



TEXAS SOUTHERN UNIVERSITY
THURGOOD MARSHALL SCHOOL *of* LAW

BUSINESS ASSOCIATIONS

LAW 640/SEC. 1

SPRING 2023

PROFESSOR EMEKA DURUIGBO

Course Schedule: Monday and Wednesday at 10.00 am to 11.15 am

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THE PROFESSOR

NAME: Emeka Duruigbo

TELEPHONE: 713-313-1135

EMAIL: emeka.duruigbo@tmslaw.tsu.edu

LOCATION: Room-221D

OFFICE HOURS: Monday, Wednesday and Friday
12:30 pm to 2:30 pm.

(You may also make an appointment)

NOTE FROM THE PROFESSOR:

Please feel free to walk in whenever I am available in my office.



SUCCESS TIPS

1. Bring your mind to class.
2. Be in class without fail – if possible.
3. Take accurate and complete notes in class.
4. Read all cases and other material before the assigned dates or soon thereafter.
5. Participate in class discussions.
6. Review past bar exam questions.
7. Be ready to take responsibility for your failure and hope not to blame anyone or anything.

SUCCESS TIP # 1: “Blessed is the one who reads”
Rev. 1:3 NIV

SUCCESS TIP # 2: “If the ax is dull and its edge unsharpened, more strength is needed, but skill will bring success.”
Eccl. 10:10 NIV

SUCCESS TIP # 3: *Qui sentit commodum sentire debet et onus et contra*

COURSE BOOKS & MATERIAL

The main text for this course is **Business Associations: Cases and Materials on Agency, Partnerships, LLCs, and Corporations** (11th edition) by Stephen M. Bainbridge (Foundation Press, 2021) (“Casebook” or “CB”). You should also purchase the latest edition of the Statutory Supplement to the Casebook. Alternatively, through the library or internet sources, including Lexis and Westlaw you should also have access to current Statutory Supplements or the model statutes and restatements that will be considered during the course.

There are several other books that you may find useful. I will not assign readings from these books, but over the years students have found some of these materials to be useful. I will be happy to give you a list and you might just take a look at them and see what you think. I may also place some books on reserve from time to time.

COURSE DESCRIPTION & OBJECTIVE

DESCRIPTION:

This course will cover the various types of business entities available to conduct business and analyze the advantages and disadvantages of each: General Partnerships; Limited Partnerships ("LP"), Limited Liability Partnerships ("LLP"), "C" Corporation, "S" Corporation and Limited Liability Company ("LLC"). At its core, the course is an introduction to the nature, structure, and basic legal rules and principles governing these business organizations, with special focus on such topics as formation, authority, finance, fiduciary duties and liability. A major problem for business organizations is that a firm's managers and its owners have conflicting interests. We examine the costs associated with this conflict and how markets, legal rules and contracts might reduce them. We also examine conflicts between equity holders and between equity holders and creditors. Agency principles, which underlie the various business entities, also get extensive coverage.

OBJECTIVE:

The course strives to be relevant to students with a variety of backgrounds and aspirations, including those who hope to practice transactional law or business-related litigation at big and boutique law firms, or plan to own a business, or want to focus on advising small businesses, or to gain a better understanding of their own small family business, or simply to be quite prepared for the bar examination.

I plan to emphasize the learning objectives for each week. These are the key things I expect students to master, to assure that they have minimal proficiency in the subject.

STUDENT LEARNING OUTCOMES

Students should come out of the class equipped with skills to analyze cases properly, identify intricate legal distinctions, distinguish relevant from irrelevant facts, think concurrently from entrepreneurial and legal standpoints, and express their views or present their positions with clarity.

GRADING

Both the interim and final examinations will consist exclusively of essay questions. In determining your course grade, the final exam will be weighted by 50%, the midterm by 25%, problem sets by 15%, while case briefs and class participation will receive a combined weight of 10%.

ACCOMMODATIONS

If you require special accommodations, please fill out the necessary forms with the Dean's office. Your application and documentation will remain confidential. Your prompt attention will allow the law school to accommodate you, as soon as it has been made aware of your situation.

