

BUSINESS ASSOCIATIONS – LAWS 2002
FACULTY OF LAW, DALHOUSIE UNIVERSITY
COURSE OUTLINE & SYLLABUS
Fall 2009

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Office Hours: Mondays & Wednesdays, 3:00 pm to 4:00 pm. Otherwise by chance or appointment

Website: <https://ilocluster.ucis.dal.ca/webct/logon/776065016011>

May be accessed through My.Dal, under the Learning Resources tab

Classes: Mondays, 11:00 am to 1:00 pm, Room 204

Wednesdays, 1:00 pm to 3:00 pm, Room 105

Credit Value: 4 Credits

I. Course Description

This course deals with the legal consequences of conducting business in various forms in Canada. The primary focus of the course will be on the law relating to business corporations, with a review of other forms of business enterprise, including agency relationships, sole proprietorships, partnerships, (including limited partnerships and limited liability partnerships), trusts and joint ventures. A substantial number of classes will deal with issues relating to directors' and officers' duties and corporate governance. The goal of the course is to help students develop an understanding of business law principles and acquire a basic framework within which to understand and analyze business law issues as they are encountered by lawyers, regulators and policymakers. The course is also intended to provide the necessary groundwork for more specialized study of corporate finance, securities regulation, corporate taxation, and other business and commercial topics.

This course is designed to be of value to students with diverse backgrounds and career goals. Knowledge of the legal underpinnings of corporate law is a valuable tool for lawyers in many fields of specialty, whether they are pursuing a Bay Street practice, a Main Street practice or a practice in government or industry. Additionally, for those who opt to pursue a career outside of the traditional practice of law, an appreciation of the legal structures within which business decisions are made and implemented is important for the development of informed judgments on matters of business and policy.

II. Course Website

The course website is located at <https://ilocluster.ucis.dal.ca/webct/logon/776065016011> or may be accessed through the My.Dal website, under the Learning Resources tab. All students registered in the course have been granted access to the website.

The course website contains a copy of this syllabus, downloadable copies of some of the required course materials, a calendar detailing the topics and assigned readings for each class, copies of the PowerPoint slides presented at each class, an announcements board, a class roster and links to additional materials and websites related to the course material.

The website will be the primary means of communication between the instructor and students outside of the classroom and will be updated often. Please check it regularly.

III. Course Materials

The following materials are **all required**:

1. L.O'Brien, D. Russell, and Chris Nicholls eds., *Cases and Materials on Business Associations Law*, Volumes I and II, 2009/2010 edition, available at University Bookstore. The 2008/2009 edition may also be used. (the "Course Materials").
2. S. Bradley, *Nova Scotia Companies Act and Commentary*, 2010 Edition, Toronto: LexisNexis, available at University Bookstore (the "NSCA").
3. *2009 Consolidated Canada Business Corporations Act and Regulations*, 29th Edition, Toronto: Carswell, 2009, available at University Bookstore. The 2007 27th edition or the 2008 28th edition may also be used. ("CBCA").
4. M. Gillen, *Notes on Business Associations*. Chapters 2, 3, 11 and 12, available on the course website.

IV. Evaluation

Examination

Evaluation will be made on the basis of a **7½-hour take-home** written examination conducted during the final examination period, tentatively scheduled for **Thursday, December 17th**. Students will receive the exam question at 9:00am and will be required to submit their completed exam answer no later than 4:30 pm on **Thursday, December 17th**. The approximate time required to complete the exam questions will be 3 hours. Students may use the additional time available to plan, research, revise or edit their responses before submitting them.

The exam will consist of a combination of short answer questions and longer problem style questions in response to which students will be required to analyze a fact situation,

identify issues, state and apply the law with supporting statutory and case authority. Students may also be required to discuss a legal theory related to corporate law or respond in essay format to a policy question. The exam may include any topics from the assigned readings and the class lectures.

The examination questions will be distributed at 9:00 am on the examination day by three methods simultaneously:

- By email to the student's primary email address as identified by the Banner system;
- By posting on the course website; and
- In a printed paper form which will be available in the materials room of the law school.

Each student is solely responsible for ensuring that he or she is able to access their email and/or the course website at 9:00am on the examination day to receive the exam questions electronically. If this is not possible, the student must pick up the exam questions in printed paper form from the materials room. No additional time will be granted to students who are for any reason unable to receive the problem electronically.

