

CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

**CORPORATIONS  
CCLAW 963, Section 201)  
COURSE INFORMATION  
SPRING SEMESTER 2016**

<b>MEETING ROOM:</b>	<b>112 Katz</b>
<b>MEETING TIME:</b>	<b>Wednesdays and Fridays 02:30 P.M. - 03:45 P.M.</b>
<b>OFFICE:</b>	<b>239 Katz Building</b>
<b>TELEPHONE:</b>	<b>814.863.3640 (direct)</b>
<b>E-MAIL</b>	<b><a href="mailto:lcb11@psu.edu">lcb11@psu.edu</a></b>
<b>WEBSITE</b>	<b><a href="http://www.personal.psu.edu/lcb11">http://www.personal.psu.edu/lcb11</a></b>
<b>BLOG</b>	<b><a href="http://lcbackerblog.blogspot.com">http://lcbackerblog.blogspot.com</a></b>
<b>CONFERENCE HOURS:</b>	<b>Wednesdays and Fridays 4:00 P.M. TO 6:00 P.M., AND BY APPOINTMENT e-mail anytime</b>
<b>QUESTIONS:</b>	<b>CLASS RELATED QUESTIONS VIA EMAIL</b>
<b>FINAL EXAM DATE:</b>	<b>24 HOUR TAKE HOME FINAL</b>

---

The Law School course description provides:

This course primarily addresses organization and operation of commercial organizations in the Anglo-American community. Preliminarily, sole proprietorships and partnerships are considered, after which corporations-for-profit are emphasized with some attention to business trusts and non-profit corporations. In the corporate context, duties of promoters, directors, officers, and other insiders are considered. Availability in the U.S. of the derivative action is treated in terms of both unincorporated and corporate forms of organization. Also treated are the basics of securities regulation at the federal and state levels in the U.S. and the provincial level in Canada.

## Statement of Learning Outcomes and Assessment

### *Learning Outcomes:*

Students are expected to acquire a working knowledge of the following. As a baseline, students will become familiar to legal approaches under both the Model Business Corporation Act and the Delaware Code and the basic principles of corporate law consisting of some combination of the following:

1. *Corporate Law in Context:* business and risk; constitutional constraints on corporate governance; corporation and societal governance; choice of organizational form.
2. *Organizing the Corporation:* corporate formation; introduction to financial accounting; corporate financing and financial structures; introduction to securities issuance; asset partitioning and veil piercing.
3. *Standard model of Corporate Governance;* officers and authority; directors and collective action; shareholders and voting, inspection of books and records; deviations from the standard model—the closely held corporation.
4. *Corporate Combinations and Fundamental Changes:* amendments to corporate charter (policy and mechanics); mergers; triangular mergers; sales of assets; appraisal rights.
5. *Shareholder litigation:* direct action; derivative action; demand requirement.
6. *Fiduciary Duty:* monitoring duty of care; transactional duty of care; business judgment rule; duty of loyalty; duty to disclose; corporate opportunities; domination and control.

### *Learning Outcomes Assessment:*

Student achievement in all learning outcomes will be measured in the final examination. Learning Outcomes will be monitored through the short answers to the problems that appear in each chapter of the text and as otherwise assigned.

CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

COURSE MATERIALS

REQUIRED:

1. JEFFREY D. BAUMAN AND RUSSELL STEVENSON, CORPORATIONS: LAW AND POLICY; MATERIALS AND PROBLEMS, (8th ed. 2013)  
Publisher: West (1-800-328-9352)  
ISBN-13: 978-0314277732
2. DOUGLAS MOLL, CORPORATIONS AND OTHER BUSINESS ASSOCIATIONS, STATUTES, RULES, AND FORMS, 2016 Edition (Selected Statutes) Paperback – July 2016  
Publisher: West Academic  
ISBN 13: 9781634608466

RECOMMENDED (PURCHASE OPTIONAL):