Please see:

http://www.tsulaw.edu/student_affairs/docs/2011-2012AccommodationsHandbook.pdf

PARTICIPATION, ATTENDANCE & PROFESSIONALISM

PARTICIPATION

Prior to each class session, every student is required to submit a one-page case brief of one case (of his or her own choice) from the assigned reading for the day via email to **bacasebriefs@gmail.com**. **Failure to submit case briefs, answer questions during class or any other indication of a lack of preparation for class will attract negative points.** Briefs are not required if no case is included in the reading assignment for the day.

Strong participation and performance in class may help your grade in marginal cases, including an adjustment up one grade increment.

ATTENDANCE

Class participation is a factor in determining the final grade. It is expected that all students attend all classes. Students who miss class sessions without reasonable justification should expect that their grade may be adversely affected in a significant way.

PROFESSIONALISM

Our teaching approach is simple. It is based on Albert Einstein's dictum that every complex concept can be simplified and made easily digestible for the consumer or recipient. We deploy everyday examples to demystify and simplify esoteric terms and professional jargon.

ACADEMIC CALENDAR

SPRING SEMESTER 2023 (SEVENTY DAYS OF CLASSES)

School Opens	Monday	January 2, 2023
First Day of Class	Monday	January 9, 2023
Last Day to ADD/DROP	Wednesday	January 11, 2023
M L K Holiday (No Classes)	Monday	January 16, 2023
<i>Purge of all unpaid course selections</i>	Monday	February 2, 2023
Mid Term Examinations	Mon – Fri	March 6-10, 2023
Spring Break	Mon – Fri	March 13 – 17, 2023
Good Friday (No Classes)	Friday	April 7, 2023
Last Day to Drop a Class	Monday	April 10, 2023
Last Day of Classes	Wednesday	April 26, 2023
First Year Professors' Grades Due	Wednesday	April 26, 2023
Reading Period (No Classes)	Thur-Sun	April 27 – April 30, 2023
Final Examinations	Mon – Fri	May 1 – May 12, 2023
Hooding Ceremony	Friday	May 12, 2023
Commencement Exercises	Saturday	May 13, 2023

Please note that the calendar events and /or dates are subject to change.

POLICIES & PROCEDURES

There will be a midterm and a final examination. Both the midterm and final examination will be timed, in class, closed book and will consist exclusively of essay questions. The final examination will be for a duration of 3 hours.

The class syllabus is only tentative. *Readings listed in the syllabus are subject to change during the semester.* I will distribute any revised syllabi during the semester.

There will be several problem sets to be handed in over the course of the semester. Late submissions of these problem sets will not be accepted barring some personal emergency. You may work with others – in groups of up to 4 members. Working with others may help you get more from the assignments, though there is no reason to think a group is the best for everyone. If you do work with another person, you will each receive the same grade on that assignment. One submission per group with names of the members is sufficient.

BA READING

Read Pages	Before This Date	Anticipated Class Coverage
1-13	1.9	WELCOME; INTRODUCTION TO BUSINESS ASSOCIATIONS Introduction to Agency
13-16	1.11	Establishing Agency Principal's Liability to Third Parties in Contract
0-0	1.16	M L K HOLIDAY
16-29	1.18	Principal's Liability to Third Parties in Contract
34-41	1.23	Ratification and Estoppel Problem: Spot the Difference
41-82	1.25	Agent's Liability on the Contract Principal's Liability in Tort
82-92	1.30	Fiduciary Duties; Terminating The Agency Relationship
93-103	2.1	GENERAL PARTNERSHIPS—INTRODUCTION AND CORE CONCEPTS Problem Set: Agency Questions
103-111	2.6	Core concepts; Partnership by Estoppel
111-138	2.8	Fiduciary Duties; Expulsion
138-145	2.13	Property; Management
145-149	2.15	Management; Finance
Ext. Materials		
150-166	2.20	Dissolution
166-178; 203-206	2.22	LIMITED PARTNERSHIPS Introduction Management Finance Problem Set: Partnership Questions
Ext. Materials	2.27	Liability Fiduciary Duties
871-872	3.1	LIMITED LIABILITY PARTNERSHIPS (LLP)

