

COURSE SYLLABUS
Business Entity Fundamentals
Fall 2020
Professor Lipshaw
4 Credits

NOTE: As of April 10, 2020, I am still resolving whether the version of the Revised Uniform Partnership Act (1997) in the casebook is the one we will be using.

Instructor Information:

jlipshaw@suffolk.edu

Office: 250F

Office Phone: 617.305.1657

Cell Phone: 317.694.4976

Office Hours: Wednesdays, 4:05-5:45 pm (best to make an appointment through SignupGenius.com, available through Blackboard)

For more information about me, see <http://www.professorlipshaw.com>

Course Information:

Meetings: M W 6:00-7:50 pm

Location: Room 385

Credit Hours: 4*

Overview

Important Notice: When you get to the Exam Format section below, you'll see that this course involves a series of online multiple choice quizzes as 1/2 of your total grade.

The subject of the first quiz is this Syllabus! Take advantage of an early opportunity to get some easy points.

Course Objectives and Learning Outcomes

This section of the course is a rigorous introduction to business entity law, geared particularly toward students who intend to pursue the Business Law and Financial Services Concentration and/or a career in transactional law. While it will serve as a basis for the business law aspects of the bar exam, please be advised that I do not teach all aspects of the doctrine covered on the bar exam, and do teach aspects of business law contexts and practice that are not the subject of bar

* I am required by the school administration to advise you that a "credit hour" is an amount of work that reasonably approximates not less than one hour of classroom or direct faculty instruction and two hours of out-of-class student work per week for fifteen weeks, or the equivalent amount of work over a different amount of time.

exam questions. You are well-advised to supplement your bar preparation with one of the bar review courses. As an aid in that effort, the following is an annotation I prepared in the fall 2019 of the Multistate Essay Examination with my class coverage:

Business Associations

Agency and Partnership	
I. Agency relationships	A. Creation B. Types C. Termination
II. Power of agent to bind principal	A. Authority B. Apparent authority C. Inherent agency power
III. Vicarious liability of principal for acts of agent	
IV. Fiduciary duties between principal and agent	A. Duty of care B. Duty of loyalty C. Duty of obedience
V. Creation of partnerships	A. General partnerships B. Limited partnerships C. Limited liability partnerships
VI. Power and liability of partners	
VII. Rights of partners among themselves	A. Profits and losses B. Management and control C. Duty of care D. Duty of loyalty
VIII. Dissolution	A. Distinguished from winding up and termination B. Rightful versus wrongful C. General partnerships, limited partnerships, or limited liability partnerships
IX. Special rules concerning limited partnerships	A. Disclosure requirements B. The control limitation C. Economic rights of limited partners

Comparison of Professor Lipshaw’s Business Entity Fundamentals Coverage to the UBE – Multistate Essay Examination Topics for Business Associations

As my syllabus makes clear, this is a course designed primarily to teach students the fundamental doctrine one needs to know to be a business lawyer. It is not intended to substitute for bar review. We cannot cover everything in a 4-credit survey course and some topics on which the bar examiners choose to focus are, in my view, too ministerial or boring to cover in class.

I have, however, looked at the MEE topics and compared them to the topics in my syllabus for purposes of giving you an idea of what you likely need to pick up in the bar review process that we either didn’t cover at all, or which we may have touched on but not to the extent you would need to know in order to be fully prepared.

The green highlighted MEE topics are those I believe we cover in substantial breadth and depth. The red highlighted topics are those we did not cover at all.

The yellow topics are those we touched on and probably need to be supplemented.

Disclaimer: These are topics listed on the ncbe.org website as of Nov. 25, 2019. I have not looked at actual questions or other bar prep materials as to ANY of the topics, however highlighted. This is meant for guidance only.

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Corporations and Limited Liability Companies

I. Formation of organizations	A. Articles of incorporation B. Bylaws C. Articles of organization; certificates of formation D. Operating agreements
II. Pre-organization transactions	A. Promoters: contracts and fiduciary duties B. Subscriptions for shares
III. Piercing the veil	
IV. Financing the organization	A. Sources of finance B. Securities issuance and characteristics C. Dividends and distributions D. Redemptions and repurchases
V. Management and control	A. Shareholders 1. Meetings: annual, notice, and quorum 2. Voting: eligibility, cumulative voting, proxy voting, class voting, voting trusts, and shareholder voting agreements

Business Associations (continued)

