

ENTREPRENEURSHIP LAW AND VENTURE CAPITAL FINANCE
SYLLABUS
Spring 2026

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DESCRIPTION

This survey course is designed to expose students to the legal and transactional issues that arise during the lifecycle of an entrepreneurial venture, from formation and early operations through financing, growth, and exit. Students are introduced to the legal frameworks and documents associated with governance, intellectual property protection, founder and employee relationships, equity compensation, financing instruments, investor rights, securities regulation, and exit transactions.

The course is designed to prepare students to identify and analyze the legal challenges commonly encountered in high-growth ventures, whether serving as counsel to startups or as investors, advisors or founders. Emphasis is placed on practical, real-world considerations within the startup and venture capital ecosystem.

Throughout the semester, students will assume the role of a junior transactional attorney advising a hypothetical client. Through applied exercises and written assignments, students will analyze diligence issues, draft and review core venture documents, and prepare client-facing communications related to seed and venture-stage financings.

CLASS MEETING

Wednesday, 5:30-7:20 PM

COURSE MATERIALS

Reed & Barron, *Entrepreneurship Law: Cases & Materials, Second Edition (Aspen Casebook)*, 2021 (“Entrepreneurship Law”);

Feld & Mendelson, *Venture Deals, Fourth Edition (Wiley)*, 2019 (“Venture Deals”);

Other materials as provided.

WRITTEN ASSIGNMENTS

Students will conduct research and prepare client correspondence and documents on hypothetical case studies. There will be three written assignments during the semester.

CLASS PARTICIPATION

The quality of the class is directly correlated with class participation. It is expected that students will be prepared for an open discussion of the topics being covered and will actively engage in the discussion.

GRADING

The final grade in the course will be based on the grades received for the written assignments, class attendance and participation as follows:

Assignment #1:	10%
Assignment #2:	25%
Assignment #3:	45%
Class Participation:	10%
Ecosystem Event Mini Presentation:	10%

LEARNING OUTCOMES

Upon successful completion of this course, students should expect to be able to:

1. Explain the startup and venture capital ecosystem, including the roles and incentives of founders, investors, venture capital firms, and legal advisors.
2. Identify and analyze the core legal documents associated with the formation, governance, and operation of entrepreneurial ventures.
3. Understand and evaluate the principal terms of commonly used seed- and venture-stage financing instruments, including convertible notes, SAFEs, and preferred equity.
4. Assess due diligence considerations relevant to early-stage and high-growth ventures, including entity formation, capitalization, intellectual property, and employment matters.
5. Draft and review foundational venture finance documents.
6. Communicate effectively in a transactional legal setting, including preparing written correspondence and work product for senior attorneys and clients.

OFFICE HOURS

Please make an appointment via email or Calendly (to be provided).

REMOTE ATTENDANCE

Students have the option to attend up to four class sessions during the semester via Zoom videoconference. If you plan to attend class via Zoom, please let the professor know in advance by email. Access to a webcam is required for students participating remotely in this course. If students attend class sessions via synchronous internet videoconferencing, students are expected to use etiquette appropriate for a video conference in a professional environment: (1) join on time and stay connected for the full class session, (2) keep your camera on, (3) stay on mute unless you are speaking to the class, (4) participate in class actively (pay attention, ask questions, answer questions), and (5) unless otherwise discussed, reserve the chat feature for technical issues. If you need to depart from these guidelines, please let the professor know in advance of class.

COVID-19 INFORMATION

Students are encouraged to visit the University's [COVID-19](#) website for important information including on-campus testing, vaccines, diagnosis and symptom protocols, campus cleaning and safety practices, report forms, and positive cases on campus. Please check the website throughout the semester for updates.

VACCINATIONS

Data suggests that vaccination remains the best intervention for reliable protection against COVID-19. Students are asked to familiarize themselves with pertinent [vaccine information](#), consult with their health care provider. The University strongly encourages all students, faculty and staff to be vaccinated.

REASONABLE ACADEMIC ADJUSTMENTS/AUXILIARY AIDS

The University of Houston complies with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, pertaining to the provision of reasonable academic adjustments/auxiliary aids for disabled students. In accordance with Section 504 and ADA guidelines, UH strives to

provide reasonable academic adjustments/auxiliary aids to students who request and require them. If you believe that you have a disability requiring an academic adjustments/auxiliary aid, please contact [the Justin Dart Jr. Student Accessibility Center](#) (formerly the Justin Dart, Jr. Center for Students with DisABILITIES).

EXCUSED ABSENCE POLICY

Regular class attendance, participation, and engagement in coursework are important contributors to student success. Absences may be excused as provided in the University of Houston [Undergraduate Excused Absence Policy](#) and [Graduate Excused Absence Policy](#) for reasons including: medical illness of student or close relative, death of a close family member, legal or government proceeding that a student is obligated to attend, recognized professional and educational activities where the student is presenting, and University-sponsored activity or athletic competition. Under these policies, students with excused absences will be provided with an opportunity to make up any quiz, exam or other work that contributes to the course grade or a

satisfactory alternative. Please read the full policy for details regarding reasons for excused absences, the approval process, and extended absences. Additional policies address absences related to [military service](#), [religious holy days](#), [pregnancy and related conditions](#), and [disability](#).

