

LAWS3100 Summary

Lecture 1

1. **What is company law?** (p.19)
2. **Purpose of company law** (ppt14)
 - Investor protection
 - Commercial stability and consumer confidence
 - Balancing competing interests
 - Certainty – standard form rules
3. **Company law developed to regulate the relationship** between: (p.5)
 - Participants in the company
 - The company and the state
 - The company and those with whom the company had dealings
4. **Business structures overview** (ppt16/17)
 - Sole trader
 - Partnership
 - Joint venture
 - Trust
 - Company
5. **What is a company?** (p.4)
6. **Advantages of the Corporate Form** (p.74)
Disadvantages of the Corporate Form (p.78)
7. The **historical development** of companies (p.10-15)
 - Salomon's case (p.14/45)

8. Proprietary company VS. public company (p.17)

The following types of companies can be registered under Corporation Act 2001:

Proprietary companies	Limited by shares
	Unlimited with share capital
Public companies	Limited by shares
	Limited by guarantee
	Unlimited with share capital
	No liability company

9. **Structure of the Corporation Act** (p.29)
 - How is it divided up? ([.30])
10. **Other sources of company law** (p.31)
 - Case law (p.31)
 - Corporations Regulations (p.32)

- ASX (p.33)
- Accounting Standards (p.34)
- ASIC Act (p.33)

11. The legal nature of companies:

- Separate entity doctrines (p.44-45)
 - ✓ *Salomon's case* (p.14/45-46)
 - ✓ The consequences of treating the company as a separate legal entity (p.46-47)
 - ✓ *Macaura v Northern Assurance Co (1925) AC 619* (ppt55)
 - ✓ *Lee v Lee's Air Farming (1961)* (ppt56)

12. Piercing the corporate veil

- Corporate veil (ppt58)
 - ✓ *Littlewoods Mail Order Stores Ltd v McGregor* (p.55)
- Circumstances in which the veil will be lifted (p.55):
 - ✓ Avoidance of a legal obligation
 - *Gilford Motor Co Ltd v Horne and Jones v Lipman* (p.56)
 - ✓ Piercing the veil on agency grounds (p.57)
 - An agency relationship did exist between the parent and subsidiary