

Syllabus and Course Policies for
BUSINESS ASSOCIATIONS – LAW § 234A
Class Meets: Monday and Wednesday: 4:00 – 5:50 p.m.
Classroom Location: TBA

Instructor: Stephen Hendricks
Email: smhendricks@wsulaw.edu
Office Location: TBA
Office Hours: Appointments to meet with me can be made either through Calendly at <https://calendly.com/smhendricks>

SCOPE OF THE COURSE

Business Associations is a semester-long, four-unit course. The course will cover the laws governing modern business associations, which is derived primarily from various state statutes and judicial law, which tends to clarify the statutes and fill in any gaps left by the statute. While the laws differ from state to state, there are common doctrines and theories that pervade. This course will focus on those commonalities and highlight the important differences.

The course will cover the following topics:

- Agency Law
- Partnerships (General & Limited)
- Characteristics of Corporations
- Structure of Corporations
- Formation of Corporations
- Powers and Duties of Corporations, Directors, and Officers
- Shareholder Rights
- Securities and Insider Trading
- Mergers and Acquisitions
- Closely-held Corporations
- Other Business Entities: Limited Liability Companies, Joint Ventures, and Sole Proprietorships

The statutes and judicial law covered in this course will frequently not be bright line rules, courts in different states often adopt different interpretations of common business law doctrines and some courts within the same state often interpret the same rule differently depending on the facts of the case. Thus, you will be tested on how well you have mastered these critical thinking skills, not just the black letter law.

We will explore the legal and practical issues that business lawyers encounter as

they handle their clients' cases. You will learn both the litigation and the transactional side of being a business lawyer, including both the procedural and substantive rules. You will come to view these rules as comprising an integrated system that business lawyers use to achieve their clients' goals. You will learn the policies and goals behind the rules and will be challenged to articulate how well these rules achieve those policies and goals and whether they should be changed.

TEXTS AND MATERIALS

The required book must be brought to all classes. You are expected to have read any statutes, rules, or Restatement sections to which the cases and material in the casebook refer.

Required: STEPHEN M. BAINBRIDGE, BUSINESS ASSOCIATIONS, CASES AND MATERIALS ON AGENCY, PARTNERSHIPS, LLCs AND CORPORATIONS (12th ed. 2024).

Recommended: BUSINESS ASSOCIATIONS: AGENCY, PARTNERSHIPS, LLCs, AND CORPORATIONS 2025 STATUTES AND RULES, STEPHEN M. BAINBRIDGE.¹

Supplement: In addition to the required texts, I have prepared a Business Associations Handout for you with additional course materials. The material in the handout is required reading, which is indicated in the Topics and Assignments beginning on page 8. The handout can be accessed for free on Google Classroom.

GOOGLE CLASSROOM PAGE

To facilitate class administration, I have set up a Google Classroom page for this course. The page includes assigned readings not in the casebook, supplemental materials, and additional information related to the course, posted throughout the semester. You will be given the access code prior to the start of the semester, and you are required to add the course as soon as possible, preferably before the beginning of the semester, as there is important information that will be useful to you before the first-class meeting. You are responsible for checking the page regularly.

¹ You are expected to have read any statute, rule, or Restatement section in the Statutes and Rules supplement to which the cases and material in the Casebook refer or as they appear on the Reading Assignments below. However, these statutes and rules are freely available for viewing and printing on Westlaw and LEXIS. Given the demands of law school, I believe that most of you would prefer the convenience of a hardcopy book containing these sections, and for this reason I am recommending the Statutes and Rules text. If you wish to skip the printed copy, and download the relevant statutes and rules provisions yourself, you are welcomed to do so.

EVALUATION AND FINAL EXAM

Students earn a numeric grade for the course. The final course grade will be based on the midterm (20%), the final exam (75%), and participation & professionalism (5%).

