



Course Syllabus

BUSI 2301 - Business Law

Catalog Description: Principles of law which form the legal framework for business activity.
Lecture hours = 3, Lab hours = 0

Prerequisites: None

Semester Credit Hours: 3
Lecture Hours per Week: 3
Contact Hours per Semester: 48
State Approval Code: 2201015124

Course Subject/Catalog Number: BUSI 2301

Course Title: Business Law

Course Curriculum: State Criteria (those marked with an X reflect the state-mandated competencies taught in this course)

Basic Intellectual Competencies in the Core Curriculum

- Reading
- Writing
- Speaking
- Listening
- Critical thinking
- Computer literacy

Perspectives in the Core Curriculum

- Establish broad and multiple perspectives on the individual in relationship to the larger society and world in which he/she lives, and to understand the responsibilities of living in a culturally and ethnically diversified world.
- Stimulate a capacity to discuss and reflect upon individual, political, economic, and social aspects of life in order to understand ways in which to be a responsible member of society.
- Recognize the importance of maintaining health and wellness.
- Develop a capacity to use knowledge of how technology and science affect their lives.
- Develop personal values for ethical behavior.
- Develop the ability to make aesthetic judgments.
- Use logical reasoning in problem solving.
- Integrate knowledge and understand the interrelationships of the scholarly disciplines.

Core Components and Related Exemplary Educational Objectives

Communication (composition, speech, modern language)

The objective of a communication component of a core curriculum is to enable the student to communicate effectively in clear and correct prose in a style appropriate to the subject, occasion, and audience.

- To understand and demonstrate writing and speaking processes through invention, organization, drafting, revision, editing, and presentation.
- To understand the importance of specifying audience and purpose and to select appropriate communications choices.
- To understand and appropriately apply modes of expression, i.e. descriptive, expository, narrative, scientific, and self-expressive, in written, visual, and oral communication.
- To participate effectively in groups with emphasis on listening, critical and reflective thinking, and responding.
- To understand and apply basic principles of proficiency in the development of exposition and argument.
- To develop the ability to research and write a documented paper and/or to give an oral presentation.

Mathematics

The objective of the mathematics component of the core curriculum is to develop a quantitatively literate college graduate. Every college graduate should be able to apply basic mathematical tools in the solution of real-world problems.

- To apply arithmetic, algebraic, geometric, higher-order thinking, and statistical methods to modeling and solving real-world situations.
- To represent and evaluate basic mathematical information verbally, numerically, graphically, and symbolically.
- To expand mathematical reasoning skills and formal logic to develop convincing mathematical arguments.
- To use appropriate technology to enhance mathematical thinking and understanding and to solve mathematical problems and judge the reasonableness of the results.
- To interpret mathematical models such as formulas, graphs, tables and schematics, and draw inferences from them.
- To recognize the limitations of mathematical and statistical models.
- To develop the view that mathematics is an evolving discipline, interrelated with human culture, and understand its connections to other disciplines.

Natural Sciences

The objective of the study of a natural sciences component of a core curriculum is to enable the student to understand, construct, and evaluate relationships in the natural sciences, and to enable the student to understand the bases for building and testing theories.

- To understand and apply method and appropriate technology to the study of natural sciences.
- To recognize scientific and quantitative methods and the differences between these approaches and other methods of inquiry and to communicate findings, analyses, and interpretation both orally and in writing.
- To identify and recognize the differences among competing scientific theories.
- To demonstrate knowledge of the major issues and problems facing modern science, including issues that touch upon ethics, values, and public policies.

- To demonstrate knowledge of the interdependence of science and technology and their influence on, and contribution to, modern culture.

Humanities and Visual and Performing Arts

The objective of the humanities and visual and performing arts in a core curriculum is to expand students' knowledge of the human condition and human cultures, especially in relation to behaviors, ideas, and values expressed in works of human imagination and thought. Through study in disciplines such as literature, philosophy, and the visual and performing arts, students will engage in critical analysis, form aesthetic judgments, and develop an appreciation of the arts and humanities as fundamental to the health and survival of any society. Students should have experiences in both the arts and humanities.