B. Directors	1. Meetings: quorum and notice 2. Action by written consent 3. Action by committee 4. Director's objections to actions
C. Officers	1. Authority 2. Officer's liability on corporate obligations
D. Members and managers	1. Authority 2. Liability 3. Powers
VI. Fiduciary duties	A. Directors, officers, and shareholders B. Managers and members
VII. Close corporations and special control devices	A. Share transfer restrictions B. Special agreements allocating authority C. Resolutions of disputes and deadlocks D. Option or buy/sell agreements
VIII. Organizational structure including relationships between parents and subsidiaries	A. Amendments 1. Articles of incorporation and bylaws 2. Articles of organization, certificates of formation, and operating agreements
	B. Mergers and consolidations
	C. Sales of substantially all assets
	D. Recapitalizations
	E. Exchanges of securities
	F. Dissolution of organization
IX. Shareholder and member litigation: direct, derivative, and class litigation	

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Moreover, there are at least two approaches to teaching this material. One is to proceed serially through the doctrine and the business forms – agency to partnership to corporations and so on. The other approach is “topical,” and it is the method I use. We undertake an overview in the first two units, with the idea of putting the law in a business planning context and learning a common terminology. We then proceed topically through a comparative assessment of management, finance, limited liability, fiduciary duty, and end game issues.

Be forewarned. The course serves as an introduction to “numeracy” and financial concepts (including basic accounting) and includes some math. If you don’t want to have to do some simple arithmetic and some algebra and have it count as a small part of your overall grade, don’t take this section. Rest assured, however, that there is no trigonometry or differential calculus.

When you have completed the course, you should have a working knowledge of the basic business entity forms, partnership, corporation, and LLC, the reasons one would organize a business in one of those forms or another, and the differences among the forms in terms of financial, management, ownership, and liability objectives of the participants. You should also have a basic understanding of business financial accounting.

Required Materials:

I use Blackboard as my primary means of communicating with you outside of class. You are responsible for checking it regularly. I supply a LOT of information, including all of the Power Point diagrams and schematics you will see in class.

There are no casebooks presently existing that organize the material for all of the basic business forms in the topical approach described above. As to unincorporated business entities (sole

proprietorship, partnership, and LLCs), my co-authors and I designed a casebook to permit teaching in just that manner, and it is one of the required materials. It has been in the market long enough that you should be able to acquire a used version.

We will supplement the casebook material on agency, partnerships, and LLCs in two ways. The first is a highly readable text on corporate law, written by one of the leading scholar/teachers in the field, Stephen Bainbridge. The second will be by way of cases that I post under Course Materials on Blackboard.

You will not need to purchase a separate statutory supplement. My casebook includes all of the relevant partnership and LLC statutes. The two seminal corporate statutes not included in the casebook are the ABA's Model Business Corporation Act and the Delaware General Corporation Law. Both are available under Course Materials on Blackboard.

Ribstein, Lipshaw, Fershee, & Miller, Unincorporated Business Entities, 5th ed. (LexisNexis) ("UBE")

Bainbridge, Corporate Law, 3d ed. (Foundation Press) ("Bainbridge")

Model Business Corporation Act (on Blackboard)

Delaware General Corporation Law (on Blackboard)

Cases on Blackboard (indicated in italics) (Note: I personally edited these cases. When I edit cases, I don't show the deletions, and I take a fair amount of liberty in making them more readable.)

Attendance and Class Participation

It is important that you attend class. I am well known for tailoring my exams to what we covered in class. My casual observation is that there is a correlation between class attendance and engagement and grades. The best teaching you are going to get on that will be in class.

I used to have an on-call list so that a "panel" of people would be prepared. I've stopped doing that. I've come to the conclusion that nobody cares more about bringing the horse to water (so to speak) than I do, but nobody cares less about whether you in fact drink it. In other words, it's your life. You will get out of this what you put into it.

The Law School's student attendance policy is set forth in Section II.B of the Rules and Regulations, which can be found at the following URL: <http://www.suffolk.edu/law/student-life/rulesandregs.php#rule2B>. I am required by the University Faculty Handbook to establish a system monitoring student attendance in order to comply with federal student loan regulations. The precise nature of the system is up to me. While I believe that attending class is highly correlated to getting the best possible grade you can get (i.e. it ought to be clear that all of my evaluations of you in quizzes and exams flow from what I talk about in class), I do not take your attendance into account when calculating grades. I believe that attendance in a graduate

level professional school, like where you sit or how you take notes, is a matter of your own personal choice, responsibility, and accountability. I don't believe that my taking attendance is a productive use of class time. I do believe that the process of passing around a sign-in sheet before, during, or after class is distracting.

