

Law and Business of Corporate Transactions

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Meetings: Tuesdays 6 pm-9 pm (Sept 20 - Dec 20, *except* Oct 11 and Dec 13)

(*NOTE: This course meets on the Stern Langone calendar.*)

[location TBD]

Textbook: None required. Weekly reading materials will be posted on the course site at NYU Classes. Although there is no required textbook, we suggest Robert F. Bruner's Applied Mergers and Acquisitions (Wiley, 2004) for those students who would like a general reference text on mergers and acquisitions (M&A) and related topics.

Prerequisites: Stern students should have taken Corporate Finance and Law students should have taken Corporations. (It is also recommended that Law students have taken Corporate Finance.)

Course Description: This class will focus on the legal and financial aspects of M&A and other corporate restructuring and capital market transactions. Transactions will include both contested and uncontested M&A and will address the role of both strategic (corporate) and financial (banks, private equity, etc.) players, as well as financial, legal and other advisors. The role of investors - in both debt and equity - will also play an important role in the course. The course is intended to integrate diverse aspects of the academic training of law and business students in a transactionally-focused, practically-oriented class.

The course will consist of a set of four initial "framework" lectures on the economic, market and legal contexts of corporate transactions. These will be followed by six class

discussion sessions, each focusing on a specific transaction as representative of a broader class of transaction. (eg, “friendly” M&A, spinoffs, activism, etc.) *For each of these classes, a subset of students will be expected to act as discussion leaders, selecting pre-class reading items and preparing outline questions for the class.* There will also be two guest-led classes, in which industry participants will discuss first-hand experiences and observations about the practical workings of corporate transactions. All classes will involve a significant amount of student participation in the topic discussions.

Each student will also be required to write a 20 page term paper on a topic approved by the instructors.

Evaluation will be based upon each student’s term paper and class participation. Class participation will reflect both the student’s shared leadership of one class discussion and more general participation in all class discussions. Students should be aware that attendance is of particular importance since all class content is provided through the class meetings.

Grading:        50% classroom participation  
                         25% discussion leadership  
                         25% general participation  
                         50% term paper

Term Papers: Term papers will be due at 6 pm on December 20. Topics must be approved by 6pm on November 22. Papers should be approximately 20 pages in length (double-spaced and not including notes, exhibits.) Any basic footnote, bibliography format is acceptable.

Papers must address both legal and business issues of the topic. Students may select a topic that interests them in the general area of M&A and corporate transactions so long as topics are pre-approved by instructors. Some possible ideas to help you get started in choosing a topic:

- analysis of a specific transaction (not discussed in class)
- international comparative transaction topic
- analysis of a unique deal structure
- conflicts of interest/ethical issues in a deal context

Discussion Leadership Groups: At the September 27 class, each student will be assigned to a small group to serve as leaders for one of the six transaction discussion classes (Oct 25 – Dec 20). Each group will be expected to (i) assign several relatively short supplemental items of pre-class student reading (due 6pm on the Thursday prior to class); (ii) provide a set of outline questions to help guide the class discussion (due 6pm on the day prior to class); and (iii) serve as discussion leaders during the class itself.

Class Schedule

Sept 20: *Class Introduction*

Corporate Governance (The Board in its Legal and Business Context)

Sept 27: Valuation and Corporate Finance (Transaction and Capital Market Economics)

*Preview of Student-Led Discussion Classes*

Oct 4: Markets and Institutions (Corporate Lifecycle, Capital Markets, etc.)

*Oct 11: No Class*

Oct 18: Overview of Transactions (Deal Elements, Key Players, etc.)

Oct 25: Capital Raising/IPOs

Nov 1: Uncontested M&A

Nov 8: Leveraged Buyouts

Nov 15: Guest Lecture (Uncontested M&A, LBOs)

Nov 22: Contested M&A

*Term Paper Topic approved*

Nov 29: Shareholder Activism

Dec 6: Guest Lecture 2 (Contested M&A, Shareholder Activism)

*Dec 13: No Class*

Dec 20: Disaggregation Transactions (Spinoffs, Divestitures, etc.)

*Term Papers due*