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, 4:10 pm - 6:00 pm

All classes will meet online via Zoom Video Chat (see below).

See the list of assignments pages at the end of the syllabus for an accurate and detailed listing of class dates.

Professor Colombo contact information:

Office: 118
Email: Ronald.Colombo@hofstra.edu
Telephone: 516-463-5931
Office Hours: Mondays and Wednesdays, 3pm-4pm (see below)
Secretary: Ms. Frances Avnet
Office: 104
Email: Frances.Avnet@hofstra.edu
Telephone: 516-463-5877
Fax: 516-463-4800

* Unless otherwise indicated on TWEN
Course Materials (available for purchase at the Hofstra University Bookstore unless otherwise noted):


- **KLEIN, RAMSEYER AND BAINBRIDGE'S BUSINESS ASSOCIATIONS-AGENCY, PARTNERSHIPS, LLCs AND CORPORATIONS, 2020 STATUTES AND RULES (the “Statutory Supplement”)*

- A subscription to the *Wall Street Journal* [sign-up for a steeply discounted student subscription via: https://store.wsj.com/shop/us/us/wsjsudentelect21]

**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 eight class hours (or four classes) in this four-credit class.**

If you exceed the permitted absences by not attending class 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

* As you can see from the list of assignments (set forth at the end of this syllabus), there will be many important provisions assigned from the Statutory Supplement and it is essential that you read all of them. These sections are freely available for viewing and printing on Westlaw and LEXIS. Given the demands of law school, I believe that most of you would prefer the convenience of a hard-copy book containing these sections, and for this reason I am assigning the Statutory Supplement text. That said, if you wish to skip the hard-copy book, and download the assigned provisions yourself, you are welcomed to do so. Finally, the 2019 edition of this volume is not necessary. A 2017 or 2018 edition would serve your purposes in this class equally well.
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.

To indicate your attendance, upon joining a class session, please be sure to use Zoom’s chat feature to type the message “present.” This will be the definitive record of your attendance for that day’s 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 (Spring 2021) –COLOMBO.” If you have TWEN-related questions, please ask one of our librarians at the reference desk for assistance.

Zoom Video Chat:

All course sessions will be conducted via Zoom. The course’s TWEN site will contain a link for you to click at the appropriate dates and times to join the live class session. Among other things, it is critical that each student have access to a PC, Mac, or laptop* with (1) speakers, (2) a microphone, (3) a webcam, and (4) a stable, solid Internet connection for each of the class meeting times. A complete list of technical requirements can be found here: https://support.zoom.us/hc/en-us/articles/201362023-System-Requirements-for-PC-Mac-and-Linux.

Students unable to fully participate in the Zoom class sessions, via both video and audio feed, will not be permitted to remain in the course.

Please arrive to the Zoom sessions a little early to make sure you can log in and that your equipment is working properly.

* Alternatively, you may be able to participate via a tablet or smartphone, but the experience is inferior and not recommended.
Please adhere to following guidelines for our Zoom sessions:

- **Mute** your phone/microphone upon entering class and when you are not speaking
- Please identify yourself by your **LAST NAME** (if you haven’t done so, just click the three dots in the upper right-hand corner of your window and “rename” yourself)
- Upon entering class, **chat “present”** in order to record your attendance
- In order to ask a question, please raise your hand using the **“raise hand”** feature on Zoom (location may vary depending upon your device)
- Please remember to **lower your hand** after you’ve been called upon
- Activate your **video** feed once class begins
- To prevent audio echo, use earbuds or a headset if possible

If you believe there is a problem with Zoom on my end (whether at the start of class or during our class), please keep trying to log into the session for fifteen (15) minutes. If things aren’t rectified by then, class has been cancelled.

For help with Zoom, please contact the Law School’s helpdesk via lawhelp@hofstra.edu or phone (516-463-4192).

**Please note the Zoom passcode for our class sessions: “negotium”**.

**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 email me or meet with me during office hours (depending on your preference and the nature of your questions or concerns).

During my office hours, I will meet with students on a first-come, first-served basis via Zoom. The link for my office hours is set forth in TWEN.

