



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

LGST 813 Course Syllabus  
LEGAL AND TRANSACTIONAL ASPECTS OF ENTREPRENEURSHIP

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Course Description: 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 REQUIREMENTS**

1. **Class Attendance.** Attendance is mandatory for all class sessions.
2. **Class Seating.** Seating will be assigned based on a class seating chart. Tent cards must be used in all class sessions.
3. **Technology.** The use of technology is permitted during class sessions with the understanding that it be used only for class purposes and does not disturb others in the class.
4. **Class Preparation and Participation.** Students are expected to be prepared for each class and to be ready to discuss course materials.
5. **Recording of Class Sessions.** Recording of class sessions by students is not permitted.

Course Materials:

Required Readings:

1. Course Readings on Canvas including readings from *The Entrepreneur's Guide to Business Law* by Bagley and Dauchy, and readings identified as Required Readings.



### Recommended Readings:

1. Course Readings on Canvas identified as Recommended Readings.
2. *Start-up & Emerging Companies: Planning, Financing, and Operating the Successful Business* by G. Smith (Law Journal Seminars Press)

Examinations: There will be one mid-term examination, and one cumulative final examination. Each examination will be equally weighted and each will be a closed-book, closed-note examination.

### Examination Dates:

Midterm Exam: To be determined

Final Exam: TBD. **The exam date will not be changed under any circumstances.**

A Note on the Course: 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.

### TOPICAL ASSIGNMENTS

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| <b>Topic 1</b> | <b>Course Themes</b><br><b>Background on the U.S. Legal System</b><br><b>Lawyers, Litigation and Alternative Dispute Resolution</b>   |
|                | Readings: Background on the U.S. Legal System Materials<br>Lawyers and Litigation Materials.  |
| <b>Topic 2</b> | <b>Duties to Your Former Employer: Common Law Duties and Restrictive Covenants</b>  |
|                | Readings: Duties to Your Former Employer Materials.   |
| <b>Topic 3</b> | <b>Choice of Business Form I: Sole Proprietorships, General Partnerships and Limited Partnerships</b>   |
|                | Readings: Sole Proprietorship, General Partnership, and Limited Partnership Materials.  |
| <b>Topic 4</b> | <b>Choice of Business Form II: Corporations and Limited Liability Companies</b>   |
|                | Readings: Corporations and Limited Liability Company Materials.   |
| <b>Topic 5</b> | <b>Tax Considerations for Start-ups: IRC Section 351- Tax-Free Organization, IRC Section 83 - The Service Provider Problem</b>  |
|                | Readings: Taxation I and II Materials.  |
| <b>Topic 6</b> | <b>Final Thoughts on Choice of Business Form for Start-Up Companies</b><br><b>Thoughts on Equity Incentive Structures for Start-Up Companies</b><br><b>Creditors' Rights and Duties</b> |

Readings: Creditors' Rights Materials and Securities Law Materials.

**Topic 7 Raising Capital: Federal Securities Law, and Venture Capital and Private Equity Financing Structures**

Readings: Securities Law Materials, and Venture Capital and Private Equity Materials.

**Topic 8 Mergers, Acquisitions and Entrepreneurial Deal Structures**

Readings: Mergers and Acquisitions Materials.

**Topic 9 Employment Law I: Independent Contractors v. Employees, and "At Will" v. Contract Employment**

Readings: Employment Law Materials.

**Topic 10 Employment Law II: Discrimination and Wrongful Termination**

Readings: Employment Law Materials.

**Topic 11 Intellectual Property Law  
Closing Course Themes**

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