Syllabus

LAW AND THE CORPORATE MANAGER

Spring, 2014, EMP 92

Professor Presser

All readings are in the casebook, Stephen B. Presser, *An Introduction to the Law of Business Organizations* (3rd ed., Thomson/West 2010). The five sessions will each involve approximately 20-90 pages of reading in the text. You will discover that at first the reading is very tough going, and you will need at the very least an hour for each twenty pages, and you should not be disturbed if it takes you more than twice that time. You are not, of course, expected to master all the subtleties of the reading, only to acquire a basic sense of what is going on. You are learning a new language, the language of the law. Expect to be confused by the readings, and demand to have that confusion cleared up in class. This reading will ask a lot of you, but there will be rewards. There will be no additional reading for the last session, the final exam.

Class One (introduction: one and one half hours) (Session 1)
April 5, 2014

Assignment: Text pp. 1-21

This first class will be an introduction to the salient issues in American law generally, an introduction to the Socratic Method, and a preview of what to expect in the rest of the course.

Class Two (three hours) (Sessions 2 and 3)
April 5, 2014

Assignment: Text pp. 57-83, 107-130

The Corporation, the Shareholders, the Directors, and the Officers

The second class will conclude with a dramatic reading, by the Professor, from the autobiography of one of the lawyers in a great proxy fight case, *Campbell v. Loew’s* and will begin with a question and answer session, followed by an examination of how shareholders, directors, and officers interact to govern the modern American corporation.

Class Three (three hours) (Sessions 4 and 5)
April 19, 2014

Assignment: Text pp. 131-160, 174-252

Piercing the Corporate Veil, Duty of Care and Duty of Loyalty

Our topics in the third class are the state law doctrines which seek to ensure that the corporate officers and directors function in a manner that is in the best interests of the shareholders in particular, and the corporate community in general. You will probably recognize these issues as familiar ones with which you deal every day.
Class Four (three hours)(sessions 6 and 7)  
May 2, 2014  
Federal and State Law Regarding Shareholders

This class is primarily an exploration of the federal regulation of trading in corporate stock by corporate "insiders." In it we consider, in particular, the effect of the Securities and Exchange Act of 1934, as well as Sarbanes/Oxley, and we continue our exploration of the legal duties imposed on those who manage corporations. We continue to deal with some of the temptations that inevitably face managers, many of which have been in the news lately, and how the law seeks to battle with those temptations.

Class Five (three hours)(Sessions 8 and 9)  
May 17, 2014  
Assignment: Text pp. 356-424  
Corporate Reorganization and Takeovers

Our final substantive class is a study of what most corporate commentators long regarded as the "sexiest" of current corporate topics, mergers, acquisitions, LBO's, and tender offers. We will wind up the course, then, by studying the means that one can use to kill a corporation and put something else in its place. There will also be a review of the whole course.

Class Six (one and one-half hours)(Session 10)  
May 30, 2014  
Final Exam: No reading assignment

The Final Exam will test you on what you have learned about the law and the manager. In studying for the final exam, what we have discussed in class will probably be of much greater importance than all the subtle nuances in the assigned reading.