

## BUSINESS LAW IN PRACTICE

<b>Course code</b>	<i>MNG281</i>
<b>Compulsory in the programmes</b>	<i>Elective</i>
<b>Level of studies</b>	<i>Undergraduate</i>
<b>Number of credits</b>	<i>6 ECTS (48 contact hours + 2 consultation hours, 110 individual work hours)</i>
<b>Course coordinator (title and name)</b>	<i>Lect. Andrius Ivanauskas</i>
<b>Prerequisites</b>	-
<b>Language of instruction</b>	<i>English</i>

### THE AIM OF THE COURSE:

The course will introduce key concepts of business law with the selection based on instructors' practical experience in various business areas. Skipping the nitty-gritty and never forgetting 'where is the money behind this legal rule' is the perspective of the course. Picking up from the Lithuanian and EU business regulation, the legal rules will be put in international context in order the students are ready to establish and run their businesses in Lithuania and expand globally.

### MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESMENT AND TEACHING METHODS

Course level learning outcomes (objectives)	Degree level learning objectives (Number of LO)	Assessment methods	Teaching methods
CLO1. Students will be able to describe the main legal acts regulating business environment.	BLO1.1., ELO1.1.	Midterm test	Lectures, seminars, self-study
CLO2. Students will be able to understand the main principles of contract law, data protection law, competition law, labour law, and property law.	BLO1.2., ELO1.2.	Midterm test, final exam	Lectures, seminars, self-study
CLO3. Students will be able to understand the main principles of financial regulation and tax system.	BLO1.2., ELO1.2.	Final exam	Lectures, seminars, self-study
CLO4. Students will be able to analyse and solve practical business law problems.	BLO1.2., BLO2.1., ELO1.2., ELO2.1.	Midterm test, final exam	Lectures, seminars, self-study

### ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating can and will lead to a report to the ISM Committee of Ethics. With regard to remote learning, ISM remind students that they are expected to adhere and maintain the same academic honesty and integrity that they would in a classroom setting.

## COURSE OUTLINE

Please note that topics may be reshuffled at the choice of the lecturers

Topic <sup>1</sup>	In-class hours	WALLESS Lecturer <sup>2</sup>	Readings
<p>1. <b>Business organisations.</b> Types of business organisations. Responsibilities of management. Liability of shareholders. Divergent interest of management, creditors and stakeholders. Corporate capital and its maintenance.</p> <p>With intro: where to find the law?</p>	4	Andrius Ivanauskas	<p>Article 2.50 Lithuanian Civil Code Article 2.87 Lithuanian Civil Code</p> <p><u>Optional:</u> <i>Kraakman, et al.</i> The Anatomy of Corporate Law: A Comparative and Functional Approach Bird and Fortune interview – Subprime Crisis (<a href="#">link</a>)</p>
<p>2. <b>Contracts.</b> Formation of contracts. Precontractual relations. Signatures. Invalid contracts and their effects. Suspension of contracts. Termination. Liability and its limitations. Loss. Penalties.</p>	4	Prof. Dr. Simona Drukteinienė / Tomas Balčiūnas	<p>Articles 6.154–6.228 and 6.245–6.262 of the Lithuanian Civil Code. Commentary on the Lithuanian Civil Code. Book VI. Law on Obligations (I). Vilnius, Justitia, 2003.</p> <p><u>Optional:</u> <i>H. Beale, et al.</i> Cases, Materials and Text on Contract Law: lus Commune Casebooks for the Common Law of Europe, 2nd Edition.</p>
<p>3. <b>Commercial contracts.</b> Sale purchase agreements. Vienna Convention on Contracts for the International Sale of Goods. INCOTERMS. Business expansion abroad (Distribution. Types agency arrangements. Franchising). Applicable law and international dispute resolution.</p>	4	Vaidotas Puklevičius	<p>IV Part of the Lithuanian Civil Code Schmitthoff's Export Trade. The law and practice of international trade.</p>
<p>4. <b>Privacy, consumer protection and general compliance.</b> General Data Protection regulation. Main principles of data protection. Data breach and cyber security incidents. Consumer protection. Marketing. Main advertising rules. Supervisory authorities.</p>	4	Guoda Šileikytė	<p>Articles 1-14 of the General Data Protection Regulation</p> <p><u>Optional:</u> <i>Christopher Kuner et al.</i> The EU General Data Protection Regulation (GDPR): A Commentary. EDPB Guidelines 07/2020 on the concepts of controller and processor in the GDPR EDPB Guidelines 05/2020 on consent under Regulation 2016/679</p>