Attendance in this class will be monitored by way of an online attendance sign-in sheet maintained on a shared Google Docs spreadsheet accessible through a link on Blackboard. Here are the rules:

1. This system is governed by the provisions of the Suffolk Law School Academic Rules and Regulations, Sections II B and XI A, <https://www.suffolk.edu/law/academics-clinics/student-life/policies-rules/academic-rules-regulations>.
2. It is your obligation to go to the spreadsheet and record that you attended class on the dates indicated.
3. You may not enter an "x" for attendance if you did not attend class. Listening to the recording or downloading and reading my notes doesn't count.
4. You may only enter an "x" for yourself. You may not do it for anybody else.
5. You may not mark, erase, or otherwise affect anybody else's entries.
6. To the extent that there are any administrative or other issues in this course that relate to your attendance (i.e., getting credit for the course; compliance with regulations in connection with any student loans, etc.), this will be the record.

Recording

I ask the IT department to record and make ALL classes available via an MP3 posted under "Course Media" on Blackboard. I think there's still a significant value in coming to class, but I want to remove some of the note-taking (particularly the "transcription" kind) pressure.

If you take notes, concentrate on engaging with what's important - you can always go back and pick up details later.

When I first did this, a former student posed the natural question – "will it mean people don't come to class?" That, of course, like all decisions in your life is yours to make. I asked if she would come to class, to which her response was "I wouldn't want to miss the show." My observation has been that the recording did not significantly affect in-class attendance, but did help make students' lives easier.

NOTICE: YOU MAY ONLY LISTEN TO THE RECORDINGS VIA THE LINK PROVIDED ON CAMPUS CRUISER, AND MAY NOT DOWNLOAD OR RECORD THEM. THE RECORDINGS ARE MY PROPERTY, AND YOU ARE PERMITTED TO USE THEM FOR

THIS CLASS ONLY. ANY REBROADCAST, REPUBLICATION, OR RETRANSMISSION WITHOUT THE EXPRESS WRITTEN CONSENT OF ME IS STRICTLY PROHIBITED.

Out of Class

I am almost always available by phone or e-mail or in my office. When I'm here my door is almost always open, and I invite you to come see me. Don't be shy if you need to talk about this class or anything else. I post a lot of material, and will sometimes sound a little exasperated if you ask me a question about something that has been posted already (like "what will the exam format be?")

Speaking of which:

Quizzes, Exam, and Grading

1. One-half of your grade will be based on the final exam. The final exam is going to be entirely multiple choice. It will involve ten situations with a number of questions following each fact situation for a total of forty (40). The final exam will be **OPEN BOOK**. Some questions will involve simple algebra or arithmetic of the kind covered in class. You may bring a low-tech calculator (i.e. one that is not combined with a device that allows you voice or data access to the outside world).
2. One-half of your grade will be based on a series of multiple-choice quizzes to be administered online through Blackboard over the course of the semester. There will be nine quizzes, including one at the end of each unit. **The first quiz will cover this syllabus!!!!** The quizzes are "Open Book" under Suffolk's definition. That means there are no restrictions on what you may look at when you do the quizzes. I drop your lowest quiz score. **The only restriction on the quizzes is that you are bound under the Honor Code to do them yourself.**

The number of questions on each quiz are as follows:

Syllabus Quiz – 10
Unit 1 – 10
Unit 2 – 20
Unit 3 – 20
Unit 4 – 20
Unit 5 – 12
Unit 6 – 20
Unit 7 – 15
Unit 8 – 10

3. Here is how your raw score in the class gets calculated. The only thing that matters is your absolute number of points on the quizzes (as adjusted) and the final.

There are 137 points in total on the quizzes in total (see above). If you managed to be perfect on all of them, one 10 point quiz score would be

dropped. Accordingly, the maximum raw quiz score possible in the class is 127.

The final will have 40 questions, each worth 3 points, for a total of 120 points.

In order to make the quizzes and the final count equally, I adjust everybody's total quiz score by 120/127. Thus, if you got the perfect 127 quiz points, you'd have 120 after adjustment. If you got all 40 questions on the final, you'd have 120 points, and 240 in total. That is the highest possible score.

The chart below shows three hypothetical students' scores after dropping the lowest quiz grade for each. Because the ONLY thing that matters is your absolute total number of points compared to others in the class, it doesn't matter which quiz contained your lowest score. What you want is the smallest number eliminated. How that compares to the possible number of points on an individual quiz makes no difference at all.