BA READING

Ext. Materials		Introduction Management Finance Liability Fiduciary Duties
0-0	3.3	MIDTERM REVIEW
0-0	3.6	MIDTERM EXAMINATION
179-190 Ext. Materials	3.8	INTRODUCING THE CORPORATION Formation Pre-incorporation Contracts
0-0	3.13 – 3.17	SPRING BREAK
190-203	3.20	Corporate Entity and Limited Liability: Piercing the Corporate Veil
206-224	3.22	Role and Purposes of Corporations: <i>Ultra Vires</i>
Ext. Materials	3.27	Corporate Governance Traditional and Non-traditional Models
566-597	3.29	Control in Closely-Held Corporations: Proxies, Voting Trusts, Voting Agreements Shareholder Agreements
225-294	4.3	Duty of Care and Business Judgment Rule Duty of Loyalty
314-365	4.5	Derivative Suits
468-482		Exculpation, Indemnification and Insurance
365-374; 825-826 Ext. Materials	4.10	Corporate Finance Forms of Shares
Ext. Materials	4.12	Preemptive Rights Share Transfer Restrictions Problem Set: Corporations Questions
675-698	4.17	Mergers & Acquisitions

BA READING

871-877		INTRODUCTION TO LIMITED LIABILITY COMPANIES
878-905	4.19	Operating Agreement Liability Fiduciary Duties
905-931	4.24	Finance Mergers Dissolution
0-0	4.26	FINAL EXAM REVIEW
	TBA	FINAL EXAMINATION 50% CLASS GRADE



THURGOOD MARSHALL SCHOOL OF LAW

COVID-19 INFORMATION SHEET

HEALTH AND SAFETY ON CAMPUS

1. The University does not require COVID-19 vaccination as a condition for attending school. As a protective measure, students are encouraged to get vaccinated. The St. Luke's vaccination clinic, located on campus in the Nabrit Science Building, is open and accessible to the entire University community, Monday-Friday, 9 a.m. – 7 p.m. There is no cost for the vaccination.
2. Students are expected to continuously self-screen for the symptoms of COVID-19. If you have symptoms and are not fully vaccinated, you should call the Student Health Center at (713) 313-7173. Please remember to exercise caution and be courteous of your fellow students.
3. Students who experience a medical emergency on campus should call (713) 313-7000. If off campus, call 911. Please inform the dispatch operator if you are experiencing shortness of breath, difficulty breathing, coughing, or have a fever.
4. Students who are unable to attend classes for health reasons, including those relating to COVID-19, should immediately contact the Associate Dean of Student Services, Amy Ratra (miamy.ratra@tsu.edu), for further guidance.
5. Students who contract the COVID-19 virus must report the information to the Associate Dean of Student Services, Amy Ratra, and the Student Accessibility Services Office (SASO), by phone at 713-313-4210 or by email at disabilityservices@tsu.edu.
6. Students who contract the COVID-19 virus will be required to quarantine under the advice of Student Accessibility Services Office (SASO). Such students are required to submit Release of Care documentation from a licensed health care professional to SASO and notify the Associate Dean of Student Services, Amy Ratra, before they return to the law school.
7. While on campus and in classrooms, students are encouraged to conduct themselves in a manner conducive to the health and safety of the entire TSU community.
 - a. Students should practice hand hygiene, cough etiquette, and general cleanliness.
 - b. Face coverings (over the nose and mouth) are not required as per the guidelines from the State of Texas. However, students are strongly encouraged to wear face coverings (over the nose and mouth) while in the law school building.

