

Business Organizations (LAW 554)

Fall 2024

Class Meetings: Tuesdays and Thursdays 9:00 a.m.-10:15 a.m.

Professor: Kurt A. Webber

Office: Room 252

Office Hours: Tuesdays and Thursdays 10:15 a.m.-11:00 a.m. or by appointment, preferably Wednesdays.

Email: TBD

Course Topics:

This course analyzes legal issues surrounding agency law, partnership law, and the law of the closely held and public held corporation. Among the topics considered are: planning for the close corporation; management and control issues of corporations; the proxy system; duties of officers, directors and controlling shareholders; transactions in shares by directors and others; mergers and takeovers; and public policy implications of the publicly held corporation. The course provides students with a solid and interwoven understanding of its concepts. It is intended to be useful to both future business and nonbusiness lawyers.

Illinois, Indiana, Kentucky, and Missouri have adopted the Uniform Bar Examination, <https://www.ncbex.org/exams/ube>, which includes business associations. This course covers some of the topics within that purview. Some will be moving to NextGen.

Course Objectives:

At the of this course, students will be able to

- Identify the principal and agent in an agency relationship and explain their respective rights, duties, and liability under contract law;
- Identify a fiduciary and the fiduciary's duties;
- Explain the different types of agencies;
- Distinguish among partnerships, limited liability companies, and corporations and explains the rights and duties of the owners of each type of entity;
- Appreciate the various problems associated with disputes over control (i.e., proxy fights, abuses of control, and closely held corporations);
- Distinguish among a merger, acquisition, and takeover and understand the basic process of each; and
- Appreciate the different non-owner stakeholders of each type of entity and the effect on each of them regarding how the entity is organized and operated.

D2L Brightspace (D2L):

Communication is key to success in any academic endeavor. The primary means of communication outside of class meetings will be D2L. Check it regularly.

iClicker®:

Come prepared to participate via iClicker. iClicker will be used extensively during class to communicate as a group and help ensure material is being grasped in real-time. iClicker should be installed on the podium computer, <https://calps.siu.edu/infofor/docs/smart.podiums.html>, with a receiver for remotes. However, we will use the iClicker app, <https://www.iclicker.com/students/apps-and-remotes/apps>, instead of the remotes to reduce your cost and avoid technical problems associated with reception. An iClicker link to the course iClicker site will be provided on the first day of class.

Attendance:

Attendance will be taken at class meetings. If you miss more than 9 class meetings, you will not be allowed to take the final exam.

Participation:

You are expected to thoroughly read the assigned material and be prepared to discuss the subject matter during the next class meeting. Should you fail to fully participate in a class meeting, it will be considered a missed class meeting for purposes of attendance.

Why is your participation important? It's important because lectures are boring. My goal in each class meeting is to facilitate a lively discussion of the pertinent topics so we all learn from each other's perspectives, questions, and advocacy.

Workload:

You are expected to abide by the ABA standards incorporating out-of-class work into the calculation of credit hours. Using round numbers, you should expect to spend at least 9 hours per 3 credit hour class per week on your studies under those standards.

Recordings:

Do not record class meetings. Listening to a recording of a discussion another time is not an efficient way of studying law. Simmons automatically records class meetings for SIU accommodations.

Written Assignment:

During the semester, you must satisfactorily complete a written assignment to comply with the writing-across-the-curriculum and bar exam-type assessment requirement. You may not collaborate or use artificial intelligence. Failure to pass the assignment will preclude you from taking the final and result in an incomplete course grade. More details on this assignment will be provided as the semester progresses.

Course Textbook:

The required textbook is STEPHEN M. BAINBRIDGE, BUSINESS ASSOCIATIONS: CASES AND MATERIALS ON AGENCY, PARTNERSHIPS, LLCs, AND CORPORATIONS (11th ed. 2021) (Textbook).

Tentative Reading Schedule:

All reading taken from Textbook.