	Syllabus Quiz	Quiz 1	Quiz 2	Quiz 3	Quiz 4	Quiz 5	Quiz 6	Quiz 7	Quiz 8	Raw Quiz	Adjusted Quiz	Final Exam (40)	Final Exam (120)	Total
Available Points	10	10	20	20	20	12	20	15	10			40	120	
Maximum Score	10	10	20	20	20	12	20	15		127	120	40	120	240
Sample Student A (dropped "8" on Quiz 8)	10	9	18	20	19	12	18	14		120	113	35	105	218
Sample Student B (dropped "7" on Quiz 1)	10	17	19	12	9	17	13	10	10	107	101	30	90	191
Sample Student C (dropped "8" on Quiz 6)	10	10	15	16	15	10		12	8	96	91	32	96	187

4. Once I have a complete spreadsheet of everybody's points, the highest number will set the curve as an A, the median number will be a B+ as required by school policy, and I will fairly distribute the grades in relation to those scores.

5. Even though the final exam will be multiple choice, I will post exam essay questions I used in my previous LLC/Partnership and Corporations courses.

Speaking of which:

Accommodations

If you anticipate issues related to the format or requirements of this course due to the impact of a disability, it is important that you contact the Law School's Dean of Student Office for further information and assistance, including information on disability-related accommodations. That office can then plan how best to coordinate any accommodations. Please do not contact me directly about exam accommodations as it may impact the anonymity of the grading system.

Mental health, stress and substance abuse

As a student, you may experience a range of issues that can cause barriers to learning, such as strained relationships, increased anxiety, health issues, alcohol/drug problems, feeling down, difficulty concentrating, lack of motivation, or feeling ill. These concerns or other stressful events may lead to diminished academic performance or may reduce your ability to participate in daily activities. Suffolk University services are available to assist you in addressing these and

other concerns you may be experiencing. You can learn more about the broad range of medical services and confidential mental health services available on campus at the following websites:

Counseling Center -- <http://www.suffolk.edu/offices/989.html>,

Office of Health and Wellness Services --<http://www.suffolk.edu/offices/932.html>

Law Students may also wish to access the services of Lawyers Concerned for Lawyers –

www.lclma.org

In addition, the Law School Dean of Students Office is available to discuss resources and possible approaches to address the academic/enrollment impact of the above issues. (The Law Dean of Students Office is on the 4th floor, within the Dean's Suite –

LawDeanOfStudents@suffolk.edu).

Class Assignments:

I organize the reading assignments by unit. The units do *not* correspond to class sessions.

I. BASIC FORMS

Unit 1: Business Imperatives of Entity Selection

Reading: UBE, §§1.01 – 1.06

- I. Motivating concerns
 - A. Liability to third parties
 - B. Management of an enterprise
 - C. Finance and taxes
 - D. Ownership and transfer of interests
- II. Theoretical concepts
 - A. Transaction costs
 - B. Agency costs
 - C. Default rules and the Coase Theorem
 - D. Debt, equity, risk, and return

Unit 2: Overview of the Basic Forms

Reading: UBE, Chapter 2; §§3.01, 3.02, 3.03 (pp. 25-29; 36-49), 3.05 (pp. 57-67)
Bainbridge, §§1.1, 1.2, 2.1, 2.2, 2.3, 2.5A, 2.7
Energy Transfer Partners, L.P. v. Enterprise Products Partners, L.P.
McDermott, Inc. v. Lewis
Theodora Holding Corp. v. Henderson

- I. The Nature of the Firm
 - A. From Sole Proprietorship to Corporation
 - B. Intentionality
 - C. Standard Form Flexibility
 - D. Personhood and Taxation
- II. Partnerships
 - A. Governing Law
 - B. Objective Characterization
 - C. Indicia
 - 1. Profit-sharing
 - 2. Everything else
 - 3. Distinguishing other relationships
 - D. Inadvertent Partnerships
 - 1. As between partners: *Energy Transfer Partners, L.P. v. Enterprise Products Partners, L.P.*
 - 2. As to third parties: *Minute Maid v. United Foods*

