



HAMLINE UNIVERSITY
School of Law
COURSE SYLLABUS

Faculty: **Professor Jack Roberts**
Email: jr@robertslawmn.com

Course: **Unincorporated Business Entities**

Semester: **Spring 2012**

Meeting Schedule: **Fridays 9:00-10:50am**

Room: **105**

Course Description and Objectives:

This course centers on the study of (1) the concept of “agency,” which involves the legal consequences of acting on behalf of other persons or entities; and (2) the formation, operation, and applicable case law and statutory framework of unincorporated businesses such as sole proprietorships, partnerships, and limited liability companies. We will cover important topics such as fiduciary obligations and the obligations, rights, and liabilities of the owners and managers of UBEs with respect to their co-owners, co-managers, employees, and third parties.

By the end of the semester, each student should be able to understand and explain each of the following concepts:

- The agency relationships in business entities, including the attendant fiduciary obligations and the operation of agency principles to bind the business.
- The definition and nature of the various unincorporated business forms, including sole proprietorships, partnerships (general, limited, LLP, LLLP), and limited liability companies (LLCs).
- How unincorporated businesses are formed and the liabilities associated with defective formation.
- How unincorporated businesses are managed and the fiduciary obligations associated with management.
- The rights and obligations of business owners and the extent to which a business owner may be personally liable for business obligations.
- An attorney’s roles when representing the various parties involved in forming and operating unincorporated business entities.

Required Texts & Materials:

LARRY E. RIBSTEIN AND JEFFREY M. LIPSHAW, UNINCORPORATED BUSINESS ENTITIES, (4th Ed. Anderson Publishing 2009) ISBN: 9781422429600 (Statutes are included in the appendix of this casebook.)

TWEN - Course Website. Students must enroll and provide an e-mail address. The address is: <http://lawschool.westlaw.com/twen/default.asp>. This Syllabus, reading assignments, updates to reading assignments, links to useful websites, and additional course materials will also be posted on TWEN throughout the semester.

Attendance and Preparation Policy:

The ABA requires that all law students regularly attend classes. Since this course meets only once a week, missing one session is the same as missing an entire week. As a result, missing two classes is presumptively excessive and can be the basis for involuntary withdrawal from the course.

Students are expected to be fully prepared for each class. Students must bring the required text to all classes.

HUSL Policies on attendance, lateness and preparation

The program of instruction at the School of Law is based on an active and informed exchange between instructor and student and between student and student. Regular, prepared class attendance helps develop skills essential to the competent practice of law. A student who violates the attendance policy, including the instructor's specification of class expectation described below, may lose his or her right to take the exam in the course, to receive course credit or may receive other penalties described below and in Academic Rule 108. Persistent or frequent lateness or unpreparedness may also be the basis for reduction of the grade awarded in a course. See Academic Rule 108 for further details.

Grading:

Each student's grade for the course will be based on an two-hour, closed-book, cumulative final exam. Final exams will be graded anonymously.

Technology Policy:

Students may use their laptops and other electronic devices in the classroom for course-related activities only. Students must refrain from displaying wallpaper, screen savers, or any other material on their computer screens that can reasonably be expected to distract their classmates. Unrelated use of a laptop, cell phone, or other electronic device may result in dismissal from the class session, which will constitute an absence for that session.

Reading Assignments.

The preliminary schedule of reading assignments is listed below. Students are responsible for staying current with the reading assignment schedule.

Please note that the reading assignments may include “Notes and Questions” and “Problems” in the casebook. Students should be prepared to answer the questions and discuss the information in these sections.

This syllabus is subject to change as we move through the semester. Any changes will be announced in class, and a revised syllabus will be distributed via TWEN if necessary. Unless otherwise noted, assignments are from the Ribstein & Lipshaw casebook. As we move through the semester, I may add additional materials, including recent Minnesota court opinions on topic, to TWEN for reading.

