

**Georgia Tech
Scheller College of Business**

Law for Entrepreneurs

MGT 3614

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**Office Hours: Monday and Wednesday 12:30 p.m. to 1:30 p.m. and 6:00 p.m. to 7:00 p.m.
and by appointment or at such other mutually agreeable time by request – Scheller
COB Room # 4271/460C**

Spring 2014 – Classroom 300

**Class Meeting Time: Mondays and Wednesdays from 1:35 p.m. to 2:55 p.m. –Section TSJ
– CRN 27142**

SYLLABUS

1. Overview and Course Description and Learning Objectives

Overview and Course Description. This course will focus on the myriad of legal issues which entrepreneurs face while growing a start-up business from infancy to a publicly held company. This course will start with the initial issues which an entrepreneur encounters in deciding to leave their employer and assessing what type of legal entity best suits his or her needs in establishing an entrepreneurial venture and continues through the sale, merger or initial public offering of the shares of the entrepreneurial entity. The course will focus on various substantive practical areas of law which most impact entrepreneurs such as establishing ownership structure and related shareholder or membership agreements and other documents which impact ownership structure, sales and lease contracts, loan agreements, raising capital and securities law compliance, venture capital negotiations and agreements, the role of the board of directors and a possible role for an advisory board, debtor-creditor relations, employment law and intellectual property law (both within the U.S.A. and outside the U.S.A.).

Learning Objectives.

1. Students will be able to enter the entrepreneurial world with an awareness of the legal issues which most commonly arise in the course of growing and operating an entrepreneurial business so that their knowledge of law is as much an asset to them in growing an entrepreneurial business as their knowledge of finance, accounting, operations and marketing.
2. Students will develop skills which will assist them in anticipating the occurrence of the legal problems and matters which most commonly arise in the course of growing and operating an entrepreneurial business which skills will make them to be a more effective entrepreneur and business person and will save them valuable time and money and assist them in avoiding costly mistakes as entrepreneurs and business people.
3. Students will gain skills which will enable them to be strategically prepared to address legal issues which arise in negotiating sessions thus enabling the students to better execute when these issues arise.
4. Students will be able to articulate in negotiating sessions in the entrepreneurial environment matters which are important in order to protect their interests in

entrepreneurial companies and they will be gain the ability to identify what interests they need to protect.

5. Students will be able to identify the resources available to them as they are confronted with legal issues as they arise in the course of growing and operating an entrepreneurial business.

2. Class Attendance and Preparation

The class will meet Mondays and Wednesdays from 1:35 p.m. to 2:55 p.m. Regular attendance and participation in class are important. Assigned material as set forth at the end of this syllabus under the title “Course Schedule and Assignments” should be read before each class. I encourage students to participate in class discussions voluntarily, as class discussion will be an important element of the class. As discussed in greater detail below in this syllabus under the topic heading “Grading,” the Professor will consider class participation in computing a student’s Final Grade in the course and grade adjustment class participation points may be awarded by the Professor to increase a student’s Final Grade in the course for class participation.

3. Reading Assignments:

Text: The Entrepreneur’s Guide To Business Law, 4th Edition, by Constance E. Bagley and Craig E. Dauchy. South-Western, Cengage Learning © 2012 (ISBN-13: 978-0-538-46646-2)

Supplemental Reading: The Wall Street Journal

T-Square (<http://t-square.gatech.edu>) should be checked prior to each course meeting for supplementary reading and handout material.

4. Student Honor Code/Academic Honesty

Adherence to the Student Honor Code is expected. The Academic Honor Code is explained in detail in the GIT General Catalogue or at <http://www.deanofstudents.gatech.edu/Honor/>. Any instance of suspected academic dishonesty (e.g., plagiarism; cheating on a examination) will be referred to the Office of the Dean of Students for disciplinary action. If you are unfamiliar with what actions are considered “plagiarism,” it is your duty to familiarize yourself with avoiding it now (for example, a guide for students at the University of Toronto is given at <http://www.utoronto.ca/writing/plagsep.html> and may be helpful to you in understanding what constitutes the offense).

5. Electronic Media Forbidden

Cellphones and PDAs (and their like) are forbidden, and may not be used during class time. Turn off cellphones before class, or leave them at home. Laptops may only be used if they are being used for note taking purposes. Laptop computers should not be used for accessing the web (other than for researching a matter related to a class discussion), for sending or receiving e-mails or for playing video games. A violation of this rule will result in you not being able to bring a laptop computer to future classes.

