



The Isachar and Batia Fischer Center for
Corporate and Capital Market Regulation
The Buchmann Faculty of Law
Tel Aviv University

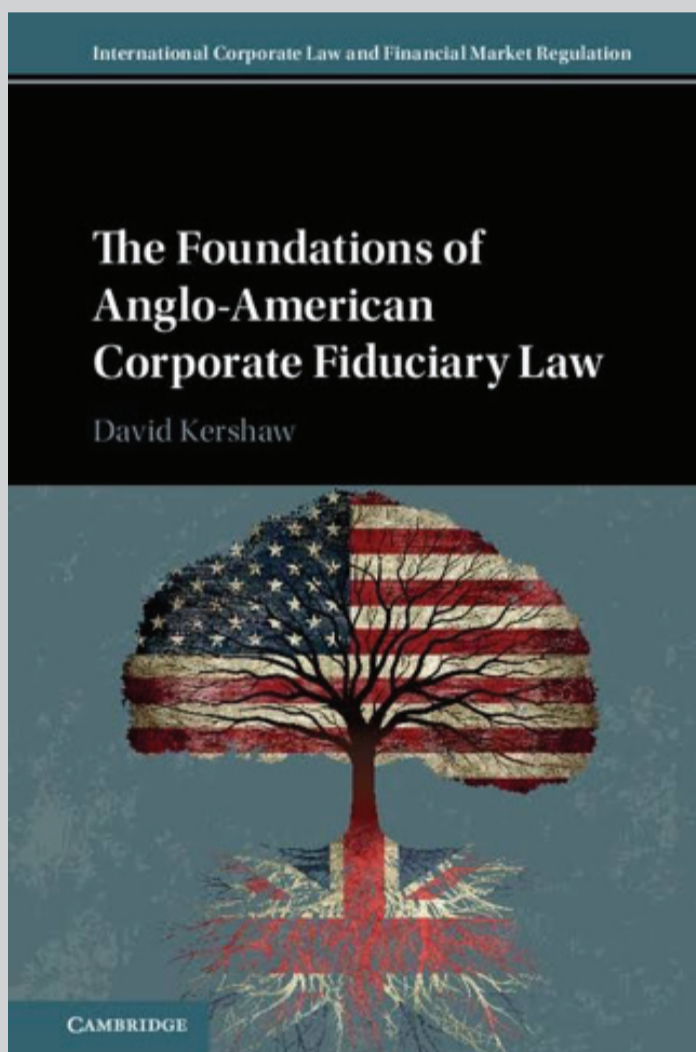
The Fischer Center for
Corporate and Capital
market regulation
is hosting

Prof. David Kershaw

Professor of Law at the London School of Economics

“THE STRUCTURAL INSTABILITY OF THE BUSINESS JUDGMENT RULE”

WEDNESDAY JUNE 10 | 17:00 - 18:30 (israel time) | VIA ZOOM



Lecture in brief

“The talk explores the foundations and effects of the US business judgment rule. It shows first how rationality review is rooted in the longstanding English and U.S. law position that delegated power must be exercised in good faith for the purpose for which the powers were delegated; a rule which, in application, relied on rationality review to infer compliance with the good faith standard. Rationality review in the original incarnation of the business judgment rule was, therefore, merely a proxy for compliance with the good faith standard. However, in the seminal case of *Aronson v Lewis* in 1984 the umbilical link between rationality review and the traditional good faith standard was cut. In *Aronson*, the Delaware Supreme Court re-presented the business judgment rule to, inter alia, present good faith as a precondition to rationality review. In so doing, the Court destabilized the structural order of both what was the business judgment rule and several other core components of Delaware law. The paper explores the drivers of *Aronson*’s re-presentation and shows that some of the most important doctrinal developments in Delaware since the 1980s can be understood as the product of the structural doctrinal instability which *Aronson* created.”

The colloquium will be conducted (and recorded) on Zoom
To register, please email fischer07@tauex.tau.ac.il until June 8 2020
Link to Zoom will be sent to registered participants on the day of the event
