

SYLLABUS

COURSE NUMBER: F311.3
COURSE NAME: BUSINESS ORGANIZATIONS

PROFESSOR: Robert S. Rutherford – 707/545-4910

CLASS TIME: Mondays: 6:00 p.m. – 9:00 p.m.
Fall Semester 2011

UNITS: 3 Units/Semester

TEXTS: CORPORATIONS AND OTHER BUSINESS ORGANIZATIONS: CASES, MATERIALS, PROBLEMS, 7th Edition
Soderquist, Smiddy & Cunningham
LexisNexis; ISBN # 97871422476604

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.

GRADING:	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 – 40%

Final exam - 50%

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. Robert S. Rutherford
Office (707) 545-4910
Fax (707) 544-0260
Email Rob.Rutherford@azdgg.com

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BUSINESS ORGANIZATIONS
PROF. RUTHERFURD
FALL SEMESTER 2011

ASSIGNMENTS

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
8/29/11

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*

WEEK 2: PGS. 17-58
9/05 (**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 -*

WEEK 3: PGS. 58-108
9/12

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*

WEEK 4: PGS. 108- 160
9/19

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*

SYLLABUS

WEEK 5: PGS. 160-208 9/26	Chapter 2 Section III	Traditional Business Forms (continued) Synthesis (cont'd)
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Statutes and Rules: Read *Uniform Limited Liability Company Act*

WEEK 6: PGS. 208-253 10/03	Chapter 2 Section III	Traditional Business Forms (continued) Synthesis (cont'd)
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	Chapter 3 Section I Section II	Incorporation Promoters' Contracts Where and How to Incorporate
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WEEK 7: PGS. 255-299 10/10	Chapter 4 Section I Section II Section III Section IV Section V	Capitalization 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 10/17	Chapter 4 Section V Chapter 5 Section I Section II Section III Section IV	Capitalization (continued) Share Transfer Restrictions and Buyout Agreements (cont'd) Organizing the Corporation Organization Procedures Other Organizational Matters Bylaws Defective Incorporation
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Statutes and Rules: Read *Model Business Corporation Act, Chapters 2-5*

SYLLABUS

WEEK 9: PGS. 341-390
10/24

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

WEEK 10: PGS. 391-438
10/31

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

WEEK 11: PGS. 439-492
11/07

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
11/14

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

SYLLABUS

WEEK 13: PGS. 548-582
11/21

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

WEEK 14:
11/28

REVIEW

MIDTERM

To be announced