6. Grading and Course Requirements

Examinations. There will be two examinations during the semester which will be seventy-five minutes in length, consisting of 50 multiple choice short answer questions. There will additionally be a final examination which will be seventy-five minutes in length, consisting of 50 multiple choice short answer questions.

First Exam, Second Exam and Final Exam.

First Exam. There will be a First Exam which will be sixty-five minutes in length, consisting of short answer and essay questions. The First Exam covers those materials indicated in the “Course Schedule and Assignments” prior to the date of the First Exam or discussed in the class prior to the date of the First Exam, so if you miss a class you need to get class notes taken by one of your classmates. It is your responsibility to get such class notes and to select the most competent classmate from whom to obtain such class notes. For the First Exam you may bring one (1) index card with your handwritten notes (both sides of a 3 x 5 index card may contain notes but only notes in your handwriting). Yes, you may cut your own index card, so long as it 3 x 5 inches. For the First Exam you **may not** bring calculators, laptops, etc.

Second Exam. There will be a Second Exam which will be sixty-five minutes in length, consisting of short answer and essay questions. The Second Exam covers those materials indicated in the “Course Schedule and Assignments” from the date immediately after the date of the First Exam to the date immediately prior to the date of the Second Exam or discussed in the class from the date immediately after the date of the First Exam to the date immediately prior to the date of the Second Exam, so if you miss a class you need to get class notes taken by one of your classmates. It is your responsibility to get such class notes and to select the most competent classmate from whom to obtain such class notes. For the Second Exam you may bring one (1) index card with your handwritten notes (both sides of a 3 x 5 index card may contain notes but only notes in your handwriting). Yes, you may cut your own index card, so long as it 3 x 5 inches. For the Second Exam you **may not** bring calculators, laptops, etc.

Final Exam. There will be a Final Exam which will be sixty-five minutes in length, consisting of short answer and essay questions. The Final Exam covers all those materials indicated in the “Course Schedule and Assignments” from the date immediately after the Second Exam to the date immediately prior to the date of the Final Exam or discussed in the class from the date immediately after the Second Exam to the date immediately prior to the date of the Final Exam, so if you miss a class you need to get class notes taken by one of your classmates. It is your responsibility to get such class notes and to select the most competent classmate from whom to obtain such class notes. For the Final Exam you may bring one (1) index card with your handwritten notes (both sides of a 3 x 5 index card may contain notes but only notes in your handwriting). Yes, you may cut your own index card, so long as it is 3 x 5 inches. For the Final Exam you **may not** bring calculators, laptops, etc. [As an alternative to the Final Exam, a student may present to the professor an idea for a Final Project and if the Professor approves the Final Project the student need not take the Final Exam and the grade on the Final Project shall substitute for the grade on the Final Exam. The idea for the Final Project must be presented to the Professor no later than March 12, 2014 (the day after the Second Exam). It is suggested that

you present the idea for the Final Project to the Professor earlier than March 12 so that the Professor has ample time to give you feedback on the idea and so that you can start working on the Final Project as soon as possible. The completed Final Project must be submitted to the Professor by the beginning of class on April 21, 2014. **Absolutely no time extensions will be given on the due date for submitting the Final Project and any Final Project not submitted by the beginning of class on April 21, 2014 will receive a zero as a grade. There are no exceptions to this requirement.**

No Removal of Exams from Classroom: Students are not permitted to remove exams from the classroom during the exam or after its completion. Students must, at the end of the exam, hand in to the Professor (or if the Professor is not present to the proctor administering the exam) the exam along with the marked scantron card indicating the students' answers to the multiple choice questions. If a student removes the exam from the classroom or if a student fails at the end of the exam to hand in to the Professor (or if the Professor is not present to the proctor administering the exam) **both** the exam and the marked scantron card indicating the students' answers, the student will receive a zero on the exam.