The “waiting room” feature for Zoom will be enabled for my office hours. As such, our meetings will be private (one-on-one), and students who click the office hours link may have to wait a while until being “admitted” by me into the Zoom office hours session. (Of course, group meetings can be arranged via Zoom office hours as well – I’m simply letting students know that they’ll
have privacy during their meetings with me unless otherwise indicated on their part.)

That said, 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.

Workload

The Law School has adopted a “Credit Hour Policy.” A “credit hour” is an amount of work that reasonably approximates not less than one hour of classroom or direct faculty instruction (calculated as 50 minutes of classroom time) and two hours (120 minutes) of out-of-class student work per week for fifteen weeks (including one week for final exams), or the equivalent amount of work over a different amount of time. These requirements apply equally to all courses taught in the Law School, including distance education courses.
Grading:

Your final grade shall be based primarily (90%) upon a final examination. The format of the final examination has yet to be determined. It will be graded anonymously.

Ten percent of your grade (10%) shall be based upon your in-class performance throughout the course. Pursuant to this policy, exceptional class participation that reflects preparation, thought, and engagement will be rewarded, while class participation that reflects the opposite will be penalized. Those students who do not distinguish themselves one way or the other will receive a default class participation grade of “B.” Since the grade distribution for this class will be based upon the law school’s grading curve, this should not negatively affect anyone’s grade. Rather, only those students who distinguish themselves positively or negatively (and thus receive a class participation grade higher or lower than “B”) will see their grades affected by this policy.

You will earn a letter grade for the course (from “A” to “F”) that corresponds to your score on the final exam (and taking into account any class participation adjustment) given the parameters set by the Law School’s mandatory grading curve.

Some of my past exams for Business Organizations are available via the Library’s Exam Archives. For your convenience, the same exams have also been made available to you on our TWEN site (under the creatively entitled link “Past Exams”). I would encourage you to review these past exams as part of your preparation for the final exam in this course. Please bear in mind, however, that course coverage changes somewhat from year to year, and as such there may be material tested on prior exams that would not be tested on this semester’s exam (and vice versa). Also, the format of final exams has varied from year to year, and this too may cause prior exams to be of somewhat diminished value to your preparation for this year’s final exam.
## 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.