1. BRYAN A. GARNER (ED.), A HANDBOOK OF BUSINESS TERMS (1999)  
Publisher: West (1-800-328-9352)  
ISBN-13: 9780314239358
2. KLEIN AND COFFEE, BUSINESS ORGANIZATION AND FINANCE, (11th ed. 2010).  
Publisher: Thompson-West (1-800-328-9352)  
ISBN: 9781599414492
3. ALAN R. PALMITER, CORPORATIONS: EXAMPLES AND EXPLANATIONS (8<sup>th</sup> ed., 2015).  
Publisher: Wolters Kluwer Law & Business (1-800-638-8437)  
ISBN-13: 9781454850168
4. ARTHUR R. PINTO AND DOUGLAS M. BRANSON, UNDERSTANDING CORPORATE LAW (4th ed. 2013)  
Publisher: LexisNexis  
ISBN-13: 9780769865126
5. LYNN M. LOPUCKI, THE READABLE DELAWARE GENERAL CORPORATION LAW, Visilaw Publishing through CreateSpace Independent Publishing Platform; 2014-2015 edition (September 30, 2014) CreateSpace-NV-866-308-6235  
ISBN-13: 978-1500526337

Larry Catá Backer

Course Information &amp; Syllabus

Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

## **COURSE INFORMATION AND RULES**

This Corporations course will meet twice a week, on **Wednesdays and Fridays from 02:30 P.M. through 03:45 P.M. in 112 Katz Building**. I am generally available to talk with you during office hours on Mondays and Wednesdays, or, otherwise, by appointment.

Required readings will be announced in class from time to time. Substantially all such readings will be drawn from the Text, and Statute. Additionally, recommended readings from PALMITER, EXAMPLES may be announced from time to time. Further readings may be added or substituted throughout the semester. I plan to follow the Text, covering chapters 1 through 15, 18-19. However, there may be changes. Stay tuned. A review of the table of contents of those chapters of the Text will give you a good idea of the materials to be covered this semester.

### **Corporate law is to a large extent a creature of STATUTE.**

Yes, yes, I know that Delaware's laws of fiduciary duty are largely driven by cases, and that litigators, or those who want to learn corporate law from a litigator's perspective, rely principally on the cases for whatever comfort they might derive therefrom. . . . .

#### **BUT,**

even in Delaware – the foundation for much of corporate law is statutory. The trend is toward more legislation, and more legislation at the federal level. Since the economic downturn of 2007, there has been greater activity at the international level as well. One need only look at the response to the Enron and WorldCom financial disasters of 2001/2002 for evidence of that trend. As such, you will be expected to spend a substantial amount of time familiarizing yourself with the statutory framework of corporate law. *I will be emphasizing the Revised Model Business Corporation Act and the corporation laws of Delaware. The laws of New York, Pennsylvania and California may be reviewed from time to time and where appropriate. I will also occasionally make reference to the corporation laws of other states.*

Please bring Text, Statutes, and any other assigned readings with you to class as appropriate. Please note that you will be responsible for all assigned readings whether or not discussed in class.

Larry Catá Backer

Course Information &amp; Syllabus

Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

Understand that there is no guarantee that we will be able to cover in class all material assigned for reading for that class session, or that we will get through all of the assignments described in the syllabus by semester's end. Anticipate, therefore, that there may be occasions when you will have read ahead. Do not panic; do not become irritated; do not conclude that there is something amiss; humor me and assume that there is a reason for the pacing of the course. If in doubt, please be sure to see me. You will be tested only on the materials covered in class unless otherwise indicated.

I will be emphasizing client problem solving and advice, rather than litigation strategy or student oriented case analysis. The problems presented in the Text will provide a thematic and systematic introduction to the sorts of problems the practitioner encounters in the practice of corporate law. Those problems ordinarily will be the focus of class discussion. As such, I recommend that in preparing for class you focus on the problems in the Text and to be prepared to discuss them in class. Note also that my final exam is patterned on the problems we discuss in class; practice with the problems in the Text will aid you immeasurably in preparing for the final exam.

### **ATTENDANCE AND CLASS PARTICIPATION**

Law School rules require me to notify students of my attendance policy. First year and introductory classes provide the basis for your legal education. It is important for you to attend class. Also, *I remind you that material not in your readings and for which you will be responsible will likely be covered in class from time to time during the course of class discussion (the final exam is drawn largely from the readings and discussion in class).*

**Class attendance is required.** Law school policy imposes on students the obligation to attend class regularly and punctually. I take attendance seriously. You will be required to sign in at each class session via our electronic class system. **Attendance will be taken through Angel. At the start of each class session I will provide you with the attendance code necessary to mark yourself present.**

**You are responsible for marking your own attendance.**

**Students with more than four (4) unexcused absences can have their grade lowered one full grade (from A to A- for example) at my discretion.**