Exam Absence Policy: **(1) Absence Due to Illness:** If you are ill for the First Exam, the Second Exam or the Final Exam, you must contact the Professor **beforehand** in order to be excused from taking the First Exam, the Second Exam or the Final Exam, respectively. Only a physician-written note stating that you are suffering from an incapacitating illness is considered an excuse which will permit you to take the First Exam, the Second Exam or the Final Exam, respectively, at a date or time other than the date and time indicated in the "Course Schedule and Assignments" (a note that you visited the clinic **is not** sufficient). **(2) Absence Due to Death in Family:** If you have a validated death in your family you must contact the Professor **beforehand** in order to be excused from taking the First Exam, the Second Exam or the Final Exam, respectively. **(3) Absence Due to Participation in Official Georgia Tech Intercollegiate Athletic Event.** If you are participating or traveling to participate in an official Georgia Tech intercollegiate athletic event on the day of an exam you must contact the Professor **beforehand** and provide the Professor **beforehand** with a letter from the Georgia Tech Athletic Department in order to be excused from taking the First Exam, the Second Exam or the Final Exam, respectively. A different examination may or may not be used for make-up exams and it will be an Academic Honor Code violation to talk to anyone about an exam for which you are taking a make-up exam. **Your failure to take the First Exam, the Second Exam or the Final Exam, respectively, at the date and time indicated in the "Course Schedule and Assignments" will result in you receiving a grade of zero** on the First Exam, the Second Exam or the Final Exam, respectively, unless you: (i) contact the Professor **beforehand** and present the Professor with a physician-written note stating that you are suffering from an incapacitating illness (a note that you visited the clinic **is not** sufficient); (ii) contact the Professor **beforehand** and explain to the Professor that you have a validated death in your family; or (iii) contact the Professor **beforehand** and present the Professor with a letter from the Georgia Tech Athletic Department stating that you are participating or traveling to participate in an official Georgia Tech intercollegiate athletic event on the day of an exam.

Do Not Attend Exam Review Class If You Have Not As Of That Date Taken The Exam: If due to absence you have not taken an exam as of the date the Professor reviews that exam in class as set forth in the "Course Schedule and Assignments" located at the end of this syllabus, do not attend the class in which the Professor reviews that exam. If a student attends the class in

which the Professor reviews an exam prior to a student taking that exam, the student will receive a zero on the exam.

Class Participation and Attendance. Since this is an upper level course and students should expect to learn from one another as well as from the Professor, each student has the responsibility to attend class and to actively participate in classroom discussion. Class attendance without active participation in class discussion **is not sufficient** to receive any grade adjustment class participation points for class participation as discussed below in this syllabus under the topic heading “Grading.”

The Professor will either take attendance or pass out a class attendance sheet on such days as the Professor elects to do so at any time during the class that the Professor elects to do so. If you are not present when your name is called in class by the Professor or if you fail to sign the class attendance sheet the Professor passes it out in class, as applicable, you will be marked as absent from class that day. **You cannot later come up to the Professor and attempt to provide him with an excuse why you were not in class when he called your name or why you did not sign the class attendance sheet.** Arriving late to class or departing early from class can thus adversely affect your final grade in the course as discussed below. Other than excuse for illness pursuant to the illness policy stated below in this syllabus, excuse for a death in your family pursuant to the death in family policy stated below in this syllabus and excuse from the Georgia Tech Athletic Department pursuant to the intercollegiate athletic policy stated below in this syllabus, **you will be allowed only three (3) class absences** during the semester (you do not need to provide a reason). Any class absence after the allowed three class absences, for whatever reason (other than excuse for illness pursuant to the illness policy, excuse for a death in your family pursuant to the death in family policy and excuse from the Georgia Tech Athletic Department pursuant to the intercollegiate athletic policy below), will adversely affect your final grade in the course by **reducing your final grade in the course by one (1) point for each absence after the allowed three (3) class absences** (i.e., if you miss five classes and otherwise had a final course grade of 81 your final grade in the course will be reduced by two points to a 79).

I will be using a seating chart to assist me in getting to know you and to keep track of class participation. By the second class session (the class starting at 1:35 p.m. on Wednesday, January 8, 2014), please select a permanent seat for yourself in the classroom. Class attendance without active participation in class discussion **is not sufficient** to receive the class participation points discussed below in this syllabus. Since you cannot participate in class discussions if you miss all or part of a class it will be impossible for you to receive class participation points if you are absent from class or tardy to class.

Illness Policy and Death In Family Policy and Georgia Tech Athletic Department Policy. If you are ill for a class you must contact the Professor **beforehand** in order to be excused from that class. Only a physician-written note stating that you are suffering from an incapacitating illness is considered an excuse which will permit you to be excused from attending a class (a note that you visited the clinic **is not** sufficient). If you have a validated death in your family you must contact the Professor **beforehand** in order to be excused from attending a class. If you will miss class due to participation in an official Georgia Tech intercollegiate athletic event you must contact the Professor **beforehand** in order to be excused from that class and you must provide to

the Professor a letter from the Georgia Tech Athletic Department indicating what days you will be absent.

Grading. The grading system for the course will be made up of four components, which are as follows.

Grading-Exams.

The first component of your grade for the course is the First Exam. The First Exam will account for **33 1/3%** of the Final Grade.

The second component of your grade for the course is the Second Exam. The Second Exam will account for **33 1/3%** of the Final Grade.