Each student must submit their examination answer in electronic format by one of three methods:

- By uploading the exam answer into the Turnitin drop-box on the Law School Materials Room link, which can be accessed through the my.dal website. A link to this page will also be placed on the course webpage; or
- By delivering a memory stick with the exam response to Geordie Lounsbury in the materials room; or
- By emailing a copy of the exam answer to Geordie at Geordie.Lounsbury@Dal.Ca

Exam answers must be submitted in Microsoft Word or pdf format. All exam responses will be compiled and printed by Geordie, and the identity of exam writers will remain confidential. Students will be identified by exam codes only to the grading professor.

There will be a **strict word limit** imposed on all exams, and late penalties will be imposed for exams submitted after 4:30 pm on Thursday, December 17th.

All exam responses submitted in this course will be reviewed by highly sensitive electronic anti-plagiarism software. All students should review the information provided below under the heading, Academic Honesty.

Academic Honesty

Every student is required to prepare their exam response completely independently. Accordingly, all students must read:

1. the University policies on plagiarism and academic honesty referenced in the Policies and Student Resources sections of the academicintegrity.dal.ca website;

2. the Law School policy on plagiarism, as set out in the law school regulations (available in hard copy from the Associate Dean's office and online at http://law.dal.ca/Current_Students/Course_Selection_Materials/Regulations_Handbook/index.php); and
3. the Orientation Handbook (provided to all first year students and available online at http://law.dal.ca/Files/First_Year_Handbook_2007.pdf)

Any paper or assignment submitted by a student at Dalhousie Law School may be checked for originality to confirm that the student has not plagiarized from other sources. Plagiarism is considered a serious academic offence which may lead to loss of credit, suspension or expulsion from the law school, or even revocation of a degree. It is essential that there be correct attribution of authorities from which facts and opinions have been derived. Prior to submitting any paper or other assignment, students should read and familiarize themselves with the policies referred to above.

Ignorance of the policies on plagiarism will not excuse any violation of those policies.

V. Students with Special Needs/Requiring Accommodation

Professor Pothier is the faculty advisor to students with disabilities. Students wishing to discuss in-class accommodation or in-class study assistance needs should see Professor Pothier.

Students seeking special accommodation with regard to any aspect of course evaluation (including exam deferrals and extensions to deadlines) must make an application to the Studies Committee. Academic regulations require such requests to be made as soon possible and, in any event, no later than the date on which the exam is to be written or the paper or other assignment is to be submitted. Students should contact Associate Dean Michael Deturbide or Assistant Dean Elizabeth Hughes for more information about requests for accommodation and about the Studies Committee process.

VI. Pandemic H1N1 Influenza Advisory in relation to Academic Continuity

In the event of an escalation of the pandemic H1N1 influenza virus, the University may need to authorize Academic Units to change elements of class schedules and/or evaluation plans as outlined in course syllabi. Any change is intended to support the primary goal of reducing the risk of spreading a pandemic influenza among students, faculty and staff.

Although it is difficult to predict the severity of the pandemic, the University is committed to minimizing the impact on student's academic progress. Therefore, every effort will be made to provide students with options for continued learning and for continued fair evaluations.

Changes may include but are not limited to:

- Adjustments to course assignments;
- Changes to the dates of exams;
- Arrangements for alternative evaluations for students affected by H1N1 influenza virus;
- Adjustments to work terms;
- Modification of marks awarded for participation;
- Adjustments to attendance policies.

Any alternative plan made in individual courses may be superseded by University-wide or Government measures to reduce the spread of the pandemic H1N1 influenza virus.

VII. Tentative Class Schedule and Assigned Readings

The following provides an outline of the material to be covered in each class. Students are expected to have reviewed the material to be covered in preparation for each class. Classes will largely follow a lecture format, although students are encouraged to participate and ask questions. **The following is a tentative class and assignment schedule only. It may be necessary to amend, supplement or otherwise revise this tentative schedule, in whole or in part, as the term progresses.** If this occurs, students will be informed in class of any such amendments or revisions, and the course website will be updated accordingly. If a student must be absent from class, it is that student's responsibility to determine if any changes to the schedule have been announced.

