UNIVERSITY OF PENNSYLVANIA THE WHARTON SCHOOL LEGAL STUDIES AND BUSINESS ETHICS DEPARTMENT

LGST 813 Course Syllabus Fall 2011 LEGAL AND TRANSACTIONAL ASPECTS OF ENTREPRENEURSHIP

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<u>Course Description</u>: Legal and Transactional Aspects of Entrepreneurship is a practical and intensive course that examines the critical legal and transactional issues confronting start-up and emerging growth companies. The course provides perspective on how to use the law strategically to manage risk, deploy resources and maximize shareholder value. Topics include the enforceability of confidentiality, non-competition and other restrictive covenants in employment agreements, choice of business form including the legal, financial and tax advantages and disadvantages of general partnerships, limited partnerships, corporations and limited liability companies, tax and securities law aspects of raising capital, structuring venture capital and private equity transactions, mergers, acquisitions and other entrepreneurial deal structures, employment law, and intellectual property law including trade secrets, copyrights, patents and trademarks.

Course Materials:

Required Materials: Readings available on course webcafe.

<u>Recommended Materials</u>: *Start-up & Emerging Companies: Planning, Financing, and Operating the Successful Business* by G. Smith (Law Journal Seminars Press), and *The Entrepreneur's Guide to Business Law* by Bagley and Dauchy (West) available at the Bookstore.

<u>A Note on the Course</u>: This course is designed to be *practical* and *intensive*. Extensive readings are the core of the course. Please do not register for the course unless you intend to be prepared for and actively involved (voluntarily or involuntarily) in each class.

<u>Grading Policy</u>: There will be one mid-term examination, and one final examination. Each examination will be equally weighted and each will be a closed-book, closed-note examination.

TOPICAL ASSIGNMENTS

Class 1	Background on the U.S. Legal System Lawyers, Litigation and Alternative Dispute Resolution	
Litigation	Readings:	Background on the U.S. Legal System Materials, and Lawyers and Materials on webcafe.
Class 2	Duties to Your Former Employer: Common Law Duties and Restrictive Covenants	

	Readings:	Duties to Your Former Employer Materials on webcafe.	
Class 3	Choice of Busin Partnerships	ess Form I: Sole Proprietorships, General Partnerships and Limited	
	Readings:	Sole Proprietorship, General Partnership, and Limited Partnership Materials on webcafe.	
		Smith Text, Chapter 1.	
Class 4 Choice of Bu		ess Form II: Corporations and Limited Liability Companies	
	Readings:	Corporations and Limited Liability Company Materials on webcafe.	
		Smith Text, Chapter 2, §2.01-2.07.	
Class 5	Tax Considerations for Start-ups: IRC Section 351- Tax-Free Organization, IRC Sec - The Service Provider Problem, and IRC Section 385 - The Reclassification of Debt Equity		
	Readings:	Taxation I and II Materials on webcafe.	
		Smith Text, Chapter 2, §2.08; Chapter 12.	
Class 6	MID-TERM EX	XAMINATION (NO EXCEPTIONS) – DATE TO BE DETERMINED	
Class 7	Creditors' Righ Federal and Sta	ts and Duties te Securities Law	
	Readings:	Creditors' Rights Materials and Securities Law Materials on webcafe.	
		Smith Text Chapter 4	
Class 8 Venture Capital and Priv		l and Private Equity Financing Structures	
	Readings:	Securities Law Materials, and Venture Capital and Private Equity Materials on webcafe.	
		Smith Text Chapter 4 and Chapter 8.	
Class 9	Mergers, Acquisitions and Entrepreneurial Deal Structures		
	Readings:	Mergers and Acquisitions Materials on webcafe.	
Class 10	Employment Law I: Independent Contractors v. Employees, and "At Will" v. Contract Employment		
	Readings:	Employment Law Materials on webcafe.	
Class 11	Employment Law II: Wrongful Termination and Discrimination		

Readings: Employment Law Materials on webcafe.

Class 12 Intellectual Property Law

Readings: Patents and Trade Secrets, and Copyrights and Trademark Materials on webcafe.

Smith Text, Chapter 15.

FINAL EXAMINATION: TIME AND LOCATION DETERMINED BY REGISTRAR. (NO EXCEPTIONS)