The third component of your grade for the course is the Final Exam. The Final Exam will account for **33 1/3%** of the Final Grade.

Grading-Class Participation Points.

The fourth component of your Final Grade for the course is your Class Participation. The Professor at his discretion **may increase a student's Final Grade in the course by up to five (5) points** as a result of the student's class participation by awarding the student final grade increase points based on the number of class participation points awarded the student during the semester. By way of example, if a student received a Final Grade of 85 as a result of the grades received by the student on the First Exam, Second Exam and Final Exam, if that student had exceptional class participation, both in the amount and in the quality of the class participation, during the entire course, the Professor could increase that student's Final Grade by up to five (5) final grade increase points thus bringing that student's Final Grade from an 85 to a 90 thus causing that student to receive an "A" rather than a "B" in the course. The quality of a student's class participation will be determined based upon the class participation being reflective of critical thinking and absorption of reading materials indicated on the "Course Schedule and Assignments." A high quality response need not be completely accurate but it must be pertinent and reflective of critical thinking and absorption of reading materials. Random comments made merely to enable a student to say they participated in class discussion will not be considered as participating in class discussion and will not help your final grade in the course. It is important to remember that the quality, not just the quantity, of a student's class participation will be the critical determinative factor in the Professor's awarding of class participation points to a student. It will be impossible for a student to have quality class participation if they do not read the course material indicated in the "Course Schedule and Assignments" located at the end of this syllabus prior to each class.

The Professor will create a spreadsheet to enter the class participation points of each student and will use this spreadsheet at the end of the semester to determine how many final grade increase points each student receives. In order to determine how many final grade increase points each student receives, the Professor will average the amount of class participation points of the students in the course who participated in class discussion and determine the average number of class participation points (the average number of class participation points will be based only

upon the class participation of those students who participated in class discussion during the semester, i.e., the average amount of class participation points will be the average of the class participation of the students in the course who participated in class discussion, the average amount of class participation points will not reflect the zero class participations of the students who did not participate in class discussion). Those students who participated the average amount of times will receive three final grade increase points. Those who participated above average will earn four or five final grade increase points and those who participated below average will earn one or two final grade increase points. **The Professor will increase a student's Final Grade in the course by the number of final grade increase points earned by the student.** If a student does not participate in class discussion they will receive no class participation points and thus will receive no final grade increase points.

In the event that at the end of the semester the average amount of class participation points of the students in the course who participated in class discussion during the semester equals thirty (30) or more, any student who received thirty (30) or more class participation points shall be awarded five (5) final grade increase points (i.e., any such student who received thirty (30) or more class participation points will not have to exceed the average of thirty (30) class participation points in order to be awarded five (5) final grade increase points). Additionally, in the event a student earned five (5) final grade increase points and, after increasing such students Final Grade by such five final grade increase points, such student is one final grade point, but no more than one final grade point, shy of the number of final grade points needed for such student's Final Grade to increase to the next higher final letter grade, the Professor will award such student the needed one additional final grade increase point (i.e., if a student who earned five (5) final grade increase points has an 89 after increasing such students Final Grade by such five final grade increase points, the Professor will award that student one additional final grade increase point so that such student's final grade point increases from an 89 to a 90 and thus their letter grade increases from a "B" to an "A."). This awarding by the Professor of one additional final grade increase point, as described in this paragraph, will be done only for students who earned five (5) final grade increase points and will not be done for students who did not earn five (5) final grade increase points.

Each week the Professor will also be calling on students to verbally summarize material covered in the prior week of classes. If a student is not prepared to give such a verbal summary report, their grade will be negatively impacted by such failure to be prepared. The negative impact will be to reduce the student's final grade in the course by one (1) final grade point for each such failure to be prepared to give such a verbal summary report (i.e., if a student is not prepared on two occasions to give such a verbal summary report, that student's final grade in the course will be negatively impacted and reduced by two points, thus, a student who earned a 91 average on their exams in the course would have their final grade in the course reduced to an 89 and that student's final grade in the course will thus be reduced from an "A" to an "B.").

How a Student Indicates They Want To Participate In Class Discussion. If a student has read the reading materials indicated on the "Course Schedule and Assignments" prior to a class and wishes to participate in class discussion that day, they should display their name tent in front of them on their desk space so that the Professor can read their name on this name tent. Students who display their name tents will be the focus of questions and class discussions, as they have volunteered to participate in that class by displaying their name tent. If a student has not read the reading materials indicated on the "Course Schedule and Assignments" prior to a class they

should not display their name tent in that class. **In order for a student to be called on, they must have their name tent on their desk, visible to the Professor.** The Professor will indicate if a student's class participation merits a class a participation point that day **by handing that student a \$1 of Georgia Tech Buzz Buck for each high quality response that day which is pertinent and reflective of critical thinking and absorption of reading materials.** A student may also earn a \$1 Georgia Tech Buzz Buck by presenting to the class an article the student found which is relevant to the subject matter. Such presentation should summarize the article and explain its relevance. If a student wants to present an article to the class they should notify the professor immediately before the start of the class.