BUSINESS ASSOCIATIONS
Course Schedule
Fall Term 2009

September 9	Introduction to Business Associations & Course Overview Sole Proprietorships <i>Readings:</i> Course Materials, pp. 1-1 to 1-5
September 14	Agency – Relationships Between Principal and Agent & Relationships with Others <i>Readings:</i> Gillen, <i>Notes on Business Associations</i> , Chapters 2 and 3
September 16	General Partnership – Relationships Between Partners & Relationships with Others <i>Readings:</i> Course Materials, pp. 1-5 to 1-29
September 21	Other Forms of Partnership – Limited Partnership, Limited Liability Partnership & Joint Ventures <i>Readings:</i> Course Materials, pp. 1-29 to 1-48; and chart pp. 1-65 to 1-67
September 23	Partnership Problems - Sample Problems 1 & 2 Corporations – Essential Elements and Benefits of Limited Liability <i>Readings:</i> Course Materials, pp.1-49 to 1-64 and pp. 1-68 to 1-71, and complete answers to sample problems 1 & 2
September 28	Corporations – History of the Corporate Form & Constitutional Issues <i>Readings:</i> Gillen, <i>Notes on Business Associations</i> , Chapters 11 and 12 (omitting: B.C. Corporate Law History on pp.147); and Course Materials, pp.1-54 to 1-58
September 30	Corporations – Legal Status: the Corporation as a “Person” & Judicial Disregard of the Corporate Entity <i>Readings:</i> Course Materials, pp. 2-1 to 2-50
October 5	Corporations – Liability for Corporate Acts – Statutory Disregard for the Corporate Entity & Tortious Liability for Corporate Acts <i>Readings:</i> Course Materials, pp. 2-51 to 2-58; pp. 2-66 to 2-97
October 7	Corporations – Criminal Liability <i>Readings:</i> Course Materials, pp. 2-97 to 2-125
October 12	THANKSGIVING DAY – NO CLASS
October 14	Corporations – Corporate Finance I <i>Readings:</i> Course Materials, pp. 3-1 to 3-31
October 19	Corporations – Corporate Finance II Corporate Finance Sample Problems 1, 2, & 3 <i>Readings:</i> Course Materials, pp. 3-31 to 3-60; complete Sample Problems 1, 2, & 3.

October 21	Corporations – Contractual Liability – Pre and post-incorporation contracts. <i>Readings:</i> Course Materials, pp. 4-1 to 4-48
October 26	Corporations – Closely Held Corporations & Sample Problem <i>Readings:</i> Course Materials, pp. 5-1 to 5-34; complete Sample Problem 1
October 28	Corporations – Control and Management – Distribution of Powers <i>Readings:</i> Course Materials, pp. 6-1 to 6-33
November 2	Corporations – Control and Management – Mechanics of Control <i>Readings:</i> Course Materials, pp. 6-33 to 6-75
November 4	Corporations – Duties of Officers and Directors: Duty of Care <i>Readings:</i> Course Materials, pp. 7-1 to 7-29
November 9	Corporations – Duties of Officers and Directors: Duty of Loyalty I <i>Readings:</i> Course Materials, pp. 7-29 to 7-80
November 11	REMEMBRANCE DAY – NO CLASS
November 16	Corporations – Duties of Officers and Directors: Duty of Loyalty II <i>Readings:</i> Course Materials, pp. 7-80 to 7-129
November 18	Corporations – Duties of Officers and Directors: Duty of Loyalty III <i>Readings:</i> Course Materials, pp. 7-129 to 7-159 and BCE case
November 23	Corporations – Majority – Minority Conflict & Duties of Officers and Directors Problems – Sample Problems 1 & 2 <i>Readings:</i> Course Materials, pp. 7-159 to 7-180; and complete sample problems 1 & 2
November 25	Corporations – Shareholder Remedies I <i>Readings:</i> Course Materials, pp. 8-1 to 8-55
November 30	Corporations – Shareholder Remedies II <i>Readings:</i> Course Materials, pp. 8-55 to 8-108
December 2	Corporations – Shareholder Remedies III <i>Readings:</i> Course Materials, pp. 8-108 to 8-153
December 7	Exam Review & Discussion