- III. Corporations
 - A. The Nature of the Corporation
 - 1. Conceptual Metaphors
 - 2. Sources of Law
 - B. Some Corporate Law Basics
 - 1. Corporation as Client
 - 2. Terminology
 - a. Profit versus non-profit
 - b. Public versus closely-held
 - c. Incorporators
 - d. Articles or Certificate of Incorporation
 - e. Board of Directors
 - f. Bylaws
 - g. Officers
 - h. Shareholders
 - i. Other stakeholders
 - 3. Internal Affairs Doctrine – *McDermott v. Lewis*
 - 4. Why Delaware is So Important
 - 5. Corporate Purpose – Theodora
- IV. LLCs
 - A. Kintner, Check-the-Box, and Development of the Form
 - B. ULLCA, RULLCA, Delaware and Other Governing Statutes
 - C. Formation Issues

II. THE LIFE OF THE ENTERPRISE

Unit 3: Ownership and Management

Reading:

UBE, §§4.01, 4.02 (pp. 94-95), 4.03, 4.04, 4.05A (pp. 104-119), 4.05B (pp. 125-127; 131-138), 4.05C (pp. 159-164)

Bainbridge, Chapter 5, Chapter 10 (§§10.1, 10.2A, 10.2B, 10.2C)

Auer v. Dressel

Campbell v. Loew's, Inc

CA, Inc. v. AFSCME

- I. Agency in Voluntary Transactions
 - A. Agency, Business Firms, and an Introduction to the Problem of Authority
 - B. Agency Formation
 - C. Agent's Authority
 - 1. Actual
 - a. Express
 - b. Implied
 - 2. Apparent
 - a. Sources

- b. Reasonableness
 - c. Manifestation
 - 3. Agency in Action - *Essco*
 - 4. Inherent Agency Power & Undisclosed Principal – *Kidd, Watteau*
 - 5. Ratification
 - II. Agency and Management in Partnership
 - A. Default Rules under UPA and RUPA
 - B. Variations – *Bailey v. Fish & Neave*
 - III. Agency and Management in LLCs
 - A. Member-managed and Manager-managed
 - B. Articles and Operating Agreements
 - C. Agency Power of Managers
 - IV. Corporate Management
 - A. Separation of Powers between Boards and Shareholders
 - B. Board of Directors
 - C. Officers
 - D. Shareholders
 - 1. Basic Rights
 - 2. Meetings
 - 3. Voting Rights
 - 4. Conflicts Between Shareholders and Boards
 - a. Shareholder Initiated Action (*Auer; Campbell*)
 - b. Bylaw Amendments (*CA, Inc.*)

Unit 4: Finance and Capital Structures

Reading: UBE, §§5.01, 5.02 (pp. 201-205, Note 4 on p. 210); 5.04, 5.05 (note there is a typo in the balance sheets on page 221 and the top of page 222 – Liabilities + Owners' Equity = \$500,000, not \$300,000)
Domain Associates, L.L.C. v. Shah (skip the DCF discussion)
Bainbridge, §§3.1, 13.1, 13.2, 13.3, 13.4
Klang v. Smith's Food & Drug Centers, Inc.
Little v. Waters
Kamin v. American Express

- I. Business Numeracy
 - A. The Legal Context of Business Accounting
 - B. The Basics of Financial Accounting
 - 1. Introduction
 - 2. The Fundamental Equation and the Pool Metaphor
 - 3. Assumptions Upon Which Financial Accounting is Based
 - 4. The Magic of Double Entry Bookkeeping
 - 5. The Balance Sheet
 - a. Types of Accounts
 - b. Balance Sheet Transactions
 - 6. Income Statement

- a. Types of Accounts
 - b. Transaction Bookkeeping
 - c. Income Statement Transactions
 - 7. Accrual versus Cash Accounting (and Cash Flow Statements)
 - 8. Accounting Value versus Market Value
 - 9. Auditing, GAAP, and GAAS
- C. Reprise on Context
- II. Partnership and LLC structures
 - A. Default rules for capital contribution and profit allocation
 - 1. Partnership
 - 2. LLC
 - B. Capital accounts in partnership and LLC law (*Darr/Domain*)
 - C. Loss sharing anomalies (*Kessler*)
- III. Corporate financial structures
 - A. Forms of securities
 - 1. Common stock
 - 2. Preferred stock
 - 3. Debt
 - 4. Hybrids
 - 5. Options and other derivatives
 - B. Authorized, issued, and outstanding shares
 - C. Shareholder distributions and legal capital rules – *Klang*
 - D. Dividend policy – *Litle; Kamin*

Unit 5: Vicarious and Limited Liability

Reading: UBE, §§6.01, 6.02A (not Thompson), 6.03 (not Kaycee)
Bainbridge, §§4.1, 4.2, 4.3A-B, 4.3D2
Walkovsky v. Carlton
Freeman v. Complex Computing Co.
Gardemal v. Westin Hotel Co.
OTR Associates v. IBC Services
Sedgwick Properties Development Corp. v. Hinds

