

**BUSINESS ASSOCIATIONS**  
Spring 2009  
George Mason University School of Law  
Syllabus: Part 1

Texts: ALLEN, KRAAKMAN & SUBRAMANIAN, COMMENTARIES AND CASES ON THE LAW OF BUSINESS ORGANIZATION 2d ed. (2007)

Recommended: The Wall Street Journal and the Statutory Supplement 2007-08 to the text.

Class Times: Tuesday and Thursday, 6-7:30.

Class Room: Room 121

**Professor Information**

J.W. Verret, Room 411, [jverret@gmu.edu](mailto:jverret@gmu.edu), 703-993-9257

Office Hours, By appointment only

Secretary: Susan Birchler, email: [sbirchle@gmu.edu](mailto:sbirchle@gmu.edu)

**Course Requirements and Grading Policy**

The course requirements consist of class participation and a final exam. Students will be required to have a minimum of three check marks for participation through volunteering uniquely insightful answers in class (not simply relaying the facts of a case or quoting a regulation), participation in online forums, take home assignments, or superior performance on pop quizzes. I will contact students with low participation marks around the mid-semester as a reminder, and I reserve the right to alter your final grade down one grading level for failure to obtain a minimum of three marks and increase your final grade by one level for stellar participation marks.

**Course Outline**

The following table sets forth the topics and reading assignments for the course lectures. BE ADVISED THAT ALL REQUIRED READING ASSIGNMENTS ARE FAIR GAME FOR THE FINAL. If something is in those readings, but not covered in the lecture or assigned readings below, it still may appear on the Final!!! It is also important that students not only read the assigned pages in the text but also review the related statutes and rules cited in the text. You may get the major ones yourself from Westlaw or obtain the statutory supplement, whichever is easiest for you. To facilitate class discussion, it is important that students complete the reading assignment in advance of class.

Internet policy: Students may *not* access the internet or send emails or IM during class.

**Course Overview:**

Note: AKS = Allen, Kraakman & Subramanian textbook

Readings are listed below; the reading averages about 30 pages per class. You are responsible for all restatement and statutory provisions included in the text, as well as those listed on the syllabus. You should consult these provisions as background material to help your understanding of the text, and I will go over some important ones in class. Statutory and Restatement material may be covered on the exam.

Each number below represents one assignment. However, we may go through the material more slowly or quickly than indicated below. I may add or omit material during the semester. I will also occasionally hand out supplemental materials. I will notify you of any changes via email, so be sure to check frequently.

If we do not finish the material for a particular day, we will start the next class with that material, but the reading for that class otherwise will remain the same unless otherwise announced. In the unlikely event that a class is cancelled, we will proceed one day behind, and a makeup may be scheduled

**Part I: Agency & Partnership: basic forms of enterprise organization -- agency, partnership & LLC**

1. Introductory Concepts and Agency

AKS 1-12, 15-22

Restatement (3rd) of Agency § 1.01-.02.

2. Agency (cont.)

AKS 22-40

Restatement of Agency (2d and 3rd) sections cited in text.

3. Partnership

AKS 41-58

Uniform Partnership Act (UPA) §§ 6, 7, 8, 9, 12, 13, 14, 15, 16, 18, 25, 26, 27, 36

4. Partnership (cont.)

AKS 59-81

UPA §§ 29-41

Optional: Revised Uniform Partnership Act (RUPA) §§ 601-603, 701-705, 801-807

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**Part II: The Corporate Form: the basic claims on cash flows under the corporate form, includes valuation and creditors' rights**

5. The Corporate Form

AKS 83-109

*Trustees of Dartmouth College v. Woodward* excerpt (handout)

Delaware General Corporation Law (DGCL) § 141

6. Basic Concepts of Finance

AKS 111-129

7. Protection of Creditors

131-156

8. Protection of Creditors

AKS 156-175