Larry Catá Backer

## Course Information &amp; Syllabus

Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

**Class participation is required.** All students are expected to be prepared for each class session (that is, to have carefully read the material assigned). Please note that I do not intend to make this a lecture course. All of you will find yourselves participating in at least some of the discussion. At the end of each class I will designate one or more students as class participation leaders for the next class. I reserve the right to call on students at random. **Outstanding participation may result in an increase in your grade, again at my discretion.**

**SEATING IS ASSIGNED.** You will be asked to fill out a seating chart during the second day of class.

**My approach to class: or why I can challenge you, tell you that you are wrong, and still like you and respect you.**

This is not a lecture course. I hope to begin to teach you not only the substantive rules of basic corporate law, but also how to approach any corporate law problem as a corporate practitioner would. For purposes of this course, I will consider you all to be my young associates working for a senior corporate lawyer. You should begin think like a corporate lawyer, how to argue and defend a position before your peers, and how to approach the legal and business considerations underlying the typical "problems" your business clients will present you with (just like you'll have to do in court or at a meeting). To that end, the bulk of each class session will consist of discussion. Also, please do not get upset if I do not tell you where the answer is, especially if the answer is in a statute that was part of the assigned reading. Acquiring a feel for the corporate code, how it is organized, what the statutes ordinarily provide, and how courts interpret and apply them, are important parts of the learning this semester. And that learning is best acquired by practicing.

***You should anticipate being challenged on every answer you give and every question you ask. You will be expected to learn to work in an environment in which you are dealing with senior members of your firm, clients and opposing counsel on issues that can potentially expose your client or firm to significant liability.***

Understand that one of my goals for this year is to teach you how to defend your answers, and present your analysis, even under aggressive questioning. **Don't take it personally.** As the semester progresses, ask yourself often the following two questions: (1) what substantive rules

CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

am I learning, and (2) how am I being taught to go about understanding the substantive rules and the process of applying them creatively in a business context in which a client will not accept from you any response that begins: "You cannot do that."

**Class Notes and Recording of Class.** Take notes as you like. Please feel free to get together with your classmates for studying and sharing notes. Please remember that the purpose of the course is NOT to provide experience in stenographic techniques. Participation rather than the taking of dictation is encouraged. To that end, **all of my classes are recorded and you are encouraged to review those recordings at your convenience.**

**NO PERSONAL RECORDING OF CLASS.**

**[Policy Regarding Creation of, and Access to, Recordings by the Law School of Class Sessions](#)**

All law school courses occur in classrooms equipped with audiovisual telecommunications equipment that is capable of making an audiovisual recording of each class session as it occurs. In order to provide the potential educational benefits of recorded classes to our students, the law school has decided to automatically record, and to archive for a limited period of time, all class sessions occurring in law school classrooms. The purpose of the recordings is to permit students enrolled in each recorded course to access the recordings outside of the regularly scheduled class period, according to rules established by the professor.

Access to recorded classes will be controlled via a secure course management platform, such as ANGEL, and will be restricted to students enrolled in the recorded course, the professor, and those University IIT personnel necessary to maintain the system. All recordings will be deleted following the conclusion of the semester in which the recorded course occurs (unless all identifying student images are edited out of the recording, in which case the professor and law school jointly may decide to retain the edited recording for other purposes).

By registering for or attending law school courses, a student consents to the law school's making and display of class recordings within the scope of this policy.

The office of the Associate Dean for Academic Affairs has provided you with this statement; please familiarize yourself with all of its terms. In case of doubt about meaning, please contact the Office of the Associate Dean:

CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

A. Student Access to Class Recordings; Open Access:

All Class/Open Access. All class recordings will be posted on the course ANGEL site for access by any student enrolled in this course. Access will end the last day of the final exam period. Your Professor may not consent to or authorize access to or distribution of class recordings beyond the students enrolled in that course.

B. Student Use of Recordings and Materials:

A student may not record any part of a class by any means without prior express authorization of the faculty member. If a student receives faculty authorization to record a class, the student may not copy or download such recording to a computer or other device, distribute it to any other person, or use the recording for any purpose other than personal education and study except with the prior express authorization of the faculty member. Unauthorized recording, distribution, or use of a class recording is a violation of the Honor Code.

A student may not use course materials such as slides or other documents posted on ANGEL for any purpose other than personal education and study and may not disseminate, publish, or alter course materials without prior express authorization of the faculty member. Unauthorized use of course materials is a violation of the Honor Code.