At the end of each class period, each student whom the Professor indicated during that class period should receive a class participation point should come to the Professor's podium located in front of the class and at that podium there will be a class participation sheet of paper for them to **print their name in legible printing** for that particular class period (indicating the number of class participation points they received). Students who have displayed their name tent but could not offer discussion reflective of critical thinking and absorption of reading materials will not be allowed to sign their name on the class participation sheet.

The Professor will use the class participation sheets from each of the class periods to access the amount of class participation contributed by each student and the Professor will use his own notes and memory to additionally access the quality of each student's class participation. If a student who participated in class discussion in a particular class period **fails to sign the class participation sheet for that particular class period,** the student **may not** subsequently e-mail or otherwise contact the Professor requesting that their name be added to the class participation sheet for that particular class period. The Professor will stop each class period a few minutes early in order that students who participated in class discussion have ample time to print their name on the class participation sheet for that particular class period (indicating the number of class participation points they received) and still make it to their next class or other commitments on time. It is important to remember that the quality, not just the quantity, of a student's class participation is critical in determining if a student's grade should be increased by class participation points. **If a student has not read the reading materials indicated on the "Course Schedule and Assignments" prior to a class they should not display their name tent in that class as it will be impossible for a student to have quality class participation if they do not read the course material indicated in the "Course Schedule and Assignments" located at the end of this syllabus prior to a class.**

The class participation points offered in this class are intended to promote (i) reading the course material indicated in the "Course Schedule and Assignments" located at the end of this syllabus prior to each class, (ii) participation in the lectures to help create an open lecture and case study learning format for the class, and (iii) help the Professor learn the names of the students.

Numerical Grade and Corresponding Final Letter Grade in Course.

<u>Average of Exam Grades + Final Grade Increase Points</u>	<u>Letter Grade Awarded in Course</u>
90 and above	A
80 through 89.99	B
70 through 79.99	C

60 through 69.99
Less than 60

D
F

The sum of the average of exam grades plus final grade increase points is not rounded up to award a student the next higher letter grade in the course. Students should increase their chance of being awarded the next higher letter grade in the course by maximizing their class participation.

7. Name Tents.

The Professor will hand out to each student on the first day of each class a “name tent” on which each student should **legibly print** using a **bold black magic marker** their first and last name. **It is the responsibility** of each student to bring this name tent to each class and place the name tent in front of them on their desk space if they wish to be called on in class so that the Professor can read their name on this name tent. The Professor will have extra name tents and a bold magic marker at the front of each class for any student who lost their name tent. It is the desire of the Professor to get to know the students who elect to participate in class discussion. It is only by having a name tent in front of a student that the Professor will associate that student who is making a high quality contribution to class discussion with that student’s name. **If a student repeatedly fails to display their name tent in class because the student has not read the reading materials indicated on the “Course Schedule and Assignments” prior to each class and thus cannot participate in class discussion that day, the student has no right to request at the end of the course semester that the student be permitted to do an extra credit assignment to raise their course grade. Moreover, the Professor will not take any requests made within three weeks prior to the last day of class that a student be permitted to do an extra credit assignment to raise their course grade.** It is important to remember that class participation sheets on which a student prints their name at the end of each class period in which the Professor indicated they meaningfully participated in class discussion is the key element that the Professor will use at the end of the course semester to determine if a student’s Final Grade should be increased due to class participation. The main element that the Professor will consider in permitting a student to sign the class participation sheet is the quality of that student’s class participation and in order for the Professor to do that a student must have a name tent in front of them to enable the Professor to know that the student is prepared to participate in class discussion.

8. Disability Accommodation

The Georgia Institute of Technology has established policies with respect to disability accommodation through Access Disabled Assistance Program for Tech Students (ADAPTS). These policies may be accessed at the ADAPTS website located at <http://www.adapts.gatech.edu>. Students seeking disability accommodation are specifically referred to the student guide and documentation pages on this website. Students failing to comply with the requirements set forth in ADAPTS will not receive accommodation.