	DATE	READING ASSIGNMENT
1	1/20/12	Text pp. 1-21 Chapter 1: Introduction; road-map of the course <ul style="list-style-type: none">- Why UBE?- Choosing the Right Business Entity- Practice Considerations & the Parties' Agreement Chapter 2: Introduction to Agency <ul style="list-style-type: none">- Agency & the Firm- Agency Formation

2	1/27/12	<p>Text pp. 21-66</p> <p>Chapter 2 (cont'd)</p> <ul style="list-style-type: none"> - Agent's Management Powers - Agent's Duties to the Principal - Principal's Duties to the Agent - Agency Termination - Principal's Liability for Agent's Torts - Agency & Sole Proprietorship
3	2/3/12	<p>Text pp. 67-102</p> <p>Chapter 3: Forming the Partnership</p> <ul style="list-style-type: none"> - Partnership Existence Under Partnership Law - Partnership Existence Under Other Law
4	2/10/12	<p>Text pp. 103-149</p> <p>Chapter 4: Partner's Financial Rights</p> <ul style="list-style-type: none"> - Financial Contributions - Service Contributions - Partnership Accounting <p>Chapter 5: Management & Control</p> <ul style="list-style-type: none"> - Rights Among Partners - Authority to Bind the Partnership - Wrongful Acts - Management & Control Agreements
5	2/17/12	<p>Text pp. 151-186</p> <p>Chapter 6: Partners' Vicarious Liability</p> <ul style="list-style-type: none"> - Liability for Partnership Debts - Creditors' Contracts with Partners - Indemnification & Contribution <p>Chapter 7: Partners' Property Rights</p> <ul style="list-style-type: none"> - What Are They? - Transfer of Partnership Interests - Rights of Partners' Creditors - Rights of Divorced Spouse

6	2/24/12	<p>Text pp. 187-209</p> <p>Chapter 8: Fiduciary Duties & Remedies</p> <ul style="list-style-type: none"> - Nature of Fiduciary Obligation - Disclosure -
7	3/2/12	<p>Text pp. 209-41</p> <p>Chapter 8: Fiduciary Duties & Remedies (cont'd)</p> <ul style="list-style-type: none"> - Duty of Loyalty, Duty of Care, & Good Faith - Waiver - Accounting Actions
-	3/9/12	<i>NO CLASS—SPRING BREAK</i>
8	3/16/12	<p>Text pp. 241-269; 309-319</p> <p>Chapter 9: Dissociation and Dissolution</p> <ul style="list-style-type: none"> - Causes - Winding Up & Liquidation - Continuation & Buyout of Dissociating Partner - Liabilities of Dissolved & Continuing Firms <p><i>[Students not responsible for reading § 9.06 Buyout & Continuation Agreements]</i></p> <p>Chapter 10: The Search for the Incorporated Partnership</p>
9	3/23/12	<p>Text pp. 321-361</p> <p>Chapter 11: The Limited Partnership</p> <ul style="list-style-type: none"> - Intro & Formation - Partners' Financial Rights - Partners' Management & Control Rights - Partners' Liability for Partnership Debts
10	3/30/12	<p>Text pp. 361-409</p> <p>Chapter 11 (cont'd)</p> <ul style="list-style-type: none"> - Partners' Property Rights - Fiduciary Duties & Remedies - Dissociation & Dissolution - Merger & Conversion - Taxation, Securities Laws -
-	-	<i>NO CLASS—EASTER BREAK</i>

11	4/13/12	<p>Text pp. 411-456</p> <p>Chapter 12: The Limited Liability Company (LLC)</p> <ul style="list-style-type: none"> - LLC Concept & Current State of LLC Law - LLC Formalities - Management - Members' Financial Rights & Obligations - Transfer of Interests - Limited Liability Issues
12	4/20/12	<p>Text pp. 456-513</p> <p>Chapter 12 (cont'd)</p> <ul style="list-style-type: none"> - Fiduciary Duties - Dissociation & Dissolution - Special Issues
13	4/27/12	<p>Text pp. 515-538</p> <p>Chapter 13: Limited Liability Partnerships (LLPs)</p> <ul style="list-style-type: none"> - Background & History - Creation - Limited Liability - Effect of LLP Registration on Partnership Default Rules & Agreements - LLLPs
14	5/1/12	<p>COURSE REVIEW</p>