



Australian Government

Department of Education, Employment and Workplace Relations

BSBLEG513A Apply legal principles in corporation law matters

Revision Number: 1

BSBLEG513A Apply legal principles in corporation law matters

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to apply legal principles in corporation law matters, including establishing business structures and preparing associated documentation.</p> <p>A range of legislation, rules, regulations and codes of practice may apply to this unit at the time of endorsement, depending on job roles and jurisdictions.</p>
------------------------	--

Application of the Unit

Application of the unit	<p>This unit applies to individuals who apply knowledge of a range of principles in corporation law matters. Its application in the workplace will be determined by the job role of the individual and the legislation, rules, regulations and codes of practice relevant to different jurisdictions.</p>
--------------------------------	---

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units	

Employability Skills Information

Employability skills	This unit contains employability skills.
-----------------------------	--

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
---	--

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Identify laws and principles of corporation law	1.1. Source knowledge of corporation law and related <i>legislation</i> 1.2. Identify <i>different types of business structures</i> and clearly outline their structure, personnel, legal obligations, establishment procedures and purpose 1.3. Identify the differences between proprietary companies and public companies, and clearly outline the legal obligations, criteria and purpose of each
2. Enhance professional practice through application of relevant corporation law principles to business structures	2.1. Identify <i>consequences of incorporation</i> 2.2. Identify structure, contents and purposes of an organisation's memorandum of association and articles of association 2.3. Identify other <i>specific activities</i> relevant to corporation law
3. Undertake administrative tasks associated with corporation law	3.1. Prepare <i>forms</i> , documents and annexures at the appropriate time, present to <i>designated person</i> for review and sign-off, and lodge with the appropriate government department 3.2. Make arrangements for documents to be despatched, signed and witnessed by <i>appropriate parties</i> 3.3. Provide assistance in preparing company prospectus where required 3.4. Arrange meetings as necessary to discuss the nature of debenture and the assets underwriting the charge 3.5. Undertake appropriate searches and obtain <i>search documents</i> from <i>relevant agencies</i> 3.6. Prepare <i>forms and documents related to the administration of charges</i> at the appropriate time, present to designated person for review and sign-off, and lodge with the appropriate government department 3.7. Determine types of costs for legal services in accordance with legislative and regulatory requirements 3.8. Make arrangements for documents to be despatched, signed and witnessed by <i>appropriate parties</i>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- communication skills to provide clear and specific instructions about information required
- literacy skills to:
 - follow complex legal procedures
 - consider aspects of context, purpose and audience when generating and formatting documents
 - edit and proofread to ensure accuracy, consistency, clarity of meaning and conformity to enterprise requirements
- research skills to:
 - locate necessary information from external sources
 - identify and evaluate status of information
- organisational skills to prepare, complete and despatch documents in a timely fashion
- technology skills to:
 - operate office equipment
 - use a range of common software packages

Required knowledge

- scope of job role in the context of legislation, regulations and codes of practice in relevant jurisdictions
- relevant court processes, current legislation, legal processes and required documentation
- organisation's required policies and procedures for the full range of tasks covered
- legal terminology, including that specific to corporation law
- accepted codes of practice relevant to the workplace, including those relating to:
 - privacy and confidentiality
 - use of company property
 - duty of care
 - ethical behaviour
 - non-discriminatory practice
 - conflict of interest
 - compliance with reasonable direction

