

Law of Corporate Finance 37023-E

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About the course

All firms need funding.

The funding structure of the firm and the choice of investors influence the future of the firm.

This advanced law course will focus on the fundamental legal issues of funding transactions, business acquisitions, and derivatives from the perspective of a manufacturing firm in a European context.

We will study financial contracting, international business practice and European law such as EU company law and EU financial markets law.



Contents

There will be roughly ten written lectures in period 3 with roughly the following contexts :

- The big picture – setting the scene
- Internal financing, release of capital
- Debt - loan facility agreements
- Debt - syndicated loans and project finance
- Credit enhancements - “the equity technique”, “the mezzanine technique”
- Shareholders’ capital ...



- Business acquisitions (1) – a simple sale
- Business acquisitions (2) – a listed company as the target
- Derivatives
- Legal opinions, legal due diligence



Written lectures and materials

The lectures and materials are written. You won't see me lecturing on any videos! This stuff really is so difficult that you need to focus on the wording of text if you want to learn anything useful.

I will try to show you the kind of legal tools and practices that firms really use and connect it with theory.

There will be links in the lectures and a reading list after each lecture.



Other courses

We will discuss even Finnish companies, but we will not discuss Finnish law as such on this course.

Finnish company law will be discussed in Aktiebolagets kapital (period 4) at advanced level.

Corporate Governance and Innovation and Law of Corporate Finance study related issues. Each course is taught every two years. Law of Corporate Finance is taught 2021-2022 (P3). Corporate Governance and Innovation will be taught 2022-2023 (P3).

Start-up funding is discussed in greater detail in Corporate Governance and Innovation.



Assignment

There will be an assignment on this course. I have replaced exams with term papers and assignments on all my courses because of the pandemic.

I will tell more about the assignment in Moodle.