<sup>1</sup> The order in which the topics are taught may change without notice

<sup>2</sup> Subject to change

<p>5. <b>Intellectual Property.</b> Trademarks. Copyright (author property and non-property rights). Websites. Patents. Geographical indications. Know-how. Confidential information. Registration and protection of IP. Licensing agreements.</p>	4	Guoda Šileikytė	<p>WIPO: Frequently Asked Questions: Copyright (<a href="https://www.wipo.int/copyright/en/faq_copyright.html">https://www.wipo.int/copyright/en/faq_copyright.html</a>)</p> <p><u>Optional:</u> CJEU cases: 28 October 2021, Ferrari SpA v Mansory Design &amp; Holding GmbH and WH (Case C-123/20 – Ferrari) 22 June 2021, Frank Peterson v Google LLC and Others and Elsevier Inc.v Cyando AG (Joined cases C-682/18 and C-683/18C-682/18 - YouTube and Cyando)</p>
<p>6. <b>Competition Law.</b> Cartels. Monopolies. Abuse of dominant position. Merger control. Unfair commercial practices. Investigations by the Competition Council.</p>	4	Dr. Darius Miniotas	<p>Articles 5, 7, 8, 15 and 20 of the Law on Competition of The Republic of Lithuania</p> <p><u>Optional:</u> <i>R. Whish.</i> Competition Law. <i>Jones &amp; Sufrin's</i> EU Competition Law.</p>
<p><b>Mid Term Exam</b></p>	2		
<p>7. <b>Employment.</b> Conclusion and end of employment contract. Non-compete and confidentiality agreements. Work councils and trade unions. Employment relationship vs provision of services.</p>	4	Alina Makovska	<p>Part 2, Section III, Section V of Lithuanian Labour Code Article 38, Article 39 of Lithuanian Labour Code Part 3, Section II, Paragraph 1,2,4 of Lithuanian Labour Code</p> <p><u>Optional:</u> A comparison of laws in selected EU jurisdictions relating to post-contractual, non-competition agreements between employers and employees (<a href="#">link</a>) New proposals on non-compete clauses in Finland: what will change for employers? (<a href="#">link</a>)</p>
<p>8. <b>Property law.</b> Real estate transactions (purchase and sale, lease, servitudes, construction, etc.). Role of notaries and registers. Territorial zoning and planning.</p>	4	Dr. Evaldas Klimas	<p>Articles 4.74-4.92 of Lithuanian Civil Code Articles 6.392-6.401 of Lithuanian Civil Code Articles 6.477-6.574 of Lithuanian Civil Code Law on zoning and planning of The Republic of Lithuania</p> <p><u>Optional:</u> <i>J. Nolan et al</i> Land Use and Sustainable Development Law, Cases and Materials</p>
<p>9. <b>Debt financing. Insolvency.</b> Business loans – intercompany loans, corporate loans, bank loans. Other forms of financing – leasing and factoring. Security measures. Assignment. Corporate insolvency.</p>	4	Enrika Tamašauskaitė	<p>Articles 6.870-6.885 of Lithuanian Civil Code Articles 6.567-6.574 of Lithuanian Civil Code Articles 6.903-6.912 of Lithuanian Civil Code Articles 6.70-6.97 of Lithuanian Civil Code</p> <p><u>Optional:</u> <a href="http://www.euromoney.com">www.euromoney.com</a> (precise references to be provided during the course)</p>

10. <b>Financial market and its regulation.</b> Types of financial market participants. Regulated and non-regulated financial services / financial market participants. Payments. Bank account vs. payment account. Virtual assets. Requirements for financial market participant's managers and key functions holders. Liability for infringements of set requirements. Duties and functions of the Bank of Lithuania and other institutions.	4	Simona Vosylienė	Articles 2(7), 2(24), 2(26), 3 and 4(1) of Lithuanian Law on Financial Institutions. Articles 2(6), 2(24), 2(27) and 5 of Lithuanian Law on Payments.  <u>Optional:</u> Readings available on the website of the Bank of Lithuania: <a href="http://www.lb.lt">www.lb.lt</a> .
11. <b>Lithuanian tax system.</b> Taxation and requirements for common forms of business. Tax-free allowances and special benefits. Permanent establishment for tax purposes. Taxation of employees.	4	Alma Marcinkutė	Slides provided during the lecture.  <u>Optional:</u> <i>IBFD</i> "Key Tax Features of Member Countries"; <i>IBFD</i> "OECD Model Tax Convention on Income and on Capital".
12. <b>Corporate transactions.</b> Mergers and acquisitions: process and key terms. Joint-ventures and shareholders agreements. Private equity. Venture capital and start-up financing.	4	Andrius Ivanauskas	Company acquisition term sheet (to be provided) Shareholders' agreements term sheet (to be provided) Seed investment term sheet (Estonian VC model documents)  <u>Optional:</u> Model stock purchase agreement (American Bar Association) with commentary Barbarians at the Gate (1993) ( <a href="#">movie link</a> )
	<b>Total: 48+2 hours</b>		
CONSULTATIONS	2		
FINAL EXAM	2		