Participation and Professionalism

Success in law school depends on maintaining an engaged, respectful, and professional learning environment. Voluntary participation is encouraged, with an emphasis on the quality rather than the quantity of contributions, and all perspectives are valued. Five percent (5%) of the final course grade will be determined by a student's overall professionalism and engagement, including preparedness for class discussions; timely and good-faith completion of assignments; regular attendance and punctuality for class and office hours; respectful oral and written communication; appropriate conduct during class; and meaningful participation in discussions.

PREPARATION AND PARTICIPATION REQUIREMENTS FOR CLASS

In this course, the cases will be analyzed and illuminated through students' responses to questions during class. Emphasis will be on the factual context and the reasoning underlying the holdings in the cases. You will, therefore, be expected to have carefully read and briefed each case and reviewed any applicable statutes related to the weekly assigned reading.

Pursuant to ABA Standard 310, you are expected to devote at minimum two (2) hours of out-of-class time preparing for each hour of classroom instruction. It is estimated that, on average, the assigned reading and other classroom preparation should require six or more hours outside of class for each class. The assignments each week have been calibrated for you to achieve this minimum requirement.

ATTENDANCE AND PARTICIPATION

Your attendance and participation in all classes are required. It is solely the responsibility of the individual student to personally sign the attendance sheet for each class. Failure to prepare for a class will count as an absence. Repeated failure to prepare for class will result in a reduction of your final grade. Students who are absent from more than four classes will be academically withdrawn from the course.

VIDEO AND AUDIO RECORDINGS

Students are expressly prohibited from recording any part of this course without prior express permission from me, including audio, video, or taking photos of any class materials. Students who violate this policy may be referred to the Associate Dean for Academic Affairs for further action. Meetings of this course might be recorded by me. Any recordings will be available to students registered for this class as they are intended to supplement the classroom experience. Students are expected to follow appropriate Western State College of Law policies and maintain the security of passwords used to access recorded lectures. Recordings may not be reproduced, shared with those not in the class, or uploaded to other online environments

USE OF ARTIFICIAL INTELLIGENCE

Academic integrity is essential to the fair evaluation of your work and that of your classmates. It is a violation of the Western State College of Law Honor Code to misrepresent the source of any work or ideas you submit or exchange with your instructor, including by presenting work as your own without disclosing the use of generative AI tools such as ChatGPT or similar technologies. **Any use of AI tools must be fully and accurately disclosed**, even when those tools are used only for brainstorming, outlining, or generating ideas.

Assignments for this course, including required readings, are designed to develop your skills in legal reasoning, close reading of cases, and analytical writing, with particular emphasis on understanding and applying business law doctrine. Submitting another person's work, or AI-generated content, as your own, without substantial revision and independent analysis, or relying primarily on AI tools to complete course assignments undermines these objectives and constitutes academic misconduct.

Generative AI tools may be used only in ways that are consistent with these goals and must always be disclosed. By contrast, standard grammar and spellcheck functions, as well as non-generative grammar tools, may be used without disclosure to suggest revisions to work you have independently produced. In all cases, you remain fully responsible for the substance, accuracy, and originality of the work you submit. If you have questions about permissible AI use or what constitutes academic misconduct, you should raise them before submitting your work.

WESTERN STATE COLLEGE OF LAW - PROGRAMMATIC LEARNING OUTCOMES

Western State College of Law's curriculum is designed so that every student achieves a level of competency prior to graduation in each of the eight Programmatic Learning Outcomes listed below:

(1) Doctrinal Knowledge

Students will demonstrate knowledge of substantive and procedural law in the core curriculum subjects, including Contracts, Criminal Law, Criminal Procedure, Torts, Real Property, Business Associations, Evidence, Civil Procedures, Constitutional Law, Estates, Community Property, Remedies, and Professional Responsibility.