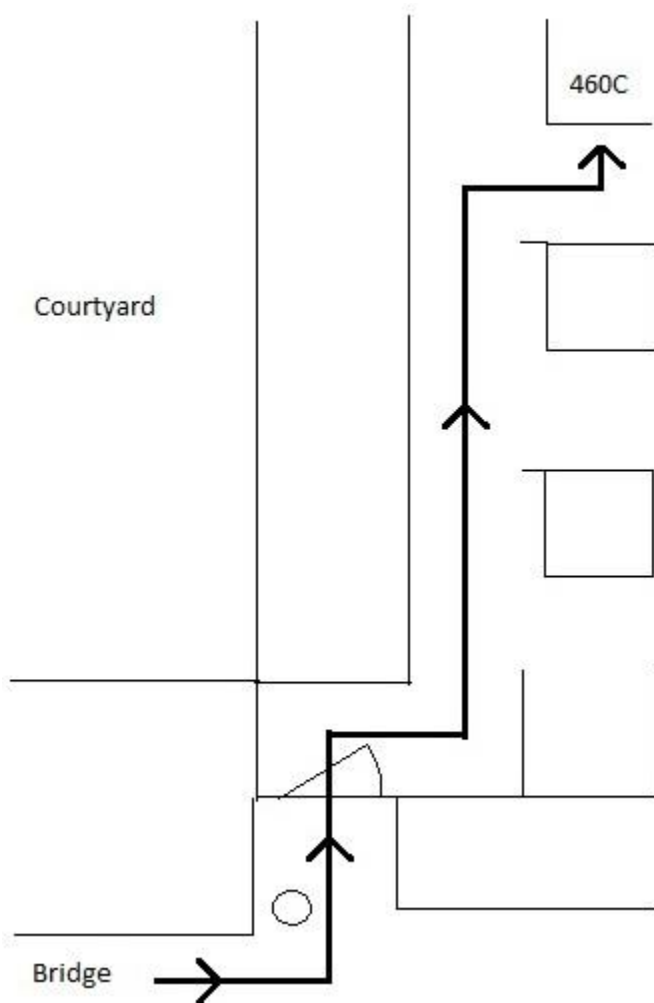
9. Legal Disclaimer

Any and all opinions or statements as to legal matters made by the Professor are for classroom purposes only and are not intended and should not be construed as dispensing legal advice. This disclaimer includes conversations with students during and outside of class.

10. Locating the Professor's Office

The Professor's office is located on the 4th floor of the College of Management building. As stated at the top of this syllabus the Professor's office number is 4271/460C. To find the Professor's office go to the 4th floor of the COM building and go to the door marked faculty offices and enter through this door (this door is located on the left hand side of the hallway after you cross the bridge, i.e., the door marked faculty offices is located on the north eastern end of the COM building). After you enter through the door marked faculty offices make a right at your third hallway on the right – the Professor's office is the first office on the left.

Below is a map to assist you if the above written directions are not sufficiently clear:



Course Schedule and Assignments

Date	Topic	Chapters/Assigned Readings
1/6/14	Introduction to Course and Introductory Lecture on legal issues encountered by entrepreneurs	Chapter 1 of the Textbook
1/8/14	Leaving your Employer Covenants Not To Compete; Trade Secrets and Invention Assignments and Work-for-Hire; Strategies for Leaving on Good Terms; Strategy and Documentation to Avoid Hiring Others Who Could Be Subject to Non-Compete, Non-Solicitation and NDAs	Chapter 2 of the Textbook and Handouts posted to T-Square
1/13/14	Selecting and Working with an Attorney How to use legal counsel in a cost effective manner, The concept of attorney-client privilege and how to preserve it	Chapter 3 of the Textbook
1/15/14	Deciding Whether to Incorporate Choice of Entity and Tax Considerations in Light of Immediate and Long Term Goals; Maintaining Limited Liability Protection; Organizational Documentation for formation of Corporations and LLCs; Delaware corporations; Role of Partnerships and Joint Ventures	Chapter 4 of the Textbook and Handouts posted to T-Square

Date	Topic	Chapters/Assigned Readings
1/22/14	Structuring the Ownership Financing Through Debt or Equity; Maintaining Voting Control and role of Voting and Non-Voting Stock and Voting and Non-Voting Membership Interests; Deemed Compensation Tax Issues; Employing Stock Options and Vesting; Qualified vs Non-Qualified Stock Options and Tax Considerations; IRC Section 83(b) election; Shareholder and Membership Interest Agreements and various control, succession and inheritance issues to be considered; Put-Call provisions in Shareholder Agreements and Termination of Employment issues in Shareholder Agreements; Proprietary Information and Inventions, and Non-compete Agreements; How to issue stock and membership interests	Chapter 5 of the Textbook and Handouts posted to T-Square
1/27/14	Structuring the Ownership (see above topics covered)	Chapter 5 of the Textbook and Handouts posted to T-Square
1/29/14	Structuring the Ownership (see above topics covered)	Chapter 5 of the Textbook and Handouts posted to T-Square
2/3/14	EXAM 1	Chapters 1 through 5