RECORDING OF CLASS

Students may not record all or part of class, livestream all or part of class, or make/distribute screen captures, without advanced written consent of the instructor. If you have or think you may have a disability such that you need to record class-related activities, please contact the [Justin Dart, Jr. Student Accessibility Center](#). If you have an accommodation to record class-related activities, those recordings may not be shared with any other student, whether in this course or not, or with any other person or on any other platform. Classes may be recorded by the instructor. Students may use instructor's recordings for their own studying and notetaking. Instructor's recordings are not authorized to be shared with *anyone* without the prior written approval of the instructor. Failure to comply with requirements regarding recordings will result in a disciplinary referral to the Dean of Students Office and may result in disciplinary action.

RESOURCES FOR ONLINE LEARNING

The University of Houston is committed to student success, and provides information to optimize the online learning experience through <https://uh.edu/power-on/>. Please visit this website for a comprehensive set of resources, tools, and tips including: obtaining access to the internet, AccessUH, Blackboard, and Canvas; using your smartphone as a webcam; and downloading Microsoft Office 365 at no cost. For questions or assistance contact UHOnline@uh.edu.

UH EMAIL

Email communications related to this course will be sent to your Exchange email account which each University of Houston student receives. The Exchange mail server can be accessed via Outlook, which provides a single location for organizing and managing day-to-day information, from email and calendars to contacts and task lists. Exchange email accounts can be accessed by logging into Office 365 with your CougarNet credentials or through Access UH. They can also be configured on IOS and Android mobile devices. Additional assistance can be found at <https://uh.edu/infotech/help/>.

TITLE IX/SEXUAL MISCONDUCT

Per the UHS Sexual Misconduct Policy, your instructor is a “responsible employee” for reporting purposes under Title IX regulations and state law and must report incidents of sexual misconduct (sexual harassment, non-consensual sexual contact, sexual assault, sexual exploitation, sexual intimidation, intimate partner violence, or stalking) about which they become aware to the Title IX office. Please know there are places on campus where you can make a report in confidence. You can find more information about resources on the Title IX website at <https://uh.edu/equal-opportunity/title-ix-sexual-misconduct/resources/>.

SECURITY ESCORTS AND COUGAR RIDE

UHPD continually works with the University community to make the campus a safe place to learn, work, and live. Our Security escort service is designed for the community members who have safety concerns and would like to have a Security Officer walk with them, for their safety, as they make their way across campus. Based on availability either a UHPD Security Officer or Police Officer will escort students, faculty, and staff to locations beginning and ending on campus. If you feel that you need a Security Officer to walk with you for your safety please call 713-743-3333. Arrangements may be made for special needs.

Parking and Transportation Services also offers a late-night, on-demand shuttle service called Cougar Ride that provides rides to and from all on-campus shuttle stops, as well as the MD Anderson Library, Cougar Village/Moody Towers and the UH Technology Bridge. Rides can be requested through the UH Go app. Days and hours of operation can be found at <https://uh.edu/afuniversity-services/parking/cougar-ride/>.

UNIVERSITY OF HOUSTON COUNSELING AND PSYCHOLOGICAL SERVICES

Counseling and Psychological Services (CAPS) can help students who are having difficulties managing stress, adjusting to the demands of a professional program, or feeling sad and hopeless. You can reach CAPS (www.uh.edu/caps) by calling 713-743-5454 during and after business hours for routine appointments or if you or someone you know is in crisis. No appointment is necessary for the “Let's Talk” program, a drop-in consultation service at convenient locations and hours around campus (<https://uh.edu/caps/outreach/lets-talk/index>).

PREFERRED PRONOUNS AND NAMES

Please let me know if your preferred gender pronouns or if you would like to be addressed by an alternate name.

SYLLABUS CHANGES

Please note that the instructor may need to make modifications to the course syllabus and may do so at any time. Notice of such changes will be announced as quickly as possible via email.

HONOR CODE

The UHLC Honor Code applies to all aspects of this course. You are responsible for knowing all Honor Code provisions and for complying with the Honor Code. Please inquire if you have any questions regarding how the Honor Code's provisions apply to specific activities or situations related to this course. Your continuing enrollment in this course is deemed to be a pledge by you under the Honor Code to comply with the Honor Code in relation to this course and to comply with the instructions in the course syllabus.

AI GENERATED TEXT

The software technology known as artificial intelligence has recently expanded its capability to generate text (AI Generated Text). Examples of the technology include what are known as “generative” large language models (LLMs), and a specific implementation what is well known in the general public is ChatGPT. These systems can generate text in response to prompts and/or

input of other text/documents/code/images. The output, the AI Generated Text, appears to have human-mimicking “intelligence” and is thus potentially usable as a substitute for written work products one might generate themselves. AI Generated Text can include computer code or programs as well as human language content.

