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The client-matter capstone

Bring your source work, analysis, documents and decisions together in a connected fictional matter.

Careful reading. Applied work.

Accountable professional judgment.

INSIDE THIS PUBLICATION

Contents

Read in sequence or go directly to the section you need. The contents and PDF bookmarks link to each section.

01	B21 Meridian capstone: structure and diligence plan	3
02	B22 Meridian capstone: findings and transaction responses	6
03	B23 Meridian capstone: financing changes and completion readiness	9
04	B24 Meridian capstone: defence and professional evidence	12

A note on this edition

These materials support an editorial learning pilot. Exercises use fictional matters and are not legal advice. No accredited award or practising qualification is offered. Read the stated scope and assessment conditions before you begin.

B21 | Meridian capstone: structure and diligence plan

Learning focus

Prerequisite: B07–B20. Integrate structure, ownership, price and diligence without conflating transaction stages. The following arithmetic example is separate from Meridian's unresolved subscription valuation.

First pass: reopen B07–B09's source records and explain the transaction steps without the model answer. Move on when your priority requests follow the actual structure and you can identify which earlier outputs need correction. Continue the existing matter file, with base-case figures kept separate from BT1/BT2 variants.

Study notes

The acquisition and proposed investment must first be understood as distinct steps. Identify the parties, the 75% secondary acquisition, the separate primary cash and their effect on ownership and funding. Do not assume one percentage describes every stage.

Re-review and improve your existing Meridian work rather than rebuilding every earlier submission. Reset any technical-specimen replacement figures to the base case unless the current brief expressly changes them. The familiar public matter remains practice; independent performance needs a different controlled fact pattern and observation.

Reconcile the issued-share register, options and pitch-deck denominator. Missing authority is not solved by a balanced spreadsheet. Preserve conflicting records, identify what each proves and request the evidence needed. Scope diligence around the business and transaction rather than reading files in alphabetical order.

Define materiality and work boundaries. The key customer, critical consultant-created software, lender conditions and option inconsistency may affect different parts of the transaction. A good plan assigns the appropriate analysis and decision owner. It does not promise a complete legal audit of all jurisdictions.

Worked example

Fictional Ibis has 1,000 issued ordinary shares. Assume an authorised secondary transfer of 750 to Buyer, followed by an authorised issue of 250 new equal-ranking shares to that same Buyer; no options or other changes. These are express example assumptions.

Stage	Buyer shares	Other holders	Issued total	Buyer percentage
After secondary transfer	750	250	1,000	75%
After primary issue	1,000	250	1,250	80%

Completed structure note: "The secondary percentage does not survive unchanged. Seller payment and company subscription cash go to different recipients. Confirm pricing, sequencing and approvals before using this model for another transaction." A supplied £1m subscription amount in Meridian does not tell you how many new shares it buys without the issue terms.

Guided practice

Issue the same 250 new shares to a different investor, not Buyer. What are the final percentages?

Feedback

Buyer $750/1,250 = 60\%$; continuing holders 20%; new investor 20%. A model which leaves Buyer at 75% has failed to follow the ownership step. It still needs legal authority and actual rights analysis.

Practice assignment

Submit the structure chart, reference equity bridge, ownership reconciliation, diligence scope and eight prioritised requests. Identify at least one issue where a correct numerical calculation does not answer the legal question. Maximum 1,000 narrative words plus tables.

Participation

In a methodology clinic, explain your first three review priorities and the evidence needed. Do not share a capstone solution for others to copy. Record one peer question that changed your investigation plan.

Source study

Select relevant company authority/pre-emption readings and SRA B1/B7. Separate the original financial assumptions from statutory rules.

Readings for this unit

Companies Act 2006, section 549 — UK company law. Read: Section 549. Check: Identify the issue-authority workstream.

Companies Act 2006, section 561 — UK company law. Read: Section 561. Check: Separate issue pre-emption from secondary transfer restrictions.

B22 | Meridian capstone: findings and transaction responses

Learning focus

Prerequisite: B21. Convert findings into a coherent choice of condition, price, protection or integration work. Explain what your preferred response does not solve.

First pass: turn one B21 priority into an executive finding and test whether each proposed remedy addresses the actual dependency. Move on when the summary and annex agree, the options are usable, and new evidence can close or narrow an issue rather than leaving an obsolete warning in place.

Study notes

Translate diligence into decisions. Each material finding should identify the evidence, uncertainty, business consequence and a proposed response. A list of missing documents is not enough; explain why they matter and what can or cannot be inferred.

Link consent, ownership and IP issues to the deal documents. Some responses belong in conditions, some in disclosure, some in price or indemnities, and some in post-close work. A broad warranty cannot physically produce a missing licence or guarantee customer continuity.