Penn State Law Honor Code, Violation 2.1(1) covers unauthorized recording and unauthorized use of class recordings or course materials. It prohibits "Taking, using . . . or otherwise abusing the property of another, including, without limitation, books, briefs, class notes, outlines, or any other academic items, without authorization."

C. Questions, Special Requests. You should direct any questions, concerns or requests regarding classroom recordings or any classroom technology to the AV Team at [av@law.psu.edu](mailto:av@law.psu.edu).

***Chapter Problems:*** Virtually Every Chapter of the TEXT includes Problems. You will be expected to work through the problems as directed in the syllabus and to prepare a one page summary answer to be handed in at the end of the class period when the problem is assigned. FAILURE TO TURN IN THE PROBLEMS MAY RESULT IN LOWERING YOUR COURSE GRADE BY ONE HALF LETTER (E.G., FROM A TO A-) AT THE MY DISCRETION.

## **GRADING**

The course grade will be based on a **take home exam**.



CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

**THE EXAM IS OPEN BOOK. You must work alone.** You will have 24 hours to complete the exam from the time you pick it up. Students will be given the option of choosing the time you take the exam. The exam may be picked up on any day from the first day of final exams to 3:00 P.M. on the last day of the final exams period (Thursday, April 27, 2017 through Thursday, May 11, 2017).

Exams will be distributed through ANGEL and will be submitted through ANGEL. More detailed instructions will be made available later in the semester. EXAMS MUST BE SUBMITTED NO LATER THAN 24 HOURS AFTER PICK UP. The Clock in ANGEL WILL BE TREATED AS PRESUMPTIVELY ACCURATE. **I will not police you – you are on your honor to comply with final exam rules.**

The [HONOR CODE MAY BE ACCESSED HERE](#).

**ANY EXAM DELIVERED AFTER 3 P.M. ON THURSDAY, May 11, 2017 OR MORE THAN 24 HOURS AFTER PICK UP WILL RECEIVE A GRADE OF “F”.**

The awarding of grades is based on the curve system adopted by the faculty of the Law School and is subject to the limitations of those curve rules. I will adhere to this system. Students interested in discussing the curve system itself, its wisdom, or making proposals with respect to the system, are advised to consult their academic dean.

---

### ACADEMIC HONESTY AND INTEGRITY

Both Penn State Law (PSL) and the School of International Affairs (SIA) safeguard and promote the ideals of honor and integrity by prohibiting lying, cheating, stealing, and other dishonorable conduct. Accordingly, all students should act with personal integrity, respect other students' dignity, rights and property, and help create and maintain an environment in which all can succeed through the fruits of their efforts.

Dishonesty of any kind will not be tolerated in this course. Dishonesty includes, but is not limited to, cheating, plagiarizing, fabricating information or citations, facilitating acts of academic dishonesty by others, having unauthorized possession of examinations, submitting work of another person or work previously used without informing the instructor, or tampering with the academic work of other students. Students who are

CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

found to be dishonest will receive academic sanctions and will be reported to the relevant authorities for possible further disciplinary sanction. For an explanation of what types of conduct constitute plagiarism, see the definition of plagiarism in the Law School Honor Code section 1.2 (R) at <http://www.law.psu.edu/Honor/Contents.cfm>.

See also <http://istudy.psu.edu/FirstYearModule/CopyrightPlagiarism/StudentGuide.html> and <http://its.psu.edu/turnitin/TurnitinHandout.rtf>.

All acts of academic dishonesty will be dealt with and punished in accordance with applicable Penn State University, Penn State Law, SIA and Graduate School policies, as applicable.

## **CONFERENCES**

I try to maintain an open door policy. I encourage you to see if me should you have any questions or concerns. While face time is important, students should not consider it necessarily the best or exclusive means for communicating with me. There is little excuse for the complaint – ‘he is not available’ – when communication is possible by telephonic and electronic means.

TECHNOLOGY HAS MADE IT EASY TO COMMUNICATE.  
PLEASE TAKE ADVANTAGE OF IT.

*You are encouraged to contact me by e-mail. I will respond promptly.*

**<lcb911@me.com>**

## **ANGEL**

This year I will be relying on PSU’s ANGEL system for communication with you. I will post questions to the ANGEL class site and send e-mails via that site. Please check in regularly for information about the course. It will be your responsibility to keep apprised of the information posted there.