Your continuing enrollment in this course is deemed to be a pledge by you under the Honor Code to not prompt, generate, obtain, read, or use any AI Generated Text in relation to any activity or assessment in this course. This applies to AI Generated Text from yourself or others. This pledge includes that your assessment work product in the course is without any contribution from AI Generated Text. This specifically extends to the plagiarism policy and unauthorized aid/materials parts of the Honor Code: AI Generated Text will be treated as from another/other in applying the plagiarism policy to this course. The term “assessment” means any work product generated for this course that is submitted to the instructor or presented in a class session, regardless whether it is graded content or not. Assessments include mid-terms and final exams. AI Generated Text may not be used in the development or drafting of any assessments created by you in a non-proctored environment, such as a “take-home” final examination unless specified as an exception below. The parts of the Honor Code that refer to unauthorized materials or aid are specifically prohibited from any use of AI Generated Text in this course.

DATE	SUBJECT	TOPICS	READING/ASSIGNMENTS
Wednesday, January 21	Week 1: Introduction to Entrepreneurial Ventures	Introduction to course topics; challenges facing the transactional attorney; understanding the entrepreneur; ethical considerations	Entrepreneurship Law & Article Selections
Wednesday, January 28	Week 2: Due Diligence - Due Diligence Process, Entity Choice and Governance	Corporations, Limited Liability Companies; state of formation; forming an entity; initial business operations Board Structure; Role of officers and directors	Entrepreneurship Law & Article Selections
Wednesday, February 4	Week 3: Due Diligence – Equity Compensation, Founders Agreements, and Vesting; Conversion <i>Guest: Discussion with startup founder.</i>	Ownership structure; Shareholders Agreements; LLC Operating Agreements Conversion from an LLC to DE corporation Types of equity compensation; vesting	Entrepreneurship Law & Article Selections

DATE	SUBJECT	TOPICS	READING/ASSIGNMENTS
Wednesday, February 11	Week 4: Due Diligence - IP Rights, Restrictive Covenants and Employment Issues	Trademarks; copyrights; patents; trade secrets; proprietary information and inventions agreements; assignments and transfers Confidentiality and nondisclosure agreements, non-solicitation and noncompetition Employment relationships in startups	Entrepreneurship Law & Article Selections Distribution of Assignment #1
Wednesday, February 18	Week 5: Due Diligence – Commercial Agreements; Regulatory Considerations; Privacy <i>Guest: Discussion with regulatory attorney.</i>	Contracts for entrepreneurial ventures Regulatory considerations Doing business online; privacy	Entrepreneurship Law & Article Selections
Wednesday, February 25	Week 6: Seed Investments - Angel Investors and Convertible Instruments <i>Guest: Discussion with angel investor.</i>	Friends and family; angel investors; types of convertible instruments	Entrepreneurship Law & Venture Deals Selections Assignment #1 Due
Wednesday, March 4	Week 7: Seed Investments - Convertible Promissory Notes and SAFE's	Convertible debt instruments; Future equity instruments	Article Selections Distribution of Assignment #2
SPRING BREAK			

DATE	SUBJECT	TOPICS	READING/ASSIGNMENTS
Wednesday, March 18	Week 8: The Venture Capital Firm and Fund Structure <i>Guest: Discussion with venture capital investor.</i>	Venture capital industry overview; current state of venture capital; venture capital fund structure; investor incentives	Venture Deals Selections
Wednesday, March 25	Week 9: VC Style Equity Financing - Principles and NVCA Term Sheet Introduction	Equity financing economic terms; preferred equity; National Venture Capital Association Model documents	Venture Deals Selections Assignment #2 Due
Wednesday, April 1	Week 10: VC Style Equity Financing – Term Sheet Continued; NVCA Model Documents	National Venture Capital Association Model documents – Charter, SPA, IRA Voting and ROFR & Co-Sale overview	Venture Deals & Article Selections
Wednesday, April 8	Week 11: Cap Table Modeling and Valuations	Capitalization tables overview; Cap table modeling Valuation in startup ventures	Venture Deals & Article Selections Distribution of Assignment #3
Wednesday, April 15	Week 12: Securities Regulation and Exemptions; Venture Debt	Federal securities laws and Blue Sky laws Venture debt and the lending environment	Entrepreneurship Law, Venture Deals & Article Selections

DATE	SUBJECT	TOPICS	READING/ASSIGNMENTS
Wednesday, April 22	Week 13: Exit Strategies and Transactions <i>Guest: Discussion with M&A law firm partner.</i>	Buying and selling a business; positioning a business in the marketplace for optimal return on investment; transaction considerations Alignment and tension between founders, boards, and investors in exit transactions	Entrepreneurship Law Selections
Wednesday, April 29	Week 14: Negotiations and Wrap-Up <i>Guest: Discussion with junior law firm associate.</i>	Review of course topics Managing entrepreneurial clients Tips for success as a junior transactional attorney	Entrepreneurship Law & Venture Deals Selections Assignment #3 Due