Draft for a reader who must choose whether and how to proceed. Your executive summary should prioritise issues without suppressing limitations. Keep a detailed annex for traceability. If a seller statement conflicts with an instrument, record both and investigate rather than selecting the convenient version.

Worked example

Separate fictional target Wren has an internal-use software licence; its proposed asset sale requires assignment. The licence requires prior consent and no consent is supplied.

Response	Completed proposal	Limit/trade - off
Condition	Require an effective transfer consent or replacement licence before completing the dependent business transfer	Protects continuity but may delay or prevent completion

Response	Completed proposal	Limit/trade-off
Price/protection	Negotiate an adjustment or specified financial protection for the identified risk	Money alone does not authorise use of the software
Structural alternative	Exclude or defer the dependent transfer while testing a viable alternative arrangement	May change the business being acquired, timetable and value

Completed committee recommendation: "Prioritise usable rights as a dependency, not only compensation. Ask the client whether the revised business/price remains acceptable if rights cannot be obtained. Counsel must settle the mechanism and any necessary third-party arrangements." This is a reasoned choice with alternatives, not a claim that a condition always solves the problem.

Guided practice

Consent arrives but prohibits the buyer group's other companies from accessing the system. What question changes the recommendation?

Feedback

Ask whether the operating model needs group access and whether the consent/licence can support it. The original assignment concern has narrowed, but intended use may still be blocked. Update the report rather than repeating an obsolete "no consent" finding.

Practice assignment

Develop the same diligence report and evidence annex for eventual P1 submission, within the five-page maximum. Revise your existing purchase-agreement risk matrix and add three draft disclosure questions. Include two alternative responses to the key customer issue and explain their limitations. This is a feedback checkpoint, not a second final report. Your analysis must remain individual.

Participation

Present one issue to a simulated investment committee. Answer "what decision changes?" and "what evidence would change your recommendation?" Revise the issue entry after feedback.

Source study

Revisit IP11/IP90, CA40/CA43 and the relevant fictional contract extracts. Distinguish law, evidence and negotiated risk allocation in each report entry.

Readings for this unit

Copyright, Designs and Patents Act 1988, section 11 — UK copyright. Read: Section 11. Check: Trace creator and ownership evidence.

Copyright, Designs and Patents Act 1988, section 90 — UK copyright. Read: Section 90(3). Check: Separate an invoice from assignment evidence.

Companies Act 2006, section 40 — UK company law. Read: Section 40. Check: Scope counterparty protection accurately.

Companies Act 2006, section 43 — UK company law: check extent. Read: Section 43. Check: Identify the actual authority inquiry.

B23 | Meridian capstone: financing changes and completion readiness

Learning focus

Prerequisite: B22 and B17/B20. Trace a changed funding input into every affected decision and document. Use the supplied public practice event if no facilitator is available.

First pass: identify the changed source of funds and trace its effect through each B17 scenario before editing the narrative. Move on when price, payoff, funding gap and release status agree, and you can explain why a price deduction does not itself move money.

Study notes

A new financing or consent fact can change both timetable and economics. Update the model only after stating the new assumption and its evidence. Check that sources/uses, price and debt treatment remain consistent. A target-debt deduction in a price bridge does not itself show who will fund repayment at closing.

Public self-study event: the proposed new lender reduces available acquisition funding from £3.5m to £3.2m; no sponsor increase is approved. Keep M09's two explicit scenarios separate. This disclosed event is not the instructor's private variation. Recalculate the gap and prepare a decision request without inventing a funding source.

Build completion readiness from conditions and evidence. Identify who may waive contractual protections and which legal requirements cannot simply be waived by agreement. Preserve the distinction between signed documents held to order and authority to release them.

Use a version-controlled closing index and an unresolved-actions list. A blocked item can be the correct result. Do not make a document appear complete by inventing a signature, consent or date. Your workflow must stop consequential action when approval or evidence is missing.

Worked example

In a separate fixed-price teaching deal, seller cash is £8m, lender payoff £2m and fees £0.5m; sources are £10.5m. The payoff rises by £20,000. For this example only, seller consideration does not adjust and no other source/use changes.

Completed change row: "Payoff evidence P2 supersedes P1; revised payoff £2.02m; uses £10.52m; sources £10.5m; funding gap £20,000. Finance must provide an authorised funding solution or revised plan. Update payoff/release condition, funds flow, approval request and version index; keep release blocked."

Why the fixed-price assumption matters: in a completion-accounts transaction, included debt may also change the equity price and percentage seller payment. The net funding effect therefore requires the actual agreed formula; applying the £20,000 figure mechanically to every deal would be wrong.

