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
E-mail: constann@wharton.upenn.edu

Assigned Readings: Business Associations: Agency, Partnerships, and Corporations; Klein Ramseyer Bainbridge (Foundation Press, 7th ed. 2009), may be purchased at the Penn Bookstore.

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<th>DATE</th>
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<tr>
<td>I. Two Building Blocks of Business Organization: Agency Costs and Agency Law</td>
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<tr>
<td>September 6</td>
<td>Introduction</td>
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<td>11</td>
<td>Introduction to Agency Law: Owners, Employees, and Creditors</td>
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<td>Readings: Ch. 1, pp. 1-59</td>
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<td>13</td>
<td>Introduction to Fiduciary Obligation</td>
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<td>Readings: Ch. 1, pp. 59-86</td>
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<td>II. Partnerships and Other Noncorporate Business Forms</td>
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<td>September 18</td>
<td>Partners Compared with Employees and Creditors; Partnership by Estoppel</td>
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<td>Readings: Ch. 2, pp. 87-104</td>
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<td>20</td>
<td>Fiduciary Duties of Partnerships; Rights of Partners in Management; Dissolution</td>
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<td>Readings: Ch. 2, pp. 105-149</td>
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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

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