

BUSINESS ORGANIZATIONS – LAW 4701
Professor Ronald J. Colombo – Summer 2015

CLASS SYLLABUS

Course Description:

This course covers the fundamental forms of business organization: the sole proprietorship, the partnership, and the corporation (with an emphasis on the corporation). To a limited extent, LLPs and LLCs shall be addressed as well.

Agency law and fiduciary duty law (essential components of business organization law), shall be covered too.

Finally, certain aspects of securities law shall be covered (more specifically, shareholder voting and antifraud rules).

Learning Objectives:

By the end of this course, students should:

- Have acquired a knowledge of the fundamentals of partnership, agency, and corporate law
- Understand the different roles that state and federal law play in the regulation of business entities
- Have advanced their proficiency in extracting rules and policy from cases, statutes, and administrative regulations and in analyzing, interpreting and arguing differing interpretations of rules and statutes
- Develop an appreciation of the business considerations that drive corporate decision making – including decisions relating to litigation risk and positions taken in litigation
- Develop an appreciation of the role and work of the business lawyer
- Have acquired a general awareness of current events and developments affecting business corporations in the United States

Class times & location:*

Mondays and Wednesdays, 4:00 pm - 8:00 pm

Please note that class will not meet on:

Monday, June 15th;
Wednesday, June 17th

These “missed” classes will not need to be made up, as the time missed has already been included in the other class meeting times.

Room 230

Professor Colombo contact information:

Office: 247
Email: Ronald.Colombo@hofstra.edu
Telephone: 516-463-5931
Office Hours: Mondays, 3 pm – 4 pm*
Secretary: Ms. Maria Filotti
Office: Dean’s Suite
Email: Maria.Filotti@hofstra.edu
Telephone: 516-463-6304
Fax: 516-463-6091

* Unless otherwise indicated on TWEN

Course Materials (available for purchase at the Hofstra University Bookstore unless otherwise noted):

- WILLIAM A. KLEIN, J. MARK RAMSEYER, & STEPHEN M. BAINBRIDGE, BUSINESS ASSOCIATIONS: CASES AND MATERIALS ON AGENCY, PARTNERSHIPS, AND CORPORATIONS (9th ed., 2015) (the “Casebook”)
- KLEIN, RAMSEYER AND BAINBRIDGE'S BUSINESS ASSOCIATIONS-AGENCY, PARTNERSHIPS, LLCs AND CORPORATIONS, 2014 STATUTES AND RULES (the “Statutory Supplement”)
- A subscription to the *Wall Street Journal* [sign-up for a \$10 summer subscription via www.wsj.com/summer.]

Attendance & Lateness:

You are expected to arrive on time and prepared for each class.

Moreover, the rules of the New York State Court of Appeals and the American Bar Association require law students to be in good and regular attendance in the courses for which they are registered. To comply with these rules, you must attend at least 85% of the regularly-scheduled classes in this course. **Thus, you may miss no more than one (1) class in this four-credit class.**

I will provide dated sign-in sheets for each regularly-scheduled class. **Your signature (or lack thereof) on these sheets shall presumptively determine your attendance at (or absence from) any given class.** Each student is individually responsible for signing the attendance sheet in. Falsification of sign-in sheets (by, for example, signing another student’s name) is a violation of the Code of Academic Conduct.

If you exceed the permitted absences by not attending class, or by failing to sign in, you will be administratively withdrawn from the course. Any such withdrawal may have serious ramifications for your financial aid, academic standing, and date of graduation. If you are excessively absent from several classes, you may face additional sanctions, including but not limited to denial of certification of good and regular attendance to the New York State Board of Law Examiners, or other state bar examiners.

The Office of Student Affairs has authority to excuse class absences for religious reasons and in cases of truly compelling hardship. If you wish to claim a particular absence as excused, and thus not counted against your maximum number of allowable absences, you must take that issue up with the Office of Student Affairs – NOT with me or my secretary. **I shall mark an absence as excused if and only if I receive a note or email from the Office of Student Affairs to that effect.**

Lastly, late arrivals are disruptive to the class. For this and other reasons, please make every effort to arrive on time to class.

TWEN:

This course shall use “TWEN” (The West Education Network), “an online extension of the law school classroom.” Important course information, materials, and announcements will be made available / communicated via TWEN. Please sign up for TWEN as soon as possible. This course can be accessed as “Business Organizations (Summer 2015) – COLOMBO.” If you have TWEN-related questions, please ask one of our librarians at the reference desk for assistance.

Laptops in the Classroom:

Several studies have suggested that laptops in the classroom, for a variety of reasons, undermine, rather than enhance, the educational experience. Our own experience here at Hofstra has suggested the same. For this reason, a growing number of professors, here and elsewhere, have banned the use of laptops in the classroom.

Although I do not ban laptops in my classrooms, I strongly discourage their use. It is certainly true that different students learn in different ways, but if you are like most students, you will follow class discussions better, and get more out of each class, if you leave your laptop at home or turned off.