Guided practice

For an alternative teaching model, the same £20,000 increase reduces total equity value pound-for-pound and the buyer purchases 75% secondarily while separately funding the whole payoff. Other uses remain fixed. What is the net extra cash need?

Feedback

Secondary payment falls by £15,000 ($75\% \times £20,000$), while payoff rises £20,000: net extra cash need £5,000. This follows only the stated structure. Document how retained holders and financing are treated; do not assume price arithmetic moves cash or grants corporate approval.

Practice assignment

Respond to the instructor's staged event or the public £3.2m funding variation above. Update the same matter file with an impact note, revised financial/ownership tables, condition/consent tracker, closing index and workflow test record. Index changes and retain unaffected work; do not rewrite it solely to create a new pack. Identify a potential double count and resolve it or state the additional instruction required. Use M09's explicit base assumptions; do not manufacture a target-cash contribution or approval.

Participation

Hold a simulated readiness call with no real payments or signatures. Each participant gives a concise blocker/owner/action report. Submit your own version of the final handover.

Source study

Use CA44, CA859A, CMA and NSI only where the actual question engages them. Record why a source or condition is relevant rather than copying a generic closing checklist.

Readings for this unit

Companies Act 2006, section 44 — England and Wales company execution context. Read: Section 44.

Check: Identify which execution question the changed pack raises.

Companies Act 2006, section 859A — UK company charges. Read: Section 859A. Check: Keep filing and release evidence distinct.

National Security and Investment Act 2021, section 13 — UK investment screening. Read: Section 13.

Check: Separate a potential statutory condition from a waivable commercial term.

B24 | Meridian capstone: defence and professional evidence

Learning focus

Prerequisite: B21–B23. Demonstrate the reasoning behind your transaction-support pack and check its consistency. Submit the final pack once at P1; distinguish a rehearsal from an observed O1 defence.

First pass: reconstruct a price bridge and one source-to-finding chain without the model answer. Move on to independent assessment only when you can respond to a changed fact and explain the resulting decisions. Use your Junco attempt to expose transfer gaps; a polished Meridian pack alone cannot establish unfamiliar-matter proficiency.

Study notes

Your final transaction-support pack must distinguish findings, assumptions, proposed terms and approved decisions. Explain what the work enables a supervising professional to do and what remains outside the review. A defensible limitation is precise; “not legal advice” cannot cure invented analysis.

The oral defence tests ownership of the work. Be ready to reconstruct a price bridge, explain a rights interaction, prioritise a newly discovered issue and identify specialist limits. You are not expected to invent an answer to every tax or securities question. You are expected to recognise the question and give a useful referral.

A career portfolio should describe simulated work accurately, state its jurisdiction and supervision context, and show improvements from feedback. Remove instructor materials and confidential records. A portfolio is evidence for an employer's consideration, not proof of admission, experience or guaranteed eligibility.

Worked example

Completed defence extract for a separate example: “The issued register contains 800 shares. A spreadsheet proposes 100 options but the only minute is conditional. I show 800 issued and a separately labelled 900-share scenario, not 900 validly issued shares. I need the grant instruments, applicable approval and any later record before closing the exception.”

Completed readiness row: “Ownership finding → register E1 / conditional minute E2 → scenario model v2 → approval checklist item C4 open → supervisor decision requested.” A reviewer can reconstruct the chain and see what has not been established.

Accurate portfolio caption: "Fictional corporate-transaction support exercise using an England-and-Wales baseline; supervised or self-study conditions stated as actually completed. Work demonstrates source reconciliation and scenario modelling, not a title certificate, regulatory clearance or practising entitlement."

Guided practice

Your executive summary says "all options confirmed," but the model still records the conditional minute. What must you do?

Feedback

Correct the misleading summary and explain the unresolved evidence. A caveat hidden in an annex does not cure an inaccurate headline. Locate every dependent percentage, approval status and recommendation; record the correction before final submission.

Practice assignment

Prepare a readiness sheet mapping every P1 requirement to the relevant file/section and open decision. Rehearse one calculation, one evidence challenge and one changed fact; record a correction within 450 words. Submit the final diligence/model/closing pack once in the separate P1 assignment. O1 requires a separate observed defence without live AI; a self-recorded rehearsal is practice only. Include accurate authorship and assistance declarations.

Participation

Present one transaction lesson to the cohort in five minutes and answer a peer question. Submit a 250-word reflection on what you can now demonstrate and what further experience or study you need.

Source study

Revisit SRA A3, B7 and D2. Explain the boundary between assessed simulated competence and the qualifications or experience required for a specific international role.

Readings for this unit

SRA: statement of solicitor competence — England and Wales. Read: A3, B7 and D2. Check: Optional benchmark: show reasoning, work ownership and useful limits in the defence.