Understanding

Corporate Law

Fourth Edition

Arthur R. Pinto

Douglas M. Branson

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UNDERSTANDING CORPORATE LAW

FOURTH EDITION

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PREFACE

Understanding Corporate Law is intended to assist law students and lawyers with a basic understanding of the law of corporations as taught in most corporations courses. Significant business, economic and policy issues are highlighted in connection with a thorough analysis of the important cases and both state and federal statutory provisions used in the study of corporations. It includes the major theoretical approaches used in current corporate law literature. In each chapter, the authors identify important policies and discuss the relationship of the law as it has developed to those policies. Statutory issues are covered under both the General Corporation Law of the State of Delaware and the Business Corporation Act. In addition, significant sections from the Principles of Corporate Governance of the American Law Institute are covered. The corporate scandals of 2001 and 2002, the enactment of the federal Sarbanes-Oxley (2002), Dodd-Frank (2010), and JOBs (2012) Acts, and the financial crisis of 2008 are also covered. Chapter 11 now incorporates significant new material on limited liability companies (LLCs). This book is designed to be used with all of the major corporate law casebooks.

We also have written this volume so that non-lawyers who desire to progress beyond a rudimentary knowledge of corporate law may do so by reading this book.

Although the book was a collaborative effort, Professor Pinto wrote Chapters 1, 4, 5, 6, 8, 9, 10 and 12. Professor Branson wrote Chapters 2, 3, 7, 11, 13 and 14.

Professor Pinto would like to acknowledge the helpful suggestions on the chapters he wrote from his colleague Professor Brackman Reiser. In addition, he would like to thank Braden Hasnay, Brooklyn Law School Class of 2014, for his editorial assistance. He would like to also acknowledge Stephen J. Bohlen for his constant support.

Professor Branson dedicates this book to Elizabeth, Clare and Annie.

The book is dedicated to our students past and present who have inspired this project.

Arthur R. Pinto
Douglas M. Branson

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