Date	Topic	Chapters/Assigned Readings
2/5/14	<p>Review of Exam 1 and Forming and Working With the Board</p> <p>Role of Board of Directors; Inside and outside directors; Size of Board and background of Board members; Concept of an Advisory Board and the role which it plays; What type of information and how to prepare and present information to Board to enable them to perform their function; Impact of Sarbanes-Oxley Act of 2002 on even Boards of privately held corporations; Duties of directors; the Business Judgment Rule; D&O Liability Policies; Shareholder Derivative Lawsuits</p>	Chapter 6 of the Textbook
2/10/14	<p>Forming and Working With the Board (see above topics covered)</p>	Chapter 6 of the Textbook and Handouts posted to T-Square

Date	Topic	Chapters/Assigned Readings
2/12/14	<p>Raising Money and Securities Regulation</p> <p>Common vs Preferred Shares; Preferences angel investors and venture capitalists often want; Raising Capital and Exemptions from Registration under Securities Act of 1933 and how to fall under an exemption (Reg A, Reg D, Section 4(2), Rule 147); Rule 10b-5 of the Securities Exchange Act of 1934 and its applicability to money raised under an exemptions from registration under Securities Act of 1933; Blue Sky laws; Role of Private Placement Memorandum and understanding what goes into preparing one; Role of angel investors vs venture capitalist; Dilution and change in control issues; raising money through government programs</p>	Chapter 7 of the Textbook and Handouts posted to T-Square
2/17/14	<p>Raising Money and Securities Regulation (see above topics covered)</p>	Chapter 7 of the Textbook and Handouts posted to T-Square

Date	Topic	Chapters/Assigned Readings
2/19/14	<p>Marshaling Human Resources</p> <p>Employees vs Independent Contractors and IP and tax considerations; Employment Hiring and Firing Practices, Roles which employers are being forced to assume in the workplace; dating in the workplace; Emails and web searching by employees; Discrimination and harassment in the workplace; Role of employment manual and issues to address in it; Liability for acts of employees; employee benefits</p>	<p>Chapter 8 of the Textbook and Handouts posted to T-Square</p>
2/24/14	<p>Marshaling Human Resources (see above topics covered)</p>	<p>Chapter 8 of the Textbook and Handouts posted to T-Square</p>
2/26/14	<p>Contracts and Leases</p> <p>Contract drafting skills and business analysis needed to develop a well drafted contract; Issue spotting in connection with contract drafting; Choice of forum and law and strategic significance; Leases, loan agreements and sales contracts and checklists to develop prior to preparing them</p>	<p>Chapter 9 of the Textbook and Handouts posted to T-Square</p>
3/3/14	<p>Contracts and Leases (see above topics covered)</p>	<p>Chapter 9 of the Textbook and Handouts posted to T-Square</p>

Date	Topic	Chapters/Assigned Readings
3/5/14	<p>E-Commerce and Sales of Goods and Services</p> <p>Electronic contracts; UCC Article 2 and warranties contained therein; Significance of disclaimer of implied warranties under the UCC; Significance of express warranties and interpreting the value of express warranties based upon what is being warranted; “As Is sales and C.O.D deliveries and rights being waived in agreeing to C.O.D. deliveries; Limitation of liability provisions and the need for them in connection with the sale of certain goods such a computer software; Thought process behind contractually limiting the length of time of the statute of limitations; Magnuson-Moss Warranty Act; U.N. Convention on Contracts for the International Sale of Goods; Shipping and delivery terms under the UCC and under INCOTERMS; Strict liability in tort for defective products; Consumer privacy and identity theft; U.N. Convention on the Recognition and Enforcement of Foreign Arbitral Awards</p>	Chapter 10 of the Textbook
3/10/14	EXAM 2	Chapters 6 through 10

