

## SYLLABUS

**COURSE NUMBER:** F311  
**COURSE NAME:** BUSINESS ORGANIZATIONS

**PROFESSOR:** Bruce W. McCann – 707/874-9204

**CLASS TIME:** Mondays: 6:00 – 9:00 p.m.  
Fall Semester 2010

**UNITS:** 3 Units/Semester

**TEXTS:** CORPORATIONS AND OTHER BUSINESS ORGANIZATIONS: CASES, MATERIALS, PROBLEMS, 7th Edition  
Soderquist, Smiddy & Cunningham  
(2010) LexisNexis

BUSINESS ASSOCIATIONS: AGENCY, PARTNERSHIPS, LLCs, AND CORPORATIONS 2010 STATUTES AND RULES. Klein, Ramseyer, and Bainbridge (2010) Foundation Press

**GOALS:** This course will survey the law governing the formation, operation and dissolution of business entities with emphasis on partnerships, corporations, and limited liability companies. Students will study the relationships of individuals to such entities, including the law of agency and fiduciary duty. The class will also look at corporate finance and securities laws.

<b>GRADING:</b>	90 – 100	A	Outstanding
	80 – 89	B	Superior
	70 – 79	C	Satisfactory
	65 – 69	D	Unsatisfactory
	Below 65		Failing/No credit

The course grade will be comprised of the results of:

Midterm exam - 45%

Final exam - 45%

Quality of Class Participation and Assigned Projects 10%

The final exam will be cumulative, covering all course material.

**ATTENDANCE:** Regular and punctual attendance is essential for the successful completion of the course. Students should plan to attend every class. Students must attend a minimum of 80% (36 hours — 12 of 15 classes) of the class sessions during each semester.

**CONTACT INFORMATION:** **Prof. Bruce W. McCann**  
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BUSINESS ORGANIZATIONS  
PROF. McCANN  
FALL SEMESTER 2010

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## ASSIGNMENTS

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Unless otherwise shown, all references are to Soderquist, Smiddy & Cunningham, *Corporations and Other Business Organizations: Cases, Materials, Problems, Seventh Edition*. References to “Statutes and Rules” refer to *Business Associations: Agency, Partnerships, LLCs, and Corporations, 2010 Statutes and Rules*. Klein, Ramseyer, and Bainbridge (2010)

WEEK 1: PGS. 1-15  
8/30/10

**Introduction Approaching Corporate Law**

Section I Putting Business Organizations in Context  
Section II Other Perspectives of Business  
Section III Distinguishing Features of Business Law Practice

Statutes and Rules: Read *Restatement of the Law (Second) Agency*

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WEEK 2: PGS. 17-58  
9/06 (*Labor Day -  
No School – Alternate  
Date TBD*)

**Chapter 1 Sole Proprietorships and Agency Principles**  
Section I Introduction to Forms of Business Entities  
Section II Sole Proprietorships  
Section III Agency Law and the Legal Relationships between Sole Proprietors and Their Employees

Statutes and Rules: Read *Restatement of the Law (Third) Agency*

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WEEK 3: PGS. 58-108  
9/13

Section III Agency Law and the Legal Relationships between Sole Proprietors and Their Employees (Cont'd)  
**Chapter 2 Traditional Business Forms and Their Progeny**  
Section I General Partnerships

Statutes and Rules: Read *Uniform Partnership Act (1997), Articles 1-5*

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WEEK 4: PGS. 108- 160  
9/20

**Chapter 2 Traditional Business Forms (continued)**  
Section I General Partnerships (cont'd)  
Section II Corporations  
Section III Synthesis – Other Forms of Business Orgs.

Statutes and Rules: Read *Uniform Partnership Act (1997), Articles 6-8, 10*

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WEEK 5: PGS. 160-208 9/27	<b>Chapter 2</b> Section III	<b>Traditional Business Forms (continued)</b> Synthesis (cont'd)
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Statutes and Rules: Read *Uniform Limited Liability Company Act*

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WEEK 6: PGS. 208-253 10/04	<b>Chapter 2</b> Section III	<b>Traditional Business Forms (continued)</b> Synthesis (cont'd)
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	<b>Chapter 3</b> Section I Section II	<b>Incorporation</b> Promoters' Contracts Where and How to Incorporate
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WEEK 7: PGS. 255-299 10/11	<b>Chapter 4</b> Section I Section II  Section III Section IV Section V	<b>Capitalization</b> Some Capitalization Basics Duly Authorized, Validly Issued, Fully Paid, and Nonassessable Stock Thin Incorporation and Subordination Preemptive Rights Share Transfer Restrictions and Buyout Agreements
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WEEK 8: PGS. 299- 340 10/18	<b>Chapter 4</b> Section V  <b>Chapter 5</b> Section I Section II Section III Section IV	<b>Capitalization (continued)</b> Share Transfer Restrictions and Buyout Agreements (cont'd) <b>Organizing the Corporation</b> Organization Procedures Other Organizational Matters Bylaws Defective Incorporation
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Statutes and Rules: Read *Model Business Corporation Act, Chapters 2-5*

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WEEK 9: PGS. 341-390  
10/25

**Chapter 6 Corporate Authority**  
Section I Functions and Authority of Shareholders  
Section II Functions and Authority of Directors  
Section III Functions and Authority of Officers

Statutes and Rules: Read *Model Business Corporation Act*,  
*Chapters 7 and 8*

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WEEK 10: PGS. 391-438  
11/01

**Chapter 7 Distributing Corporate Control**  
Section I Cumulative Voting, Classification of Directors,  
and Class Voting  
Section II Charter Provisions  
Section III Removal of Directors  
Section IV Deadlocks, Oppression, and Dissolution

Statutes and Rules: Read *Model Business Corporation Act*,  
*Chapters 6*

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WEEK 11: PGS. 439-492  
11/08

**Chapter 7 Distributing Corporate Control (continued)**  
Section V Contractual Arrangements (cont'd)

**Chapter 8 Piercing the Corporate Veil**  
Section I Introduction  
Section II Tort-Based Claims and Other Considerations  
Section III Contract-Based Claims and Other  
Considerations  
Section IV Statutory Claims

WEEK 12: PGS. 493-548  
11/15

**Chapter 9 Dividends**  
Section I Mechanics of Dividends and Distributions  
Section II Limitations on Dividends

**Chapter 10 Duty of Care**  
Section I Introduction  
Section II The General Standard of Care and the  
Obligation to Monitor  
Section III Duty to Inquire and to Monitor  
Section IV Business Judgment Rule

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WEEK 13: PGS. 548-582  
11/22

**Chapter 10 Duty of Care (continued)**

Section V Informed Decisionmaking

Section VI Corporate Objective and Social Responsibility

Section VII Corporate Governance Reforms

Section VIII Legislative Responses to Liability

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WEEK 14:  
11/29

**REVIEW**

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WEEK 15:  
To be announced

**MIDTERM**