- I. Default Rules on Partners' Vicarious Liability and Exhaustion - *Gildon*
- II. Piercing the Veil in Corporations and LLCs
 - A. Corporations
 - 1. Tort Cases - *Walkovsky*
 - 2. Contract Cases – *Freeman*
 - 3. Corporate Groups – *Gardemal/OTR*
 - B. LLCs – *Sedgwick*

Unit 6: Fiduciary Obligations

Reading: UBE, §§8.01, 8.02B, 8.03B1, 8.04, 8.05A (pp. 402-403); 8.05B

Bainbridge, §§7.1, 6.1 (intro), 6.1A, 6.2, 6.3, 6.4D, 6.5, 7.4, 7.6A, 7.6B, 7.6C, 8.1, 8.2, 8.5A, 8.5B (intro)

Puma v. Marriott

Guth v. Loft, Inc.

Shlensky v. Wrigley

Francis v. United

Smith v. Van Gorkom

Marchand v. Barnhill

Sinclair Oil v. Levien

Zahn v. Transamerica, Inc.

Wilkes v. Springside Nursing Homes, Inc.

Miller v. HCP

- I. Fiduciary Obligations Generally – *Meinhard*
- II. Partnership Fiduciary Obligations
- III. Corporate Fiduciary Obligations
 - A. The Basic Business Judgment Rule – *Shlensky*
 - B. The Duty of Loyalty
 - 1. Director Conflicts – *Puma*
 - 2. Corporate Opportunity – *Guth*
 - C. The Duty of Care
 - 1. Statutory Standards
 - 2. Individual Directors – *Francis*
 - 3. The Board
 - a. Decision-Making Process – *Smith v. Van Gorkom*
 - b. Oversight - *Marchand*
 - c. Director Liability and its Amelioration
 - i. Exculpation under DGCL §102(b)(7)
 - ii. Indemnification
 - iii. Directors’ & Officers’ Insurance
 - D. Controlling Shareholders
 - 1. Public corporations – *Sinclair; Zahn*
 - 2. Closely held corporations – *Wilkes*
- IV. Fiduciary Duties in Hybrid Unincorporated Entities
 - A. Active and Passive Owners in Unincorporated Entities – *Auriga (skim only)*
 - B. Waivers under Delaware Law – *Fisk, Miller*
- V. Remedies
 - A. Partnership Accountings
 - B. Direct and Derivative Actions
 - 1. Corporate – refer back to *Marchand*
 - 2. Non-corporate – *Anglo-American*

III. ENDGAMES

Unit 7: Breaking Up the Partnership or LLC

*Reading: UBE, §§7.01, 7.02, 7.03A, 7.03C, 9.01, 9.02, 9.05A, 9.07B-C
Horowitz v. Farbman*

- I. Transfer of Partnership or LLC Interests
 - A. Partnership – *Sunshine Cellular; Horowitz v. Farbman*
 - B. LLCs – *Achaian*
 - C. The Structural Complexity Issue
- II. Dissolution and Dissociation of Partnerships under UPA and RUPA
 - A. Overview and Flow Chart
 - 1. The Classic Law of Dissolution under UPA
 - 2. The Concept of Dissociation without Dissolution under RUPA
 - 3. How Dissolution and Dissociation Are Different from Winding Up and Liquidation
 - B. Accounting and Valuation Issues in Dissociation and Buyouts
 - 1. Goodwill – *Spayd*
 - 2. Settling Up Between Partners (UPA 40; RUPA 807)
 - C. Contentious Issues during Buyout and Continuation
 - 1. Expulsion or Forced Buyout - *Cadwalader*
 - 2. Breaking Up is Hard to Do – *Meehan*
- III. LLC Dissolution

Unit 8: Corporate Takeover Defenses

Reading: Bainbridge, §§12.1 (intro), 12.1A, 12.5, 12.6, 12.8, 12.9 (intro), 12.9B, 12.9C

*Unocal Corp. v. Mesa Petroleum Co.
Revlon, Inc. v. MacAndrews & Forbes*

- I. Antitakeover Device Typology
 - A. Takeover Overview
 - B. Classified Boards
 - C. Poison Pills
 - D. Share Repurchases
 - E. Lockups
- II. Judicial Review of Antitakeover Devices
 - A. Proportionality – *Unocal Corp.*
 - B. Auctions – *Revlon*