Date	Topic	Chapters/Assigned Readings
3/12/14	<p>Review of Exam 2 and Operational Liabilities and Insurance</p> <p>Intentional Torts and Unintentional Torts (negligence); Concept of duty of care and how society has made this a continually evolving standard; The shifting of duty of care from individuals to businesses; The concept of foreseeability and causation (proximate cause) and how business owners should prepare, educate and train employees; Negligence per se; strict liability; Antitrust violations, Bribery and FCPA; Role of insurance</p>	Chapter 11 of the Textbook
3/24/14	<p>Operational Liabilities and Insurance (see above topics covered)</p>	Chapter 11 of the Textbook
3/26/14	<p>Creditor's Rights and Bankruptcy</p> <p>Secured transactions under UCC Article 9 and importance of perfecting security interest; Bank loan agreements; Types of bankruptcies and role of bankruptcy as a strategic tool; effect of bankruptcies on secured and unsecured creditors; Chapter 11 plan of reorganization; Operating a business while in Chapter 11</p>	Chapter 12 of the Textbook

Date	Topic	Chapters/Assigned Readings
3/31/14	<p>Venture Capital</p> <p>Venture Capital Term Sheet (negotiating and drafting it); Full and partial ratchet provisions; The down round; Valuation for venture capital; Due diligence; Convertible debt; Preferences in preferred stock and preferred membership interests; B and C venture capital rounds; How interests of VCs may not run parallel to interests of company founders and how this could affect decisions about the sale of business and IPO; Negotiating with VCs and what entrepreneur may want from VC in addition to money; protective provisions for entrepreneur in documents agreed to with VC; VCs seats on board of directors</p>	<p>Chapter 13 of the Textbook and Handouts posted to T-Square</p>
4/2/14	<p>Venture Capital (see above topics covered)</p>	<p>Chapter 13 of the Textbook and Handouts posted to T-Square</p>

Date	Topic	Chapters/Assigned Readings
4/7/14	<p>Intellectual Property and Cyberlaw</p> <p>Patents (internationally and within the U.S.); types of patents (utility, design and business method); Use of Patent Cooperation Treaty; European Patent Office; Trademarks (value in selecting a fanciful or coined name vs an arbitrary name or a suggestive mark)to; Copyrights and Berne Convention; Trade dress; Domain names; Trade Related Aspects of Intellectual Property Rights (TRIPS Agreement); Patent reform; Patent sharks; Patent trolls; Rethinking entrepreneurs approach to IP; Patent and trademark licensing; Coordinating IP with lawyer with branding developed by marketing group; Employee Proprietary Information and Invention Agreements; Independent Contractor Proprietary Information and Invention Agreements</p>	<p>Chapter 14 of the Textbook and Handouts posted to T-Square</p>

Date	Topic	Chapters/Assigned Readings
4/9/14	<p>Going Global</p> <p>Selecting the best approach to establishing an overseas presence (branch office, greenfield investment, merger or acquisition of existing overseas business; joint venture, franchising, licensing); tax issues, International human resource management; hiring and employing overseas; ethnocentric approach vs polycentric approach;</p>	Chapter 15 of the Textbook
4/14/14	<p>Buying and Selling a Business</p> <p>Stock vs asset acquisition; negotiating an acquisition agreement; review of representations and warranties and pre and post closing covenants and agreements; Merger and risk run; The due diligence process; tax considerations; Ancillary documents and agreements to an acquisition or merger; securities and antitrust law compliance; shareholder approval and dissenters' rights</p>	Chapter 16 of the Textbook and Handouts posted to T-Square
4/16/14	<p>Buying and Selling a Business (see above topics covered)</p>	Chapter 16 of the Textbook and Handouts posted to T-Square addressing:

Date	Topic	Chapters/Assigned Readings
4/21/14	<p>Going Public</p> <p>Is your company a viable IPO candidate ; Advantages and disadvantages of going public; IPO vs sale of company; Role of the prospectus; Impact of Sarbanes-Oxley Act of 2002 and responsibilities of board of directors; Insider trading; restrictions on sale of shares; Annual, quarterly, and other periodic reporting requirements for a publicly held company</p>	Chapter 17 of the Textbook
4/23/14	<p>Overall Course Review to Create a Complete Perspective for an Entrepreneur</p>	No new reading assignment

Final Exam Date	Final Exam Time	Chapters/Assigned Readings
5/2/14 (Friday) Time: 2:50 p.m.	FINAL EXAM (This final exam will be scheduled to be given during the Georgia Tech published established final exam period on Friday, May 2, at 2:50 p.m.)	Chapters 11 through 17

The Professor may on occasion bring in a guest speaker from the legal community which may result in some minor rescheduling in the above course schedule (there will be no rescheduling of exam dates). However, do not deviate from the above reading assignments.

The Professor may from time to time hand out material in class which material will be required reading for the next class. Failure to attend class is no excuse for failing to read any material handed out in that class. **It is the responsibility of each student to obtain from other students in the class material handed out in a class which such student failed to attend.**