



對外經濟貿易大學
UNIVERSITY OF INTERNATIONAL BUSINESS AND ECONOMICS

Unit 12

On the Business Legal Front

站在商业法律前沿

Learning objectives

1. In this unit students will learn words and expressions related to business law.
2. Students will be able to talk about issues related to business laws.

Comprehension Questions:

1. What were the reasons that the spouse of the worker lashed out against EA?

The reason is that her husband worked overtime without payment and additional vacation.

2. When was this complaint formally filed and what did they want to achieve?

It is on July 29, 2004 the complaint was filed and the purpose is to recover the money plaintiffs feel is owed to them.

3. What are the legal proceedings to start a class-action lawsuit?

To initiate a class-action suit, a group must first be certified as a “class” by the court.

4. What was EA’s position to react to react to the upcoming lawsuit?

EA denies plaintiff’s claim. It is EA’s position that it treats its employees fairly and lawfully, and that it has properly classified its employees within the meaning of the law. EA will not retaliate against employees for exercising legal rights, including by participating in the proposed class action.

First listening: listen for the gist

- What is the main idea of news item one?

Electronic Arts, the world's biggest video game company, said Wednesday that it will pay \$15.6 million to settle a lawsuit filed by current and former graphic artists seeking overtime pay.

- What is the main idea of news item two?

A class-action lawsuit has been filed against PayPal, an online payment company, days after the company's successful initial public offering.

Second listening: listen for specific information

- Notice the following law-related expressions :

filed, overtime pay, class action lawsuit, charge, restricted stock, stock option, initial public offering, illegitimately, unspecified

Third listening: sentences imitation

- You are asked to use the following active vocabularies to form sentences as what you have heard from listening



1. filed

Electronic Arts, the world's biggest video game company, said Wednesday that it will pay \$15.6 million to settle a lawsuit filed by current and former graphic artists seeking overtime pay.

2. overtime pay

Electronic Arts, the world's biggest video game company, said Wednesday that it will pay \$15.6 million to settle a lawsuit filed by current and former graphic artists seeking overtime pay.

3. class action lawsuit

The proposed settlement of the class action lawsuit must be approved by the California Superior Court.

4. charge

The employees charged that EA violated labor laws requiring it to pay overtime and penalties.

5. restricted stock

Under the settlement, about 200 entry-level artists will become hourly workers eligible for overtime pay and a one-time grant of restricted EA stock.

6. stock option

Those employees would be excluded from bonuses and stock option grants, said Jose Martin, head of human resources for EA.

7. initial public offering

A class-action lawsuit has been filed against PayPal, an online payment company, days after the company's successful initial public offering.

8. illegitimately

Filed Wednesday in California Superior Court in Santa Clara County, the suit charges PayPal with illegitimately restricting customers' access to their money.

9. unspecified

The suit asks for an unspecified amount of damages.



First listening: listen for the gist

- What is the main idea of this listening?

Companies are Getting Unexpected Benefits from their Sarbanes-Oxley Outlays

Second listening: listen for specific information

- Notice the following expressions:

compliance measures, nuisance, oversight,
take off, shift, advent

Third listening: sentence imitation

- You are asked to use the following active vocabularies to form sentences as what you have heard from listening

1. compliance measures

Companies are spending more money than they ever imagined to put the new compliance measures into place.

2. nuisance

Rather than viewing Sarbanes-Oxley compliance as a costly nuisance, smart companies are discovering that the accompanying investment in software and other IT systems are providing tools to improve how their businesses are run.

3. oversight

We see the 30% on technology as going to systems that structure and automate the financial management and oversight processes.

4. take off

And if, for instance, they see that after a month sales are taking off faster in one region than in another, it allows them to shift marketing dollars or productive capacity and investment much more quickly.

5. shift

And if, for instance, they see that after a month sales are taking off faster in one region than in another, it allows them to shift marketing dollars or productive capacity and investment much more quickly.

6. advent

Since the advent of Sarbanes-Oxley, transparency in business systems and accounting and auditing procedures has mainly been about reassuring investors that a company's books were being handled properly.

First listening: listen for the gist

- What is the main idea of this listening?

This passage mainly discusses legal tactics for hostile mergers.

Second listening: listen for specific information

- Notice the following expressions:

shape up, have ... in place, weigh up, unsolicited bid, pledge, legal input, proactive, necessitate, relocate, regulatory arbitrage, counter bid

Third listening: sentence imitation

- You are asked to use the following active vocabularies to form sentences as what you have heard from listening

1. shape up

This year is shaping up to be the busiest for hostile takeovers since 1999 and, more than ever before, having the right legal team in place will be crucial.

2. have ... in place

This year is shaping up to be the busiest for hostile takeovers since 1999 and, more than ever before, having the right legal team in place will be crucial.

3. weigh up

Skandia's board is weighing up an unsolicited bid from Old Mutual.

4. unsolicited bid

Skandia's board is weighing up an unsolicited bid from Old Mutual.

5. pledge

Spain's Gas Natural has pledged a massive £15bn for Endesa, its local rival.

6. legal input

The deals are cross-border and require massive legal input.

7. proactive

The environment is far more regulated, in particular in terms of securities market regulation, antitrust and pensions, and with a more proactive approach from the [UK] Takeover Panel.

8. necessitate

This has necessitated the lawyers having a greater input into the tactical approach and the strategy, where previously that was driven principally by the investment bankers.

9. relocate

Scott Simpson, an American lawyer, is a veteran of the hostile merger market, having learnt the trade in America during its 1980s hostile bid boom, before relocating to the London office of US firms.

10. regulatory arbitrage

Mr Simpson says the increasingly cross-border nature of Europe's hostile bids is resulting in a new defense tactic - what he calls "regulatory arbitrage".

11. counter bid

In today's environment, it is more than likely a bid or counter bid will be coming from outside the target's jurisdiction