

UNIVERSITY OF PENNSYLVANIA
THE WHARTON SCHOOL
Legal Studies 202-001
Autumn Term 2012

Professor: Dr. Nicholas D. Constan, Jr.

Class Meets: Monday and Wednesday, 12:00 – 1:30 p.m.
Jon M. Huntsman Hall, Room F36

Office Hours: By appointment
Jon M. Huntsman Hall, Room 653
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Assigned Readings: Business Associations: Agency, Partnerships, and Corporations;
Klein Ramseyer Bainbridge (Foundation Press, 7th ed. 2009), may
be purchased at the Penn Bookstore.

DATE **ASSIGNMENT**

I. Two Building Blocks of Business Organization: Agency Costs and Agency Law

September	6	Introduction
	11	Introduction to Agency Law: Owners, Employees, and Creditors Readings: Ch. 1, pp. 1-59
	13	Introduction to Fiduciary Obligation Readings: Ch. 1, pp. 59-86

II. Partnerships and Other Noncorporate Business Forms

September	18	Partners Compared with Employees and Creditors; Partnership by Estoppel Readings: Ch. 2, pp. 87-104
	20	Fiduciary Duties of Partnerships; Rights of Partners in Management; Dissolution Readings: Ch. 2, pp. 105-149

September	25	Variations of Business Forms: Limited Partnerships, Limited Liability Companies, Limited Liability Partnerships and Close and Public Corporations. Readings: Ch. 2, pp. 150-181
	27	The Corporate Entity: Definitional Carousel Readings: Ch. 3, pp. 182-188

III. The Nature of Corporations

October	2	The Corporate Entity and Limited Liability – “Piercing the Corporate Veil” Readings: Ch. 3, pp. 189-213
	4	Shareholder Direct and Derivative Actions; the Demand Requirement Readings: Ch. 3, pp. 214-263
	9	The Role and Purposes of Corporations Readings: Ch. 3, pp. 264-280

IV. The Fiduciary Duties of Corporate Directors and Officers

	11	The Duty of Care Readings: Ch. 5, pp. 310-335
	16	Midterm exam -- in class.
	18	The Duty of Loyalty I Readings: Ch. 5, pp. 336-356
	25	The Duty of Loyalty II Readings: Ch. 5, pp. 357-403

V. Disclosure Requirements and Liabilities under Federal Securities Law

	30	Introduction to Federal Securities Regulation: What is a Security? Readings: Ch. 5, pp. 404-466
November	1	Insider Trading I: Common Law Fiduciary Duty and Rule 10b-5 Readings: Ch. 5, pp. 467-498

November 6 **Insider Trading II: Tippees and Misappropriation Theory**
Readings: Ch. 5, pp. 499-520

8 **Problems of Control**
Readings: Ch. 6, pp. 521-547

VI. Problems of Control

13 **Proxy Fights and Private Rights of Action II: Introduction to Shareholder Voting**
Readings: Ch. 6, pp. 548-569

15 **Shareholders' Rights: Shareholder Proposals and Rights of Inspection**
Readings: Ch. 6, pp. 570-606

20 **Shareholder Voting Control**
Readings: Ch. 6, pp. 607-645

VII. Mergers, Acquisitions, and Takeovers

27 **Introduction to M&A and Takeovers**
Readings: Ch. 7, pp. 689-733

29 **"Duty to Auction"**
Readings: Ch. 7, pp. 733-792

December 4 **Corporate Federalism and State Antitakeover Statutes**
Readings: Ch. 7, pp. 793-836

6 **Bondholders' Rights**
Readings: Ch. 8, pp. 837-876

13 **Final Examination**
Thursday, 12:00 Noon – 2:00 PM
(Location to be announced)