August 20 (Cl. 1)	1-13
August 22 (Cl. 2)	
August 27 (Cl. 3)	13-16 (only Mill Street Church of Christ v. Hogan), 29 (begin at Watteau v. Fenwick)-45 (end before Humble Oil & Refining Co. v. Martin)
August 29 (Cl. 4)	82 (begin with Reading v. Regem)-91
September 3 (Cl. 5)	93- 111 (end before Meinhard v. Salmon)
September 5 (Cl. 6)	111-131
September 10 (Cl. 7)	132-150
September 12 (Cl. 8)	150-167 (end with G & S Investments v. Belman)
September 17 (Cl. 9)	179-203
September 19 (Cl. 10)	206 (begin with A.P. Smith Mfr. Co. v. Barlow)-224
September 24 (Cl. 11)	871-891
September 26 (Cl. 12)	891 (begin with NetJets Aviation, Inc. v. LHC Communications, LLC)-899 (end before McConnell v. Hunt Sports Enterprises), 916 (begin with Reese v. Newman)-931
October 1 (Cl. 13)	225-251 (end before Bayer v. Beran)
October 3	Midterm
October 8 (Cl. 14)	251 (begin with Bayer v. Beran)-273 (end before Sinclair Oil Corp. v. Levien)
October 10 (Cl. 15)	273 (begin with Sinclair Oil Corp. v. Levien)-294
October 15 (Cl. 16)	295-313
October 17 (Cl. 17)	314-335 (end before Auerbach v. Bennett)
October 22 (Cl. 18)	423 (begin with Goodwin v. Agassiz)-439 (end before Dirks v. Securities & Exchange Commission), 447 (begin with Salman v. United States)-459 (end before Reliance Electric Co. v. Emerson Electric Co.)
October 24 (Cl. 19)	468 (begin with 8. Indemnification and Insurance)-482
October 29 (Cl. 20)	483-494 (end before J.I. Case Co. v. Borak)
October 31 (Cl. 21)	510-541 (end before E. Shareholder Inspection Rights)
November 5 (Cl. 22)	541 (begin with E. Shareholder Inspection Rights)-554 (end before 2. Shareholder Voting Control)
November 7 (Cl. 23)	554 (begin with 2. Shareholder Voting Control)-574 (end before McQuade v. Stoneham)
November 12 (Cl. 24)	632 (begin with 5. Control, Duration, and Statutory Dissolution)-653
November 14 (Cl. 25)	675-686 (end before Weinburger v. UOP, Inc.), 709 (begin with Coggins v. New England Patriots Football Club, Inc.)-719 (end before Cheff v. Mathes)
November 19 (Cl. 26)	720 (begin with Cheff v. Mathes) -743 (end before Revlon, Inc. v. MacAndrews & Forbes Holdings, Inc.)
November 21 (Cl. 27)	825-847 (end before Bank of New York Mellon v. Realogy Corporation)
December 3 (Cl. 28)	TBD
December 5 (Cl. 29)	TBD
December 9	Beginning of finals

Method of Evaluation:

You will be evaluated based upon a midterm (25% of grade) and a final examination (75% of grade). Both are closed book, in-person, examinations. You may not collaborate or use artificial intelligence in any exam.

The midterm will be during the regular class meeting on October 3. The final will be during the assigned period of SIU finals, i.e., December 9-13. More details on the midterm and final will be provided as the semester progresses.

Syllabus Attachment

Fall 2024

MISSION STATEMENT FOR SOUTHERN ILLINOIS UNIVERSITY CARBONDALE

SIU embraces a unique tradition of access and opportunity, inclusive excellence, innovation in research and creativity, and outstanding teaching focused on nurturing student success. As a nationally ranked public research university and regional economic catalyst, we create and exchange knowledge to shape future leaders, improve our communities, and transform lives.

IMPORTANT DATES:

Semester Classes Begin:08/19/2024
Last day to add full-term course (without Dean's signature):08/25/2024
Last day to withdraw from the University with a full refund:08/30/2024
Last day to drop a full-term course for a credit/refund:09/01/2024
Last day to drop a full-term course (W grade, no refund):.....10/27/2024
Final examinations:12/09/2024–12/13/2024

Note: Please verify the above dates with the Registrar calendar and find more detailed information on deadlines at <http://registrar.siu.edu/calendars>. For add/drop dates that apply to shorter-than-full-term courses, please look at the Schedule of Classes search results at <http://registrar.siu.edu/schedclass/index.php>

FALL SEMESTER HOLIDAYS:

Labor Day 09/02/2024
Fall Break 10/11/2024
Veterans Day 11/11/2024
Thanksgiving Break 11/23/2024—12/01/2024

DIVERSITY: Southern Illinois University Carbondale's goal is to provide a welcoming campus where all of our students, faculty and staff can study and work in a respectful, positive environment free from racism and intimidation. For more information visit: <http://diversity.siu.edu>. Additional [informational flyer](#).