To help encourage you to attend class without your laptop, I am going to have a podcast (MP3 audio file) of each class made available to you via Hofstra’s iTunes cite (see <http://law.hofstra.edu/Media/index.html> for information and downloading instructions) on a timely basis. Hopefully, this will reduce the need that many students have to transcribe every word of classroom discussion. Additionally, this class makes heavy use of PowerPoint slides, and I shall have these slides made available to you (also via TWEN) shortly after the classes in which they will be used.

Lastly, since laptops can distract even those students who are not using them (as computer screens displaying a video game, the latest breaking news, ballgame scores, or sales events can sometimes, admittedly, be a bit more interesting than the study of law), I shall require that those **students who insist on using their laptops in class seat themselves in the last row of the classroom**. I do this not to punish or penalize such students in any way, but rather to protect non-laptop-using students from the distractions posed by ubiquitous computer screens within their field of view.

Email and Office Hours:

My email and office hours are set forth above. For general administrative questions or concerns, please contact my secretary for assistance. For substantive questions or concerns, please *do not* email me, but rather meet with me during office hours, as such questions are much better addressed in person.

During my office hours, I will meet with students on a first-come, first-served basis. However, students who have made an appointment to meet with me (by signing up to do so via the “Office Hours Appointments” link on TWEN) will be seen during their respective 15-minute time-slots in preference to others.

If you do make an appointment to meet with me, please make every effort to be punctual. If you are late, and there are other students who wish to meet with me, you shall lose your appointment and need to wait your turn in the first-come, first-served queue. If you know ahead of time that you cannot make a scheduled office hours appointment, please delete your name from the TWEN sign-up sheet so that another student can make an appointment for the time in question. (And if you show up to your appointment on time, and my door happens to be closed, or if I happen to still be meeting with someone else, *please knock!*)

In the interest of maintaining student privacy, the TWEN sign-up sheet has been configured so as not to reveal to other classmates the names of those students who have signed up for an appointment.

I encourage you to take full advantage of my office hours. And please do not feel as though you need to limit the subject of our meetings to class matters *per se* -- I would be happy to discuss with you more general law school concerns, career questions, or anything else that would be appropriate.

In the event that it is not possible for you to meet with me during my regularly-scheduled office hours, please let me know (preferably via email) and we can arrange to meet at another time that works for both of us.

Finally, when you sign up for an appointment via TWEN, you will have the option of adding a note in a text box that will appear next to your name. Feel free to use this if you would like to give me a head's up regarding the purpose of our meeting.

Grading:

Your final grade shall be based upon a final examination. The final examination will be an open-book take home exam. It will consist of a number (yet to be determined) of essay and/or short-answer questions totaling 100 points. It will be graded anonymously.

The take-home exam will be made available immediately following the course’s last class (on Monday, July 6). The take-home exam will be administered via TWEN: you will download the exam from TWEN, and upload the exam to TWEN upon its completion. The take home is **24 hours**, meaning that you shall have only 24 hours to upload the completed exam after you have downloaded it from TWEN. This may be done at your convenience any time after the last day of classes to the end of the summer session exam period (which ends on Wednesday, July 15). **Exams will not be accepted after the 24 hour window has closed, nor after the exam period has ended (that is, after**

Wednesday, July 15th). If your exam is not accepted, you will receive an “F” for the course.

You will earn a letter grade for the course (from “A” to “F”) that corresponds to your score on the final exam given the parameters set by the Law School’s mandatory grading curve. In the event that the class’s enrollment consists of 25 or fewer students, the Law School’s grading curve will not be mandatory, but will nevertheless serve as a guide for how grades should be distributed. I reserve the right to increase or decrease your letter grade by one increment (e.g., from a “B” to a “B+”) on account of your in-class performance throughout the course.

Assignments

Planned assignments, including the estimated class date for which each is due, are set forth below. Unless otherwise notified, you should come to class prepared to discuss a given assignment on the estimated date specified.

No.	Topic	Casebook	Statutory Supplement and/or other	Estimated Date
1	Introduction / Agency	CB 1-12	R(2d)A §1; R(3d)A §1.01;	5/20/15 (Wed)
2	Agency: Contract Liability	CB 12-14, 22-28	R(2d)A §§7, 8, 8A, 8B, 26, 27, 33, 34, 82; R(3d)A §§2.01; 2.02, 2.03, 2.04, 4.01, 4.02, 4.03, 4.06	
3	Agency: Tort Liability	CB 31-38, 48-55, 59- 63	R(2d)A §§2, 219, 220, 228; R(3d)A §§7.01, 7.07	
4	Agency: Fiduciary Duties	CB 63-66, 69-72	R(2d)A §387, 388, 396	
5	Partnership: Formation	CB 73-82, 87-89	UPA §§202, 306, 308	5/26/15 (Tue)
6	Partnership: Fiduciary Duties	CB 89-96, 101-113	UPA §§103, 404	
7	Partnership: Management	CB 117-121	UPA §§103, 301, 305(a), 306, 401(c), (f), 401(j); UPA(1914) §9(3).	5/27/15 (Wed)
8	Partnership: Dissolution	CB 129- 134, 144- 153	UPA §§401(b), 601, 602, 603, 701(a), 801, 802(a), 807(a).	
9	LLPs & LLCs; Corporations: Introduction; Corporations: Limited Liability	CB 169- 172, 184- 196	MBCA §§2.01, 2.02, 2.03, 2.04, 2.05, 2.06, 4.01(a), 6.22; Bainbridge 1-3, 11-12 [TWEN]	

