Course Description: This course provides a practical understanding of how to apply the law in both transactional and litigation settings. In doing so, it focuses on the legal aspects of purchasing and selling businesses, for the most part, privately-held businesses. The substantive areas of law involved in even a simple business acquisition are broad, and the course takes an interdisciplinary look at how various areas of the law are brought together in common factual settings. Students will negotiate and document the acquisition of a business covering such legal areas as corporate, contracts, real property, secured transactions, and bankruptcy law. One applies, in practice, a hypothetical litigation test to the various documentary provisions of a business transaction as one develops a deal. Students will test, in a litigation setting, decisions made during the acquisition stage of a business transaction.


Reading Assignments and Class Participation: Students are expected to have studied the assigned Readings and be prepared to participate in class. Class participation constitutes 20% of the grade for the course.

Contract Drafting and Negotiation. Students will be divided into teams to negotiate and document the hypothetical purchase and sale of a business. Each purchaser team and each seller team will be responsible for drafting two versions of the purchase and sale agreement. There will be three structured in-class negotiating sessions. Contract drafting and negotiation constitutes 40% of the grade for the course. Teams will be penalized for late drafts. Failure to reach a final version of the purchase and sale agreement will penalize members of both teams up to one-half the credit for this element of the course grade (i.e., up to 20% of the final grade of the course).

Class Times: Classes will meet on Mondays and Wednesdays at 1:00-2:20 pm in Room 300. See the Class Schedule following.
Office Hours by Appointment: Email (yk@colorado.edu) to arrange meetings.

Grading: The grades for this course will be based on a final examination (40%), to be held as posted (please refer to Spring 2010 Final Exam Schedule), contract drafting and negotiation (40%) and class participation (20%).

Course Schedule: The course will include 27 classes during the Spring semester, 2010. See the Class Schedule following.

### Business Transactions

#### Class Schedule

**Spring, 2010**

**Background**


- **Class 2: January 13.** Topic: Choice of Entity. Reading: Gevurtz 58-112.

- **Class 3: January 20.** Topic: Form of Transaction. Reading: (1) ABA A1-23. (2) Drake 233-252.

- **Class 4: January 25.** Topic: Structuring the Transaction. Purchaser’s and Seller’s Considerations. Reading: Gevurtz 1006-1051.

- **Class 5: January 27.** Topic: Term Sheets and Letters of Intent. Reading: ABA D1-20. *Announce teams and hand out Term Sheets for contract drafting and negotiating assignment. Library resources presentation.*

- **Class 6: February 21.** Topic: Drafting the Contract for the Purchase and Sale of a Business. Reading: Drake 253-273.

- **Class 7: February 3.** Topic: Checklists, Forms and Due Diligence. Reading: (1) *Buying and Selling Businesses* Sections 6.1-6.13. (2) Bainbridge 177-179.

- **Class 8: February 8.** Topic: Corporate Valuation. Reading: Drake 639-670.


Class 16: March 8. Topic: Conditions Precedent, Closing and Post-Closing. Reading: Model Agreement Sections 2, 7 and 8.


Class 18: March 15. Topic: Non-Competition and Non-Solicitation Covenants. Reading: (1) ABA H158-160. (2) Cases.

Class 19: March 17. Topic: Indemnification and Insurance. Reading: Model Agreement Section 11. Negotiating Session II.


Class 26: April 19. Topic: Final Exam Review. Seller teams 2nd and final contract draft (4th overall) due at 5pm.