<table>
<thead>
<tr>
<th>No.</th>
<th>Topic</th>
<th>Casebook</th>
<th>Statutory Supplement and/or other</th>
<th>Estimated Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction / Agency</td>
<td>1-13</td>
<td>R(2d)A §1; R(3d)A §1.01</td>
<td>1/21/21 (Wed)</td>
</tr>
<tr>
<td>2</td>
<td>Agency: Contract Liability</td>
<td>13-16, 25-32</td>
<td>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</td>
<td>1/25/21 (Mon)</td>
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<tr>
<td>4</td>
<td>Agency: Fiduciary Duties</td>
<td>72-75, 79-82</td>
<td>R(2d)A §387, 388, 396</td>
<td>2/1/21 (Mon)</td>
</tr>
<tr>
<td>7</td>
<td>Partnership: Management</td>
<td>130-134</td>
<td>UPA §§105, 301, 305(a), 306, 401(c), (f), 401(k); UPA(1914) §9(3).</td>
<td>2/10/21 (Wed)</td>
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<td>8</td>
<td>Partnership: Dissolution</td>
<td>144-149, 160-170</td>
<td>UPA §§401(a), 601, 602, 603, 701(a), Article 7 [skim], 801, 802(a), 802(b), Article 8 [skim]</td>
<td>2/15/21 (Mon)</td>
</tr>
<tr>
<td>9</td>
<td>LLPs &amp; LLCs; Corporations: Introduction; Corporations: Limited Liability</td>
<td>204-210, 233-234</td>
<td>MBCA §§2.01, 2.02, 2.03, 2.04, 2.05, 2.06, 4.01(a), 6.22; Bainbridge 1-3, 11-12 [TWEN]</td>
<td>2/17/21 (Wed)</td>
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<td>10</td>
<td>Corporations: Role &amp; Purpose</td>
<td>214-232</td>
<td>MBCA §§3.01, 3.02, 3.04; DGCL §§362, 365</td>
<td>2/22/21 (Mon)</td>
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<td>11</td>
<td>Corporations: Fiduciary Duties (Duty of Care &amp; Business Judgment Rule)</td>
<td>277-303</td>
<td>DGCL §§ 141(e), 144, 220 [skim]</td>
<td>2/24/21 (Wed)</td>
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<td>12</td>
<td>Corporations: Fiduciary Duties (Duty of Loyalty &amp; Corporate Opportunities)</td>
<td>303-308, 315-325</td>
<td>DGCL §144; MBCA §8.60(1).</td>
<td>3/1/21 (Mon)</td>
</tr>
<tr>
<td>14</td>
<td>Corporations: Fiduciary Duties (Good Faith / Executive Compensation)</td>
<td>CB 341-351</td>
<td>MBCA §§ 1.43(a), 7.41, 7.42, 7.44</td>
<td>3/8/21 (Mon)</td>
</tr>
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<td>15</td>
<td>Corporations: Fiduciary Duties (Oversight)</td>
<td>351-358</td>
<td>MBCA §§ 141(a); 141(c)(2)</td>
<td>3/10/21 (Wed)</td>
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<td>16</td>
<td>Corporations: Shareholder Derivative Actions</td>
<td>358-380</td>
<td>DGCL §§ 141(a); 141(c)(2)</td>
<td>3/15/21 (Mon)</td>
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<td>17</td>
<td>Corporations: Shareholder Derivative Actions / Special Litigation Committees; Director Independence</td>
<td>380-399</td>
<td>SEA Rule 10b-5; SA §11 Basic [TWEN]</td>
<td>3/17/21 (Wed)</td>
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<td>19</td>
<td>Corporations: Securities Law (Insider Trading)</td>
<td>483-502</td>
<td>SEA §10(b); SEA Rule 10b-5; SEA Rule 14e-3; Chiarella [TWEN]</td>
<td>3/24/21 (Wed)</td>
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<td>20</td>
<td>Corporations: Proxy Rules</td>
<td>527-531, 538-550</td>
<td>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]</td>
<td>3/29/21 (Mon)</td>
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<tr>
<td>21</td>
<td>Corporations: Shareholder Proposals</td>
<td>566-577</td>
<td>CBS Schedule 14A pp. 89-90 [TWEN]; SEA Rule 14a-8</td>
<td>3/31/21 (Wed)</td>
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<td>22</td>
<td>Corporations: Shareholder Inspection Rights</td>
<td>587-594</td>
<td>DGCL § 220</td>
<td>4/5/21 (Mon)</td>
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<td>23</td>
<td>Corporations: Shareholder Agreements &amp; Close Corporations</td>
<td>613-620, 631-643</td>
<td>DGCL § 218</td>
<td>4/7/21 (Wed)</td>
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<td>24</td>
<td>Corporations: M&amp;A</td>
<td>729-770</td>
<td>DGCL § 251(a), (b), 259(a)</td>
<td>4/12/21 (Mon)</td>
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<td>25</td>
<td>Corporations: Takeovers</td>
<td>791-815</td>
<td>DGCL §§ 259(a), 262, 271(a)</td>
<td>4/14/21 (Wed)</td>
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<td>26</td>
<td>Corporations: Takeovers (cont’d)</td>
<td>815-845</td>
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<td>4/19/21 (Mon)</td>
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<tr>
<td>27</td>
<td>[TBD]</td>
<td>[TBD]</td>
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<td>4/21/21 (Wed)</td>
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<tr>
<td>28</td>
<td>Review Session</td>
<td></td>
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<td>4/26/21 (Mon)</td>
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</tbody>
</table>

The date and time of the final examination is set by the Registrar’s Office. As of the date of this syllabus’s preparation (see its first page, bottom left-hand corner), our exam is scheduled for Friday, May 14th, 1pm-5pm. This is subject to change.
Key:
“Casebook” / “CB”:

“Statutory Supplement”:
KLEIN, RAMSEYER AND BAINBRIDGE'S BUSINESS ASSOCIATIONS - AGENCY, PARTNERSHIPS, LLC'S AND CORPORATIONS, 2019 STATUTES AND RULES

“R(2d)A”:
Restatement (2d) of Agency [1958]
“R(3d)A”:
Restatement (3d) of Agency [2006]

“UPA”:
Uniform Partnership Act (1997) (as amended 2013) (referred to as the “Revised Uniform Partnership Act” by some sources)
“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

“SA”:
Securities Act of 1933
“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