

Corporations

Law 528

Fall 2020

Online

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Course Overview and Learning Objectives

This course is an in-depth study of the legal framework of corporations, including the legal roles and responsibilities of its constituent parts – namely corporate directors, corporate officers, and shareholders.

Learning objectives for this course are to increase your knowledge and sophistication regarding the following topics: (i) how the corporate form is separate and distinct from other legal forms of business organization; (ii) the role and purpose of corporations; (iii) corporate formation and the law relevant to corporate internal affairs including the prominent role of Delaware law; (iv) the legal roles and responsibilities of corporate directors, corporate officers and shareholders; (v) the unique legal issues relevant to publicly-traded corporations, the role of the Securities and Exchange Commission, and certain securities law issues; (vi) legal issues relevant to corporate mergers, acquisitions and takeovers; and (vii) the formation, operation and management of a hybrid organizational form – the limited liability company.

This course is designed not only to increase your knowledge and application of the legal framework of corporations and the many ways lawyers advise, counsel, confront, and interact with corporate actors, but also certain public policy and ethical considerations relevant to the corporate form.

Class Materials

The assigned textbook for this class is **Business Associations: Cases and Materials on Agency, Partnerships, and Corporations** (Klein, Ramseyer, Bainbridge) (Eighth Ed. 2012).

In addition, to best achieve the learning objectives of this course, you will study various original source corporate documents relating to John Deere Co. (an Illinois-based multinational business) that will be posted on TWEN.

Assigned material will also include other supplemental readings posted on TWEN. The goal of the supplemental reading is to provide alternative format readings in furtherance of the learning objectives of this course and to emphasize the current and real-world nature of topics covered in this course. All supplemental reading will be treated the same as text reading for exam and assessment purposes.

To best achieve the learning objective of this course, students are also strongly encouraged to subscribe (using discounted student rates) to the *Wall Street Journal*.

Course Logistics

This course is an asynchronous online course (meaning there is no assigned day and time for class). Rather, each week during the semester students will receive an e-mail by 5 p.m. on Sunday (beginning Sunday, August 16th) with reading assignments, assigned lectures, and discussion questions that will be due the following Sunday by 9 p.m. As indicated below, timely completion of the weekly discussion questions (as well as quality of answers) are meaningful portions of the final grade.

Given the nature of this class, it is important that you **take ownership of your learning** and contact me to the extent you have any questions or concerns about the course material. I am widely available to discuss course material through various means.

Grading and Learning Assessment Opportunities

Your final grade will be based on the following:

- 10% - Timely Completion and Quality of Answers to Weekly Discussion Questions
- 45% - Mid-Term Exam (Online Between October 1- 2)
- 45% - Final Exam (Online During Final Exam Week)

Disability Policy

SIU Carbondale is committed to providing an inclusive and accessible experience for all students with disabilities. Disability Support Services coordinates the implementation of accommodations. If you think you may be eligible for accommodations but have not yet obtained approval please contact DSS immediately at 618-453-5738 or disabilityservices.siu.edu. You may request accommodations at any time, but timely requests help to insure accommodations are in place when needed. Accommodations and services are determined through an interactive process with students and may involve consideration of specific course design and learning objectives in consultation with faculty. Upon completion of a Disability Accommodation Agreement with DSS, students should bring the agreements for each course to the School of Law Registrar's Office to ensure the School of Law provides the proper classroom and examination accommodations. Accommodation request and renewal forms can be found here: <https://law.siu.edu/academics/>.

Saluki Cares

The purpose of Saluki Cares is to develop, facilitate and coordinate a university-wide program of care and support for students in any type of distress—physical, emotional, financial, or personal. By working closely with faculty, staff, students and their families, SIU will continue to display a culture of care and demonstrate to our students and their families that they are an important part of the community. For Information on Saluki Cares: (618) 453-2461, or siucares@siu.edu, <http://salukicare.siu.edu/index.html>. At the School of Law, Assistant Dean Judi Ray is also available to help students access university resources. Her email is judiray@siu.edu, and her phone number is 618- 453-3135.

Course Overview

(Subject to Modification Based on the Flow of the Semester)

(Denotes Reading Posted on TWEN)*

<u>Topic</u>	<u>Assigned Reading</u>
Course Overview	Corporations as Public Interest Law Readings*
Brief Overview of Business Organizations	Business Structures*
Corporate Basics and Building Blocks	Video Clips From "The Corporation" Corporate Personhood Reading*
Corporate Formation Internal Affairs Doctrine	Why Do Corporations Choose Delaware* Deere Articles of Incorporation* Deere Bylaws*
The Nature of the Corporation <ul style="list-style-type: none"> • Role and Purpose • Limited Liability 	Chapter 3 (pgs. 251-267) Chapter 3 (pgs. 176-198)
Director and Officer Issues <ul style="list-style-type: none"> • Duty of Care, Duty of Loyalty and Obligation of Good Faith • Indemnification and Insurance Issues 	Deere Articles of Incorporation*, Deere Bylaws*, Deere Director and Executive Information* Chapter 5 (pgs. 308 – 365; 373-398), Corporate Directors Survey* Chapter 5 (pgs. 503-512), Indemnification and D&O Insurance - The Basics*
Shareholder Issues	Deere Articles of Incorporation*, Deere Bylaws*, Deere Shareholder Information*

<ul style="list-style-type: none"> • Shareholder Voting and Control • Shareholder Proposals • Shareholder Inspection Rights • Shareholder Derivative Actions 	<p>Chapter 6 (pgs. 516-538), Deere Proxy Statement*</p> <p>Chapter 6 (pgs. 542-546); Shareholder Proposal Reading*</p> <p>Chapter 6 (pgs. 562-569)</p> <p>Chapter 3 (pgs. 201-225; 230-50)</p>
<p>Public Company Issues</p> <ul style="list-style-type: none"> • The Role of the SEC • Selected Securities Law Issues 	<p>SEC Overview*</p> <p>TBD</p>
<p>Mergers, Acquisitions and Takeovers</p> <ul style="list-style-type: none"> • Forms and Function • Officer, Director, and Shareholder Issues • Transactional and Litigation Issues 	<p>Chapter 7 (pgs. 739-804), Merger Reading*</p>
<p>Limited Liability Companies</p> <ul style="list-style-type: none"> • Formation • Operation and Management 	<p>Chapter 4 (pgs. 269-297), A Guide To Illinois LLC's* LLC Operating Agreement*</p>