DISABILITY SUPPORT SERVICES: 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 <https://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.

MILITARY COMMUNITY: There are complexities of being a member of the military community and also a student, and military and veteran related developments can complicate academic life. If you are a member of the military community and in need of accommodations please visit Veterans Services at <http://veterans.siu.edu/>.

STUDENT MULTICULTURAL RESOURCE CENTER: The Student Multicultural Resource Center serves as a catalyst for inclusion, diversity and innovation. As the Center continues its work, we are here to ensure that you think, grow and succeed. We encourage you to stop by the Center, located in the Student Services Building Room 140, to see the resources available and discover ways you can get involved on the campus. Visit us at <https://smrc.siu.edu/>.

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, SIUC 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: Call (618) 453-2461, email siucares@siu.edu, or <http://salukicare.siu.edu/>.

SAFETY AWARENESS FACTS AND EDUCATION: Title IX makes it clear that violence and harassment based on sex and gender is a Civil Rights offense subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, etc. If you or someone you know has been harassed or assaulted, you can find the appropriate resources here: <http://safe.siu.edu>.

SIU COUNSELING AND PSYCHOLOGICAL SERVICES (CAPS): Mental health counseling services are available by calling CAPS at (618) 453-5371. CAPS offers confidential same-day services and ongoing counseling. For after hours crisis care, students are encouraged to call 988, 911, or present to their nearest emergency room.

WITHDRAWAL POLICY (Undergraduate Only): Students who officially register for a session must officially withdraw from that registration in a timely manner to avoid being charged as well as receiving a failing grade for those classes. An official withdrawal must be initiated by the student, or on behalf of the student through the academic unit, and be processed by the Registrar's office. For the proper procedures to follow when dropping courses and when withdrawing from SIUC visit: <https://registrar.siu.edu/students/withdraw.php>.

SIUC'S EARLY WARNING INTERVENTION PROGRAM (EWIP): Students enrolled in courses participating in SIUC's Early Warning Intervention Program might be contacted by University staff during a semester. More information can be found at the University Core Curriculum's Overview webpage: <https://corecurriculum.siu.edu/for-faculty/>.

EMERGENCY PROCEDURES: We ask that you become familiar with Emergency Preparedness at SIU. Emergency response information is available on posters in buildings on campus, on the Emergency Preparedness at SIU website, and through text and email alerts. To register for alerts visit: <http://emergency.siu.edu/>.

CATALOGS:

catalog.siu.edu
gradcatalog.siu.edu - Graduate policies often vary from Undergraduate policies. To view the applicable policies for graduate students, please refer to the graduate catalog.

CENTER FOR LEARNING AND SUPPORT SERVICES:

Tutoring: <https://cls.siu.edu/>
Math Labs: <http://math.siu.edu/courses/course-help.php>

WRITING CENTER: <http://write.siu.edu/>

PLAGIARISM: See the Student Conduct Code: <http://srr.siu.edu/student-conduct-code/>

INCOMPLETE POLICY (Undergraduate Only): <http://registrar.siu.edu/grades/incomplete.php>

REPEAT POLICY: <http://registrar.siu.edu/students/repeatclasses.php>

MORRIS LIBRARY HOURS: <https://libcal.lib.siu.edu/hours/>

ADVISEMENT: <http://advisement.siu.edu/>

SIU ONLINE: <https://online.siu.edu/>

SYLLABUS ATTACHMENT
SIU SIMMONS LAW SCHOOL – Fall 2024

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SALUKI CARES and COUNSELING & PSYCHOLOGICAL SERVICES (CAPS). 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, <https://salukicare.siu.edu/>. Associate Dean Sheila Simon ssimon@siu.edu or (618) 536-8321) is available at the Simmons Law School to help students access university resources. Additionally, counseling services are available through CAPS ([Counseling and Psychological Services \(CAPS\) | Student Health Services | SIU](#)). A counselor is at the law school every Wednesday from noon until 4:30pm in Room 268 for drop-in appointments.

SAFETY AWARENESS FACTS AND EDUCATION Title IX makes it clear that violence and harassment based on sex and gender is a Civil Rights offense subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, etc. If you or someone you know has been harassed or assaulted, you can find the appropriate resources here: <http://safe.siu.edu>