Connecting the Threads III: Quiz 5

What is a Merger Anyway?

1) Professor Heminway says the practice of securities regulation focuses on “protecting investors, maintaining fair markets for financial instruments, and encouraging __________________.”
   a) Formation of capital in businesses
   b) Regulation of the voting process in corporations
   c) Mandatory disclosure rules
   d) A duty of loyalty from managers, officers, and directors

2) Which of the following is NOT one of professor Leatherman’s three principles of tax i.e “tax should be”:
   a) Equitable
   b) Administrable
   c) Statutory
   d) Economically Efficient

3) A triangular merger is best described as:
   a) One survivor absorbing two target entities
   b) The target firm being merged into a survivor’s subsidiary
   c) The surviving firm absorbing the target’s equity without taking on the target’s liabilities
   d) Two surviving firms splitting absorption of one target entity

4) Professor Plank believes that mergers and acquisitions should first and foremost be analyzed from a tax perspective.
   a) True
   b) False

5) Prof. Plank: “I’m just going to say, investment bankers have to eat too.”
   Prof. Leatherman: “Yeah, but does it have to be ____________?”
   a) German Chocolate Cake
   b) Filet
   c) Eggs Benedict
   d) Caviar

6) Professor Heminway believes an entire M&A transaction can be handled competently by one attorney.
   a) True
   b) False

7) According to professor Plank most of what law students know about the law when they begin school is litigation in the form of _______________ issues and tort law issues.
   a) Contract Law
   b) Constitutional Law
   c) Criminal Law
d) Space Law

8) What area of practice does professor Leatherman believe is a good starting point for young attorneys looking to gain transactional experience and expertise?
   a) Real Estate Financing
   b) Mergers and Acquisitions
   c) Business Formation
   d) Estate Planning

9) Larger firms advise their clients to take on _________________ for particularly sophisticated transactions.
   a) Specialty Counsel
   b) New Employees
   c) Debt
   d) Outside Consultancy Firms

10) Professor Plank believes there is a tremendous pressure in law firms for young attorneys to:
    a) Behave unethically at the request of senior partners
    b) Obtain a large source of revenue for the firm
    c) Work long hours, including nights and weekends
    d) Immediately specialize in one area of practice