or the final overall grade in a given course). Please be available to attend the session in order to clarify any concerns you might have regarding your grade. Your professor will inform you about the time and place of the review session.

- Students failing more than 18 ECTS credits after the June/July re-sits will be asked to leave the Program. Please, make sure to prepare yourself well for the exams in order to pass your failed subjects.

- In case you decide to skip the opportunity to re-sit for an exam or evaluation during the June/July extraordinary call, you will need to enroll in that course again for the next Academic Year as a re-taker, and pay the corresponding tuition fees. As you know, students have a total of four (4) allowed calls to pass a given subject or course, in order to remain in the program.

PROFESSOR BIO

Professor: **ALBERTO MATA RODRIGUEZ**

E-mail: amata@faculty.ie.edu

Bio:

Alberto Mata Rodríguez is the Director of the Legal Department in Spain of Deutsche Pfandbriefbank AG, leading European specialist bank for real estate financing and public investment finance. He previously worked as an associate of the Banking and Capital Markets Department of Gómez-Acebo & Pombo Abogados.

He has also worked as an extern of the Financial and Fiscal Law Unit of the International Monetary Fund (IMF) and has collaborated with the World Bank as a contributor of the Doing Business Report in 2015, 2016, 2017, 2018, 2019 and 2020. His expertise areas are real estate finance, acquisition finance, asset finance (including tax leases), project finance and restructuring and corporate finance matters.

Prof. Mata Rodríguez has a degree in Law (J.D. equivalent) and a B.B.A. from Universidad Carlos III de Madrid. He has taken part in various educational programs in different universities around the world, such as Harvard Law School (Massachusetts, USA); European Business School (Oestrich- Winkel, Germany); University of Florida (Florida, USA); Bled School of Management (Bled, Slovenia); and Lehigh University (Pennsylvania, USA). Furthermore, in 2013 he pursued a LL.M. in Securities & Financial Regulation at Georgetown University, where he was a member of this university's Committee on Investments and Social Responsibility.

In October 2013 the International Bar Association (IBA) awarded Prof. Mata Rodríguez with the IBA Outstanding Young Lawyer of the Year in Recognition of William Reece Jr. award. The IBA is the world's leading organization of international legal practitioners, bar associations and law societies. In addition, in June 2018 Alberto was included by Legal 500 in the GC Power List Spain, – which highlights the most influential senior in-house counsels in the Spanish legal market –. Also, Professor Mata has been selected as one of the top Economic Leaders for Tomorrow in Spain for years 2018 and 2019 by Choiseul Institute.

In addition, Professor Mata serves as a Vice-President of the Board of Trustees (*Patronato*) of Fundación HogarSí; as Secretary of the Board of Trustees of UNICEF Madrid Committee (*Junta Directiva de Madrid*); and as member of the Board of Trustees of the International Institute.

Contact details: amata@faculty.ie.edu

Office hours: Please contact Prof. Mata Rodríguez.

OTHER INFORMATION

CODE OF CONDUCT IN CLASS

1. Be on time. Students arriving more than 5 minutes late will be marked as "Absent". Only students that notify in advance in writing that they will be late for a specific session may be granted an exception (at the discretion of the professor).

2. If applicable, bring your name card and strictly follow the seating chart. It helps faculty members and fellow students learn your names.

3. Do not leave the room during the lecture. Students are not allowed to leave the room during lectures. If a student leaves the room during lectures, he/she will not be allowed to re-enter and, therefore, will be marked as "Absent". Only students that notify that they have a special reason to leave the session early will be granted an exception (at the discretion of the professor).

4. Do not engage in side conversation. As a sign of respect toward the person presenting the lecture (the teacher as well as fellow students), side conversations are not allowed. If you have a question, raise your hand and ask it. If you do not want to ask it during the lecture, feel free to approach your teacher after class. If a student is disrupting the flow of the lecture, he/she will be asked to leave the classroom and, consequently, will be marked as "Absent".

5. Use your laptop for course-related purposes only. The use of laptops during lectures must be authorized by the professor. The use of Social Media or accessing any type of content not related to the lecture is penalized. The student will be asked to leave the room and, consequently, will be marked as "Absent".

6. No cellular phones. IE University implements a "Phone-free Classroom" policy and, therefore, the use of phones, tablets, etc. is forbidden inside the classroom. Failing to abide by this rule entails expulsion from the room and will be counted as one absence.