

**Business Associations– Law 6060 § 1**  
**Jon Klick**

Class Details  
TRF: 9:30-10:45  
Room 101

Office Hours  
TRF: 8:00-9:30  
Room 315 (644-5714)

**Objective:** To familiarize students with the legal environment of partnerships, corporations, and various other unincorporated business entities, stressing the microeconomic foundations of various organizational forms to highlight the problems solved and created by each form.

**Required Text:** William A. Klein, J. Mark Ramseyer, and Stephen M. Bainbridge, *Business Associations: Cases and Materials on Agency, Partnerships, and Corporations*, 6th ed. (New York: Foundation Press, 2006), as well as supplemental articles as assigned.

**Recommended:** Wall Street Journal.

**Attendance Policy:** The ABA believes it knows how to allocate your time better than you do, so it mandates an 80 percent minimum attendance policy. Eventually, you will benefit from these kinds of entry restrictions.

**Grading:** Grades will be based entirely on the final exam, which has been scheduled by the law school for April 30, 2007 from 8:30 – 12:30. Exam grades will be curved to meet law school requirements.

**Course Schedule:**

January 9:           Micro-Economics Review

*Theory of the Firm*

January 11:        Coase (1937). “The Nature of the Firm.” *Economica*, 4(16): 386-405.  
January 12:        Jensen and Meckling (1976). “Theory of the Firm: Managerial Behavior, Agency Costs, and Ownership Structure.” *Journal of Financial Economics*, 3(4).  
January 16:        Cheung (1983). “The Contractual Nature of the Firm.” *Journal of Law and Economics*, 26(1): 1-21.  
                      [Rubin \(1978\). “The Theory of the Firm and the Structure of the Franchise Contract.” \*Journal of Law and Economics\*, 21\(1\): 223-233.](#)  
                      Manne (1965). “Mergers and the Market for Corporate Control.” *Journal of Political Economy*, 73(2): 110-120.

*Agency*

January 18:        Chapter 1: Agency  
January 19:  
January 23:  
January 25:  
January 26:

*Partnerships*

January 30:        Chapter 2: Partnerships  
February 1:  
February 2:  
February 6:  
February 8:  
February 9:        No Class

*The Corporation*

February 13: Chapter 3: Nature of Corporation  
February 15:  
February 16:  
February 20:  
February 22:

*Limited Liability*

February 23: Chapter 4: Limited Liability Company

*Duties of Insiders*

February 27: Chapter 5: Duties of Officers, Directors, and Other Insiders  
March 1:  
March 2:  
March 6: No Class (Spring Break)  
March 8: No Class (Spring Break)  
March 9: No Class (Spring Break)  
March 13:  
March 15:  
March 16:  
March 20:  
March 22:  
March 23:  
March 27:  
March 29: No Class  
March 30: No Class

*Control of the Firm*

April 3: Chapter 6: Problems of Control  
April 5:  
April 6:  
April 10:  
April 12:  
April 13:  
April 17:  
April 30: **Exam (8:30-12:30)**