

Business Law: Connecting the Threads II CLE
Panel 1 (Moll)

1. According to Professor Moll, in the context of corporate oversight the director of a corporation owes a duty of care to speak with each individual within that corporation in order to meet her fiduciary duties.
 - A. True
 - B. False
2. According to Professor Moll, it is important that a director of a corporation acts as though she is a Jack of all Trades in order to avoid substantial reliance on experts.
 - A. True
 - B. False
3. Under both the Model Business Corporation Act § 8.30(e)-(f) and Tennessee Code § 48-18-301, the director of a corporation is entitled to rely on which of the following experts?
 - A. Legal Counsel
 - B. Officers or Employees
 - C. Accountants
 - D. All of the above
4. According to Professor Moll, may the director of a corporation use the defense of reliance on a sole expert if that expert has a financial interest in the transaction?
 - A. Yes
 - B. No
5. In order to seek protection from reliance statutes, a director must _____ the expert's opinion.
 - A. Actually rely on
 - B. Blindly rely on
 - C. Contemplate
 - D. Hire another expert to dispute
6. Even where the other information available to the director contradicts the information provided by the expert, the director may rely on the information provided by the expert.
 - A. True
 - B. False
7. If the circumstances indicate that the conclusion of an expert's report is not well-founded, a director may still, nonetheless, rely on the expert's report without further question.
 - A. True
 - B. False
8. According to Professor Moll, there is a consensus among courts that the duty of _____ is *definitely* protected by the reliance statutes.
 - A. Care
 - B. Loyalty
 - C. Competence
 - D. All of the above
9. Duty of loyalty claims, by their very nature, bypass the business judgment rule because they involve conflicts
 - A. True
 - B. False

10. Under the language of Delaware's reliance statute, a director is fully protected from liability through reasonable reliance on experts.

A. True

B. False

11. According to the 3L student, the Tennessee, Delaware, and Model statutes regarding reliance on experts is based on whether the director relying on the expert should reasonably believe in the preparedness and competence of the expert.

A. True

B. False

12. According to the Tennessee case cited by the 3L student, a director is required to exercise _____ diligence to avoid liability for relying on an expert.

A. Ordinary

B. Heightened

C. Minimal

D. No