(2) Practice Skills

Students will demonstrate the development of other law practice skills. Each student's chosen outcomes within this category will be varied based on the student's particular interests, coursework and work experiences. They may include, but are not limited to, the following topics: oral presentation and advocacy; interviewing; counseling; client service and business development; negotiations, mediation, arbitration, or other alternate dispute resolution methods; advanced legal research and writing (excluding purely academic papers and the first four units earned in introductory first-year legal research and writing class); applied legal writing such as drafting contracts, pleadings, other legal instruments; law practice management or the use of technology in law practice; cultural competency; collaboration or project management; financial analysis, such as accounting, budgeting project management, and valuation; cost benefit analysis in administrative agencies; use of technology, data analyses, or predictive coding; business strategy and behavior; pre-trial preparation, fact investigation, such as discovery, e-discovery, motion practice, assessing evidence, or utilizing experts; trial practice; professional civility and applied ethics; a law clinic that includes a classroom component; or a legal externship that includes a classroom component.

(3) Legal Analysis

Students will demonstrate the ability to identify the factual and legal issues implicated by a fact pattern and to appropriately use cases (including identifying the salient features of an appropriate precedent case, identifying legally significant similarities or differences between the precedent case and a fact pattern and explaining why those are legally significant) and rules (including the ability to connect legally significant facts in a fact pattern to the rule) to predict how a court would decide the issue. Students will also demonstrate the ability to identify and evaluate the public policies of a precedent case or rule, and be able to evaluate

how public policy can impact the application of a rule to the legal issue.

(4) Legal Research

Students will demonstrate the ability to locate relevant legal authority using a variety of book and electronic resources, and to properly cite to such legal authority.

(5) Communication

Students will demonstrate the ability to communicate both orally and in writing in a manner appropriate to a particular task to effectively convey the author or speaker's ideas. This includes audience sensitivity in written and oral communication (the ability to adopt a tone, style and level of detail appropriate to the needs, knowledge and expertise of the audience); and written communication basic proficiency (the ability to use the conventions of grammar, spelling, punctuation, diction and usage appropriate to the task and sufficient to convey effectively the author's ideas).

(6) Advocacy of Legal Argument

Students will demonstrate the ability, in both oral and written formats, to evaluate the legal, economic and social strengths and weaknesses of a case and use case and statutory authority as well as public policy to persuade others. Making policy-based arguments includes the ability to identify and evaluate the public policies of a precedent case or rule and their implications, and be able to assert such appropriate arguments to support a particular application or distinction of a precedent case to a legal controversy or a particular resolution of the application of a rule to the legal controversy.

(7) Client Sensitivity and Cultural Competency

Students will demonstrate an awareness of clients' needs and goals, including a sensitivity to clients' background and circumstances (including, but not limited to, socio-economic, gender, race, ethnicity, educational, disability and/or religious background(s)), the ability to make decisions that reflect an appropriate focus on those needs and goals, and awareness that cultural issues may affect the relevance of facts and application of the law.

(8) Legal Ethics

Students will demonstrate the ability to identify ethical issues in law practice contexts and make appropriate decisions to resolve such issues.

DISABILITY SERVICES STATEMENT:

Western State College of Law provides accommodations to qualified students with disabilities. The **Disabilities** Services Office assists qualified students with disabilities in acquiring reasonable and appropriate accommodations and in supporting equal access to services, programs, and activities at Western State College of Law.

To seek reasonable accommodations, a student must contact Senior Assistant Dean Donna Espinoza, Student Services Director and Disabilities Services Coordinator, whose office is in the Students Services Suite located on the upper level of the library building. Dean Espinoza's phone number and email address are: (714) 459-1117; despinoza@wsulaw.edu. When seeking accommodations, a student should notify Dean Espinoza of her or his specific limitations and, if known, her or his specific requested accommodations. Students who seek accommodations will be asked to supply medical documentation of the need for accommodation. Classroom accommodations are not retroactive, but are effective only upon the student sharing approved accommodations with the instructor or professor. Therefore, students are encouraged to request accommodations as early as feasible with Dean Espinoza to allow for time to gather necessary documentation. If you have a concern or complaint in this regard, please notify Dean Espinoza; or please notify Dean Marisa Cianciarulo at mcianciarulo@wsulaw.edu or (714) 459-1168. Complaints will be handled in accordance with the College of Law's "Policy against Discrimination and Harassment."