Larry Catá Backer

Course Information &amp; Syllabus

Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

## **UNIVERSITY DISABILITIES POLICY STATEMENT**

To comply with University policy regarding persons with disabilities, this statement is included in this course syllabus:

Penn State welcomes students with disabilities into the University's educational programs. Every Penn State campus has an office for students with disabilities. The Student Disability Resources Web site provides **contact information for every Penn State campus**: <http://equity.psu.edu/sdr/disability-coordinator>. For further information, please visit the **Student Disability Resources Web site**: <http://equity.psu.edu/sdr>.

In order to receive consideration for reasonable accommodations, you must contact the appropriate disability services office at the campus where you are officially enrolled, **participate in an intake interview, and provide documentation**: <http://equity.psu.edu/sdr/applying-for-services>. If the documentation supports your request for reasonable accommodations, your **campus's disability services office** will provide you with an accommodation letter. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. You must follow this process for every semester that you request accommodations.

### ***Counseling & Psychological Services (CAPS)***

<http://studentaffairs.psu.edu/counseling/>

CAPS staff work with thousands of Penn State students per year in group therapy, individual counseling, crisis intervention, and psychiatric services as well as providing prevention, outreach, and consultation services for the University community. Services at CAPS are designed to enhance students' ability to fully benefit from the University environment and academic experience.

As specialists in working with undergraduate and graduate students, staff at CAPS can help you address your concerns in a caring and supportive environment. CAPS can help students resolve personal concerns that may interfere with their academic progress, social development, and satisfaction at Penn State. Some of the more common concerns include anxiety, depression, difficulties in relationships (friends, roommates, or family); sexual

Larry Catá Backer

Course Information & Syllabus

Spring Semester 2017

Copyright © Larry Catá Backer 2017

(January 2017)

---

identity; lack of motivation or difficulty relaxing, concentrating or studying; eating disorders; sexual assault and sexual abuse recovery; and uncertainties about personal values and beliefs.

CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

SYLLABUS:<sup>1</sup>

Class	Topic	Pages
1	What is the Corporation; What is Corporate Law?: Backer, Larry Catá, <i>The Drama of Corporate Law: Narrator between Citizen, State and Corporation</i> (Winter 2009). MICHIGAN STATE LAW REVIEW, Vol. 2009, No. 4. p. 1111, Winter 2009. Please download the article by going to the SSRN website: <a href="http://ssrn.com/abstract=1535115">http://ssrn.com/abstract=1535115</a> and pressing the button ONE CLICK DOWNLOAD OR READ ONLINE.	Read pp. 1126-46 of the SSRN Version
2	Economics of the Firm <b>--Prepare Problem of Grapes and Winemaking</b>	TEXT Chapter 1
3	Intro to Corporate Law: <b>--Prepare Problem: Chesapeake Marine Services</b>	TEXT Chapter 2
4	Corporations and Constitution <b>--Prepare Problem: Regulating Corporate Lobbying</b>	TEXT Chapter 3
5	Corporations in a Federal System	TEXT Chapter 4
6	Corporation and Society <b>--Prepare Exogen Inc Part I problem</b> --Framework Issues --Corporate Social Responsibility Larry Catá Backer, <i>Multinational Corporations</i> ,	TEXT Chapter 5; 99-114; 117-128

---

<sup>1</sup> ALL PROBLEMS ARE TO BE WRITTEN, STUDENTS WILL TURN IN A 1 PAGE RESPONSE AT THE CLOSE OF CLASS.

CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

- Transnational Law.*  
COLUMBIA HUMAN RIGHTS LAW REVIEW,  
Vol. 37:287-389 (2006)  
[https://papers.ssrn.com/abstract\\_id=695641](https://papers.ssrn.com/abstract_id=695641)  
Read pp. 101-120 in  
the SSRN version
- 7 Corporation and Society TEXT Chapter 5;  
--**Prepare Union Airlines Problem** 128-144  
--Multinational Corporations as Objects and  
Sources of Transnational Regulation.  
14 ILSA Journal of International & Comparative Law 2008.  
Available at SSRN:  
<http://ssrn.com/abstract=1092167>
- 8 The Special Problems of the Multinational Corporation TEXT 112-117  
--READ Larry Catá Backer, Backer, Larry Catá,  
*Are Supply Chains Transnational Legal Orders?:  
What We Can Learn from the Rana Plaza Factory  
Building Collapse*, UC IRVINE JOURNAL OF  
INTERNATIONAL, TRANSNATIONAL, AND  
COMPARATIVE LAW Vol. 1 (2016,  
forthcoming). Available at  
SSRN: <http://ssrn.com/abstract=2685961>
- 9 Choice of Organizational Form TEXT Chapter 6  
--**Prepare Precision Tools Problem Part I**
- 10 Forming the Corporation TEXT Chapter 7  
-- **Prepare Problem Precision Tools Part 2**
- 11 Introduction to Financial Accounting TEXT Chapter 8  
--**Prepare Problems Precision Tools Part 3-4** SKIM 217-232  
Calculate the following for financial  
statement analysis: (1) working capital;  
(2) current ratio; (3) liquidity ratio;  
(4) quick ratio; (5) debt-equity ratio;  
(6) interest coverage ratio; (7) profit margin;  
(8) return on equity

CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

- |    |   |                                    |
|----|---|------------------------------------|
| 12 | Financial Structure of the Corporation:<br>Corporate Securities,<br><b>--Prepare precision Tools Problem Part 5</b>   | TEXT Chapter 9<br>233-251          |
| 13 | Legal Capital; Dividends<br><b>--Prepare precision Tools Problem Part 6</b>   | TEXT Chapter 9<br>253-276          |
| 14 | Regulation of Securities Issuance<br>Handout: <i>Table of Securities Law Requirements</i><br>(optional)<br><b>--Prepare Precision Tools Problem Part 7</b>                            | TEXT Chapter 10                    |
| 15 | Piercing the Corporate Veil<br><b>--Prepare Precision Tools Problem Part 8</b>  | TEXT Chapter 11                    |
| 16 | Actions Binding the Corporation<br>Distinguishing between Officer and Board Action<br><b>--Prepare Problems: (1) Agency Relations, (2) Widget Corporation; and (3) Tech Pub, Inc.</b> | TEXT Chapter 12                    |
| 17 | Planning in the Close Corporation<br><b>-- Precision Tools Revisited<br/>Parts 1, 2 and 3</b>   | TEXT chapter 13                    |
| 18 | Oppression in the Close Corp.<br><b>--Precision Tools Revisited Problem Part 4</b>  | TEXT chapter 14                    |
| 19 | Shareholder Voting Rights<br><b>--Prepare Universal Netware, Inc. problem</b>   | TEXT chapter 15                    |
| 19 | Disclosure Duties to Shareholders<br><b>--Prepare National Metals Products Problem</b>  | TEXT chapter 16                    |
| 20 | Initiation of Action/Inspection; Proxy Regs<br>Mechanics of Corporate Combinations<br><b>--Prepare LaFrance Problem Part 1</b>  | TEXT chapter 17<br>TEXT chapter 18 |

CORPORATIONS  
Larry Catá Backer  
Course Information & Syllabus  
Spring Semester 2017

Copyright © Larry Catá Backer 2017  
(January 2017)

---

- |    |   |  |
|----|---|--|
| 22 | The Role of Shareholders in Governance<br><br>Shareholder Litigation<br><b>--Prepare Problem Prime Parts, Inc. Part I</b>   | TEXT Chapter 21<br>pp. 656-660<br>TEXT Chapter 22<br>pp. 705-772 |
| 23 | The Duty of Care: Overview<br><br>-- Backer, Larry Catá, The Duty to Monitor:<br>Emerging Obligations of Outside Lawyers and Auditors<br>to Detect and Report Corporate Wrongdoing Beyond the<br>Securities Laws. 77(4) St. John's Law Review, 919 (2003)<br>Available at SSRN: <a href="http://ssrn.com/abstract=436461">http://ssrn.com/abstract=436461</a> | TEXT Chapter 23<br>781-828<br><br>READ: 932-950                  |
| 24 | The Duty of Care: Duty to be Informed   | TEXT Chapter 23<br>828-873                                       |
| 25 | Duty of Loyalty: Self Dealing<br><b>--Prepare Starcrest Corp Problem Part 1</b>   | TEXT Chapter 24<br>873-929                                       |
| 26 | Duty of Loyalty: Controlling Shareholders<br><b>--Prepare Starcrest Corp. Problem Part 3</b>  | TEXT Chapter 26<br>993-1066                                      |
| 27 | Duty of Loyalty: Corporate Opportunity Doctrine<br><b>--Prepare Starcrest Corp. Problem Part 2</b>  | TEXT Chapter 24<br>930-958                                       |
| 28 | Executive Compensation  | TEXT Chapter 25  |
-