**FINAL GRADE COMPOSITION**

Type of assignment	%
<i>Group Components</i> 0%	
<i>Individual Components</i> 100%	
Mid-term test	50
Final exam	50



<b>Total:</b>	<b>100</b>
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## DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

1. **The mid-term test (50%)** will cover the content of Lecture 1-6. It will be an open book exam. It will consist multiple-choice questions and brief open questions. The day of the mid-term assessment will be announced in advance.
2. **The final exam** will account for **50%** of the final grade: It will be an open book exam. It will consist multiple-choice questions (mostly) and brief open questions. The final exam will mostly deal with the topics covered after mid-term exam.

## RETAKE POLICY

Students who receive a failing final grade shall have the right to re-take the exams, which will comprise **100%** of the final grade and cover all topics of the course. It will be an open book exam. It will consist multiple-choice questions (mostly) and brief open questions. Midterm exam and final exam results will be annulled.

## REQUIRED READINGS

Lithuanian Civil Code (selected articles)  
Commentary on the Lithuanian Civil Code. Book VI. Law on Obligations (I). Vilnius, Justitia, 2003.  
Schmitthoff's Export Trade. The law and practice of international trade.  
General Data Protection Regulation (selected articles)  
The Law on Competition of The Republic of Lithuania  
Lithuanian Labour Code (selected articles)  
Lithuanian Law on Financial Institutions (selected articles)  
Lithuanian Law on Payments (selected articles)

## ADDITIONAL READINGS

*Kraakman, et al.* The Anatomy of Corporate Law: A Comparative and Functional Approach  
*H. Beale, et al.* Cases, Materials and Text on Contract Law: Ius Commune Casebooks for the Common Law of Europe, 2nd Edition.  
*Christopher Kuner et al.* The EU General Data Protection Regulation (GDPR): A Commentary.  
EDPB Guidelines 07/2020 on the concepts of controller and processor in the GDPR  
EDPB Guidelines 05/2020 on consent under Regulation 2016/679  
*R. Whish.* Competition Law.  
*Jones & Sufrin's* EU Competition Law.  
*IBFD* "Key Tax Features of Member Countries"  
*IBFD* "OECD Model Tax Convention on Income and on Capital".  
A comparison of laws in selected EU jurisdictions relating to post-contractual, non-competition agreements between employers and employees ([link](#))  
New proposals on non-compete clauses in Finland: what will change for employers? ([link](#))  
*J. Nolan et al.* Land Use and Sustainable Development Law, Cases and Materials

**DEGREE LEVEL LEARNING OBJECTIVES**

**Learning objectives for the Bachelor of Business Management**

*Programmes:  
International Business and Communication,  
Business Management and Marketing,  
Finance,  
Industrial Technology Management,  
Entrepreneurship and Innovation*

<b>Learning Goals</b>	<b>Learning Objectives</b>
Students will be critical thinkers	BLO1.1. Students will be able to understand core concepts and methods in the business disciplines
	BLO1.2. Students will be able to conduct a contextual analysis to identify a problem associated with their discipline, to generate managerial options and propose viable solutions
Students will be socially responsible in their related discipline	BLO2.1. Students will be knowledgeable about ethics and social responsibility
Students will be technology agile	BLO3.1. Students will demonstrate proficiency in common business software packages
	BLO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	BLO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	BLO4.2. Students will be able to convey their ideas effectively through an oral presentation
	BLO4.3. Students will be able to convey their ideas effectively in a written paper

**Learning objectives for the Bachelor of Social Science**

*Programmes:  
Economics and Data Analytics,  
Economics and Politics*

<b>Learning Goals</b>	<b>Learning Objectives</b>
Students will be critical thinkers	ELO1.1. Students will be able to understand core concepts and methods in the key economics disciplines
	ELO1.2. Students will be able to identify underlying assumptions and logical consistency of causal statements
Students will have skills to employ economic thought for the common good	ELO2.1. Students will have a keen sense of ethical criteria for practical problem-solving
Students will be technology agile	ELO3.1. Students will demonstrate proficiency in common business software packages
	ELO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	ELO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	ELO4.2. Students will be able to convey their ideas effectively through an oral presentation
	ELO4.3. Students will be able to convey their ideas effectively in a written paper