Business Organizations Syllabus
Professor Colombo • Summer 2015

No.	Topic	Casebook	Statutory Supplement and/or other	Estimated Date
10	Corporations: Shareholder Derivative Actions	CB 203-221	MBCA §§ 1.43(a), 7.41, 7.42, 7.44	6/1/15 (Mon)
11	Corporations: Shareholder Derivative Actions / Special Litigation Committees	CB 221-242	DGCL §§ 141(a); 141(c)(2)	
12	Corporations: Role & Purpose	CB 242-258	MBCA §§3.01, 3.03, 3.04; DGCL §§362, 365	6/3/15 (Wed)
13	Corporations: Fiduciary Duties (Duty of Care & Business Judgment Rule)	CB 299-322	DGCL §§ 141(e), 144 220 [skim]	6/8/15 (Mon)
14	Corporations: Fiduciary Duties (Duty of Loyalty)	CB 322-327, 332-342		
15	Corporations: Fiduciary Duties (Duty of Loyalty / Dominant Shareholders & Ratification)	CB 342-354	DGCL §144; MBCA §8.60(1).	
16	Corporations: Fiduciary Duties (Good Faith / Executive Compensation)	CB 359-374	Bainbridge 3-9 [TWEN]	6/10/15 (Wed)
17	Corporations: Fiduciary Duties (Oversight)	CB 374-381		
18	Corporations: Securities Law	CB 395-397	SEA Rule 10b-5; <i>Basic</i> [TWEN]	
19	Corporations: Securities Law (Insider Trading)	CB 465-477	SEA §10(b); SEA Rule 10b-5; SEA Rule 14e-3; <i>Chiarella</i> [TWEN]	6/22/15 (Mon)

Business Organizations Syllabus
Professor Colombo • Summer 2015

No.	Topic	Casebook	Statutory Supplement and/or other	Estimated Date
20	Corporations: Proxy Rules	CB 503-507, 513-523	SEA §14 [skim]; SEA Rule 14a-1(l); SEA Rule 14a-2(b); SEA Rule 14a-4(a), (b), (e), (f); SEA Rule 14a-9; CBS Schedule 14A [TWEN] [skim]; Bainbridge 9-11 [TWEN]	6/24/15 (Wed)
21	Corporations: Shareholder Proposals	CB 527-537	CBS Schedule 14A pp. 89-90 [TWEN]; SEA Rule 14a-8	
22	Corporations: Shareholder Inspection Rights	CB 546-558	DGCL § 220	
23	Corporations: Shareholder Agreements & Close Corporations	CB 563-570, 579-591	DGLC § 218	6/29/15 (Mon)
24	Corporations: M&A	CB 667-677, 697-703	DGLC § 251(a), (b), 259(a)	
25	Corporations: Takeovers	CB 722-743	DGLC §§ 259(a), 271(a)	7/1/15 (Wed)
26	Corporations: Takeovers (cont'd)	CB 744-771		
	Review Session			7/6/15 (Mon)

Key:

“Casebook” / “CB”:	WILLIAM A. KLEIN, J. MARK RAMSEYER, & STEPHEN M. BAINBRIDGE, BUSINESS ASSOCIATIONS: CASES AND MATERIALS ON AGENCY, PARTNERSHIPS, AND CORPORATIONS (7th ed., 2009)
“Statutory Supplement”:	KLEIN, RAMSEYER AND BAINBRIDGE'S BUSINESS ASSOCIATIONS- AGENCY, PARTNERSHIPS, LLCs AND CORPORATIONS, 2010 STATUTES AND RULES
“R(2d)A”:	Restatement (2d) of Agency
“R(3d)A”:	Restatement (3d) of Agency
“UPA”:	Uniform Partnership Act (1997)
“UPA(1914)”:	Uniform Partnership Act (1914)
“ULLCA”:	Uniform Limited Liability Company Act (1996)
“DGCL”:	Delaware General Corporation Law
“MBCA”:	Model Business Corporation Act
“FRCP”:	Federal Rules of Civil Procedure
“SEA”:	Securities Exchange Act of 1934
“SEA Rule”	Securities Exchange Act of 1934 Rule
“[TWEN]”:	item available on TWEN website, under “Handouts” link
“[skim]”:	skim the material for familiarity; a close reading is unnecessary