TOPICS AND ASSIGNMENTS

Note: The Topics and Assignments are subject to change throughout the semester as needed, and at the sole discretion of your instructor. If there is a change, you will be given ample notice. Planned Topics and Assignments, including the date for which each is due, are set forth below. Unless otherwise notified, you should come to class prepared for a given assignment on the date specified.

Class	Date	Topic	Casebook	Handout (Google Classroom)	Assignment s
1	1/12	Introduction and Course Structure. Agency: Formation	N/A 1-13	1-7	None
2	1/14	Agency: Duties During Agency Agency: Duration and Termination	81-90 N/A	8-14	None
N/A	1/19	No Class. MLK Jr. Day	N/A	N/A	N/A
3	1/21	Agency: Contract Liability: <i>Agency Authority</i> Agency: Contract Liability: <i>Ratification</i>	13-25 30-34	None	None
4 & 5	1/26 & 1/28	Agency: Tort Liability: Principal's Liability to Third Party in Tort. The Franchising Problem	41-64	15-24	None
6	2/2	General Partnerships: <i>Formation: By Agreement</i> General Partnerships: <i>Formation: By Estoppel</i>	91-107 108-112	None	Agency Discussion Question Posted
7	2/4	General Partnerships: <i>Partnership Property</i> General Partnerships: Rights and Obligations of Partners	139-141 141-151	None	None
8 & 9	2/9 & 2/11	General Partnerships: Fiduciary Obligations of Partners	112-139	None	None
N/A	2/16	No Class – Legislative Day	N/A	N/A	N/A
10	2/17 TUE.	General Partnerships: <i>Dissociation and Dissolution</i>	151-168	None	None
11	2/18	Limited Partnerships: Formation, Rights and Obligations	168-180; 214-216	None	None
12 & 13	2/23 & 2/25	Corporations: Characteristics of Corporations; Formation; Structure; Promoter's Liability	181-201	25-61	Partnership Discussion Question Posted
14	3/2	Corporations: Characteristics of Corporations: <i>Exceptions to Limited Liability</i>	201-213	None	None
15	3/4	Midterm Exam. Comprehensive exam covering classes 1-14.	N/A	N/A	N/A
N/A	3/9 – 3/13	No Class - Spring Break	N/A	N/A	N/A

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16	3/16	Corporations: Purpose of the corporation, ultra vires acts	216-229; 236-249	<i>Dartmouth College v. Woodward</i>	None
17	3/18	Corporations: Fiduciary Duties: Introduction	230-236	62-66	Corporate Purpose Discussion Question Posted
18	3/23	Corporations: Fiduciary Duties: Duty of Care	251-269	None	None
19	3/25	Corporations: Fiduciary Duties: The Duty of Care; The Obligation of Oversight; The Obligation of Good Faith	314-327 303-313	None	None
20	3/30	Corporations: Fiduciary Duties: Duty of Loyalty	270-303	None	None
21	4/1	Corporations: Shareholder Rights: Shareholder Voting	444-459; 471-485	None	Fiduciary Duties Discussion Question Posted
22 & 23	4/6 & 4/8	Corporations: Shareholder Rights: Derivative Actions	341-380	None	None
24 & 25	4/13 & 4/15	Corporations: Mergers & Acquisitions	637-678; 684-718	None	None
26	4/20	Corporations: Securities Regulations and Securities Fraud	380-409	None	None
27	4/22	Corporations: Closely-held corporations	554-563; 568-579; 587-594	None	None
28	4/27	Limited Liability Companies	834-840; 854-887	None	None
N/A	TBA	Final Exam. Comprehensive exam covering the entire course. Check the final exam schedule for date and time of exam.	N/A	N/A	N/A