Evidence Guide

EVIDENCE GUIDE	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> • prepare and lodge appropriate and accurate information and documents at the required stages of the legal process • conduct all duties within accepted codes of conduct, including those relating to maintaining confidentiality, use of company property, duty of care, ethical behaviours, privacy, non-discriminatory practice, conflict of interest and compliance with reasonable direction • apply knowledge of relevant court processes, current legislation, legal processes and required documentation.
Context of and specific resources for assessment	<p>Assessment must ensure access to:</p> <ul style="list-style-type: none"> • an actual workplace or simulated environment • appropriate legislation and regulations relevant to corporation law matters • workplace manuals and reference materials, such as company policies, procedural manuals, checklists and sample forms • background information on courts, their jurisdiction and behavioural requirements • appropriate technology, such as computers with relevant software • appropriate texts and people with expert knowledge, such as legal practitioners • appropriate legislation and regulations relevant to common legal matters.
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:</p> <ul style="list-style-type: none"> • analysis of responses to case studies and scenarios • direct questioning combined with review of portfolios of evidence and third-party workplace reports of on-the-job performance by the candidate • observation of role plays • review of documentation outlining the legal obligations, criteria and purpose of proprietary companies, public companies and

EVIDENCE GUIDE	
	<p>franchises</p> <ul style="list-style-type: none">• review of forms, documents and annexures prepared for appropriate parties for review and sign-off• oral or written questioning to assess knowledge of legal terminology and practice specific to corporation law.
Guidance information for assessment	Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<p><i>Legislation</i> includes that relating to:</p>	<ul style="list-style-type: none"> • area of law • Australian Taxation Office regulations • client and firm • relevant federal corporation law • relevant state and territory corporation law • schedules of fees and duties payable • taxation and banking requirements • tort, equity and statute law • trust accounts.
<p><i>Different types of business structures</i> and business arrangements include:</p>	<ul style="list-style-type: none"> • association • company limited by guarantee • company limited by shares • company limited by shares and guarantee • franchise • holding company • no-liability company • partnerships, including joint ventures, formal and informal • registrable Australian corporation • shelf company • subsidiary company • trusts, including express, discretionary and bare • unlimited company.
<p><i>Consequences of incorporation</i> relate to:</p>	<ul style="list-style-type: none"> • formalities, publicity and expense • limited liability • perpetual succession • property • separate legal entity • suing and being sued • transfer of shares.
<p><i>Specified activities</i> within corporation law</p>	<ul style="list-style-type: none"> • annual general meeting • auditing

RANGE STATEMENT	
relate to:	<ul style="list-style-type: none"> • cessation of business • class meeting • extraordinary general meeting • liquidation • statutory meeting • take-overs • winding up.
Forms involved in incorporation may include:	<ul style="list-style-type: none"> • application for: <ul style="list-style-type: none"> • registration as a company • registration of a business name • reservation of a name • notice of resolution • notification of: <ul style="list-style-type: none"> • allotment of shares • consenting directors • initial appointment of office holders • statement of change in certain particulars, such as persons in relation to whom the business name is registered.
Designated person may include:	<ul style="list-style-type: none"> • legal practitioner • practice manager • supervisor.
Appropriate parties involved in the incorporation of a company include:	<ul style="list-style-type: none"> • company secretary • director • manager • shareholder • subscriber • witness.
Search documents may include:	<ul style="list-style-type: none"> • certificate of incorporation • certificate of title.
Relevant agencies include:	<ul style="list-style-type: none"> • Australian Securities and Investments Commission to confirm company details and prior charges • land titles office to check if borrower's property is subject to any outstanding dealings, charges and/or mortgages.
Forms and documents related to the administration of charges include:	<ul style="list-style-type: none"> • charge document, which an organisation may have in its precedent bank • equitable charge document • mortgage document

RANGE STATEMENT	
	<ul style="list-style-type: none"> • notification of details of change • notification of discharge or release of property from a charge • prior charge documents • priority agreement with previous mortgagees or chargees • prospectus • stamp duty compliance form.
<i>Appropriate parties</i> involved in arranging charges include:	<ul style="list-style-type: none"> • borrower's solicitor • company secretary • director • lender • lender's solicitor • manager • previous mortgagee or chargee • previous mortgagee or chargee's solicitor • shareholder • subscriber • witness.

Unit Sector(s)

Unit sector	
--------------------	--

Competency field

Competency field	Administration - legal administration
-------------------------	---------------------------------------

Co-requisite units

Co-requisite units	

