

International Business Transactions

Course Description: This course provides an examination of the contractual and regulatory issues that arise when business dealings cross borders. It is structured in two parts. Part I covers the legal environment of international business, including the place of international law in the US legal system, the extraterritorial application of domestic law, and dispute resolution. Part II then builds upon this framework to explore eight representative transactions that lawyers advising businesses are likely to encounter: (i) export sales, (ii) agency and distributorship agreements, (iii) licensing, (iv) foreign direct investment, (v) mergers and acquisitions, (vi) joint ventures, (vii) development (concession) agreements, and (viii) international debt instruments. US, foreign, and international legal rules will be explored throughout the course.

Required Materials: The book for this class is Vagts, Dodge, Koh & Buxbaum, *Transnational Business Problems* (5th ed. 2014). Because the fifth edition will not be published until early June, excerpts from the page proofs will be posted on bSpace. The page numbers in the reading assignments below refer to these page proofs.

Class Meetings: This class will meet during Quarter Two, June 4-19, from 9:00 am to 12:15 pm, with two ten-minute breaks. There will be no class on Friday, June 20. During each class session, I will call on students and ask them to respond to questions. We will take every opportunity to engage in class discussion. This is an important part of the learning process, and it requires that you prepare for class each day by reading the assigned materials.

Examination: The exam is scheduled for June 23. It will be approximately three hours in length and will include both multiple-choice and essay questions. During the exam, you may consult your course materials, notes, and any outline you have prepared yourself or in collaboration with others. Because I will be traveling from June 20, students should ask any questions relating to the course or exam before 5 pm on June 19. Past essay questions and answers may be found here: <http://www.uchastings.edu/academics/faculty/facultybios/dodge/classwebsite/ibt/index.php>

Reading Assignments:

(1) Wednesday, June 4

International Law in the U.S. Legal System: pp. 61-68, 85-93

- A Sketch of Transnational Law, pp 61-66
- Customary International Law, pp. 66-68
- The Law of Treaties, pp. 85-88
- *Sumitomo Shoji America, Inc. v. Avagliano*, pp. 88-93

(2) Thursday, June 5

Extraterritoriality: pp. 94-122

- Customary International Law, pp. 94-97
- Antidiscrimination Law, pp. 97-104
 - *Mahoney v. RFE/RL Inc.*
- Antitrust Law, pp. 104-11
- Securities Law, pp. 111-22
 - *Morrison v. National Australia Bank*

(3) Friday, June 6

Dispute Resolution: pp. 19-51

- Litigating in the United States or Abroad, pp. 19-22
- International Jurisdiction in U.S. Courts, pp. 22-32
 - *M/S Bremen v. Zapata Off-Shore Company*
- The Enforcement of Judgments Internationally, pp. 32-35
- Procedural Problems in International Litigation, pp. 35-39
- Arbitration, pp. 39-51
 - *Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth, Inc.*

(4) Monday, June 9

Export Sales: pp. 255-86

- Sample Invoice, pp. 255-56
- Choice of Law and Choice of Forum, pp. 256-76 (skim the FOB term, pp. 265-70)
 - *Filanto, S.p.A. v. Chilewich International Corp*
- Letters of Credit, pp. 276-86 (skim UCP articles 14-16, pp. 279-81)
 - *Sztejn v. J. Henry Schroder Banking Corp.*

(5) Tuesday, June 10

Agency and Distributorship Agreements: pp. 311-46

- Sample Agreement, pp. 311-17
- Termination, pp. 317-28
 - *Ingmar GB Ltd. v. Eaton Leonard Technologies Inc.*
- Exclusivity, pp. 329-44 (skim Block Exemption, pp. 338-42)
- Tax, pp. 344-46

(6) Wednesday, June 11

Licensing Agreements: pp. 347-60, 364-68, 377-85

- Sample Agreement, pp. 347-52
- Introduction to Intellectual Property Law, pp. 353-57
- Andean Community Technology Transfer Laws, pp. 357-60
- Antitrust, pp. 364-68
- Parallel Imports, pp. 377-85

(7) Thursday, June 12

Foreign Direct Investment: pp. 161-71, 176-86, 189-93

- Nationality of Corporations, pp. 161-71
 - *Centros Ltd. v. Erhvervs-og Selkabsstyrelsen* (skim the case)
- Restrictions on Foreign Corporations, pp. 176-85
 - *In re Fox Television Stations, Inc.*
- The Multinational Enterprise, pp. 185-86
- Limited Liability, pp. 189-93
- Tax (lecture only)

(8) Friday, June 13

Review

- Outline answer to Question II.A, Fall 2012 Examination, available here:
<http://uchastings.edu/academics/faculty/facultybios/dodge/classwebsite-x/transnational/docs/IBT-EXAM-12f-public.pdf>

Mergers and Acquisitions: pp. 435-50, 457-81

- Sample Agreement, pp. 435-40
- Securities Law, pp. 440-46
 - *Absolute Activist Value Master Fund Ltd. v. Ficeto*

- Takeover Defenses, pp. 446-50
- Antitrust, pp. 457-77 (skim EU Merger Regulation, pp. 461-69)
- Exon-Florio, pp. 477-81

(9) Monday, June 16

Joint Ventures: pp. 487-511

- Sample Agreement, pp. 487-95
- Chinese Regulation of Foreign Investment, pp. 495-502 (skim Equity Joint Venture Law, pp. 496-500)
- Tensions and Dispute Resolution, pp. 502-11

Foreign Corrupt Practices Act, pp. 300-09

(10) Tuesday, June 17

Development Agreements: pp. 521-47, 430-31

- Sample Agreement, pp. 525-42 (especially Articles 2-6, 10-13, 17-18, 29, 34-35, 38)
- Dispute Resolution, pp. 542-47
- Political Risk Insurance, pp. 430-31

(11) Wednesday, June 18

Foreign Government Debt: pp. 565-84, 588-608

- Brief History, pp. 565-68
- Terms and Conditions, pp. 568-84 (skim Mexican notes, pp. 569-80)
- Foreign Sovereign Immunity, pp. 588-95
 - *Argentine Republic v. Weltover, Inc.*
- Restructuring Sovereign Debt, pp. 595-608
 - *Pravin Banker Associates, Ltd. v. Banco Popular del Peru*

Thursday, June 19

Review

- Outline answer to Question II.B, Fall 2012 Examination, available here: <http://uchastings.edu/academics/faculty/facultybios/dodge/classwebsite-x/transnational/docs/IBT-EXAM-12f-public.pdf>
- Question and Answer Session