BA READING

- a. Students should wash or disinfect their hands before each class and after physical interaction with other persons in the classroom.
 - b. Students should maintain classroom cleanliness. Students should create a clean classroom environment by putting away unnecessary personal items and cleaning their seating area intermittently.
 - c. Students who do not conduct themselves on campus in a manner conducive to the health and safety of those with whom they come in contact may be subject to discipline up to expulsion from law school.
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ATTENDANCE POLICY

8. Law school classes will be mostly in-person this Fall. The law school attendance policy will be strictly enforced.
 9. Students who contract the COVID-19 virus will be barred from attending in-person classes until submitting Release of Care documentation from a licensed health care professional to Student Accessibility Services Office (SASO). Such students will be required to study and keep up with the prescribed readings.
 10. Students that are excused from in-person class attendance because they contracted the COVID-19 virus should designate a student in each of their classes to make audio recordings of the lectures. Professors are required to allow such recordings to be made. Furthermore, professors are required to meet with such students to answer questions about the materials covered during their COVID-19-related absence.
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UNIVERSITY RESOURCES

11. COVID-19 TESTING
Location: H&PE 109
Hours of Operation: No appointments are necessary. Tuesday – Thursday 8 a.m. – 11:30 p.m. Results will be available within 24 hours if the test is taken by 11:30 a.m.
12. The St. Luke's vaccination clinic is open and accessible to all University personnel and community, Monday – Friday, 9 am – 7 pm in the Nabrit Science Building.
13. STUDENT HEALTH SERVICES
 - a. Student Health Services is open 8:00 a.m. – 5:00 p.m. Monday – Friday by appointment only.

BA READING

- b. A nurse is available at (713) 313-7173, Monday – Friday, from 8:00 a.m. – 5:00 p.m. to schedule appointments.
- c. Appointments will be scheduled virtually and in-person, as needed.
- d. If you are currently enrolled and need a copy of your immunization record go to <https://tsu.medicatconnect.com>.
- e. If you are off campus but in the local area and need assistance contact the Harris County Health Department COVID-19 hotline: www.ReadyHarris.org. If you don't have the internet, call (832) 927-7575 or Houston Health Department COVID-19 Call Center: (832) -393-4220.

14. UNIVERSITY COUNSELING CENTER

- a. The University Counseling Center (UCC) is providing convenient Telemental Health Services to all students.
- b. Students may call 713-313-7800 to request an appointment. If someone does not answer, please leave your T-Number, name, and a contact number. Students may also complete this form to request an appointment, and someone will contact them during business hours:
https://forms.office.com/Pages/ResponsePage.aspx?id=ViJL72KUK0Su4urH7Z-1ZFNJ2YNoWsVPstLk4r8W_X1UOUk2SUxMRVoyVEdQTVkzV09YRVBLNU5OTy4u.
- c. Students may receive a call from a blocked or private number, please answer, as it may be your counselor trying to contact you.
- d. If a student experiences a crisis outside of regular business hours, the student can call 833-848-1765.
- e. Other resources for support outside of the UCC include:
 - i. Crisis text line – Text Steve to 741-741.
 - ii. National Suicide Hotline - 800-273-TALK (8255).

TITLE IX INFORMATION

Texas Southern University is committed to fostering a safe learning environment. As professor, one of my responsibilities is to help create a safe learning environment in class. Texas Southern University and Federal Regulations (Title IX) policy prohibit discrimination based on sex and this includes sexual harassment, sexual violence and misconduct, dating violence, domestic violence, and stalking. Texas Southern University understands that these incidents can undermine a student's academic success, so Texas Southern University encourages students who have experienced sexual conduct prohibited by university policy to report these incidents when they happen to the University's Title IX Coordinator or University Confidential Resource so that the student can get the help they may need.

It is my goal that you feel able to share information related to your life experiences in classroom discussions, in your written work, and in one-to-one meetings. I will seek to keep information you share private to the greatest extent possible. However, I also have a mandatory responsibility to notify the University's Title IX Coordinator when I become aware of incidents of prohibited conduct that violate the university's Title IX policy.

Students may speak confidentially to the University Counseling Center. Please feel free to visit their website www.tsu.edu/ucc for more information about their services. Also, students may speak with the University's Title IX Coordinator by calling 713.313.1371 or emailing titleix@tsu.edu.