- To demonstrate awareness of the scope and variety of works in the arts and humanities.
- To understand those works as expressions of individual and human values within an historical and social context.
- To respond critically to works in the arts and humanities.
- To engage in the creative process or interpretive performance and comprehend the physical and intellectual demands required of the author or visual or performing artist.
- To articulate an informed personal reaction to works in the arts and humanities.
- To develop an appreciation for the aesthetic principles that guide or govern the humanities and arts.
- To demonstrate knowledge of the influence of literature, philosophy, and/or the arts on intercultural experiences.

Social and Behavioral Sciences

The objective of a social and behavioral science component of a core curriculum is to increase students' knowledge of how social and behavioral scientists discover, describe, and explain the behaviors and interactions among individuals, groups, institutions, events, and ideas. Such knowledge will better equip students to understand themselves and the roles they play in addressing the issues facing humanity.

- To employ the appropriate methods, technologies, and data that social and behavioral scientists use to investigate the human condition.
- To examine social institutions and processes across a range of historical periods, social structures, and cultures.
- To use and critique alternative explanatory systems or theories.
- To develop and communicate alternative explanations or solutions for contemporary social issues.
- To analyze the effects of historical, social, political, economic, cultural, and global forces on the area under study.
- To comprehend the origins and evolution of U.S. and Texas political systems, with a focus on the growth of political institutions, the constitutions of the U.S. and Texas, federalism, civil liberties, and civil and human rights.
- To understand the evolution and current role of the U.S. in the world.
- To differentiate and analyze historical evidence (documentary and statistical) and differing points of view.
- To recognize and apply reasonable criteria for the acceptability of historical evidence and social research.
- To analyze, critically assess, and develop creative solutions to public policy problems.
- To recognize and assume one's responsibility as a citizen in a democratic society by learning to think for oneself, by engaging in public discourse, and by obtaining information through the news media and other appropriate information sources about politics and public policy.

- To identify and understand differences and commonalities within diverse cultures.

Instructional Goals and Purposes: The purpose of this course is to define fundamental legal terminology regarding contracts, torts, property, and wills; differentiate between business ethics and legal issues; identify and explain required elements of torts, requirements of contracts, sales contracts, corporations, partnerships, agency, creditors' rights, bankruptcy, and commercial paper; and examine various consumer laws as applied to business and individuals.

General Course Objectives:

1. Describe the legal system and the legal environment of business.
2. Define contract law.
3. Define property law.
4. Analyze sales contracts.
5. Investigate commercial paper and negotiable instruments.
6. Describe agency and employment law.
7. Recognize laws associated with differing organizational structures.
8. Summarize risk-bearing devices.
9. Define real property.

Specific Course Objectives:

After studying the material presented in the text and online, the student should be able to complete all behavioral/learning objectives listed below with a minimum competency of 70% on exams and quizzes.

1. **Describe the legal system and the legal environment of business.**
 - a. Define law.
 - b. Explain why we have laws.
 - c. List four sources of law.
 - d. Distinguish among crimes, torts, and ethics.
 - e. Explain the function of the courts.
 - f. Explain the relationships of the various courts in our society.
 - g. Describe the procedure for filing a lawsuit.
 - h. Describe the basic procedure for a jury trial.
 - i. Discuss the basis for intentional and negligent tort liability.
 - j. List and explain the generally recognized business torts.
 - k. Explain what business crimes are.
 - l. Describe what computer crimes are and the three types that affect business.
 - m. Explain why government regulates business.
 - n. Discuss the types and powers of administrative agencies.
 - o. List the major antitrust laws.
 - p. Summarize the areas in which the federal government has enacted legislation for environmental protection.
2. **Define contract law.**
 - a. Describe what a contract is and how it differs from an agreement.
 - b. List the different types of contracts.
 - c. State the five requirements for a valid contract.
 - d. Explain the difference between an offer and an invitation to make an offer.
 - e. Summarize the rules affecting duration of an offer.
 - f. Define a counteroffer.
 - g. State the way to accept an offer made by mail.
 - h. Identify classifications of individuals who may not have the capacity to contract.
 - i. Define disaffirmance.
 - j. Explain how a minor's contract can be ratified.
 - k. Discuss reasons other than age that may impair a person's ability to contract.
 - l. Define consideration.
 - m. Explain when part payment constitutes consideration.
 - n. Give three examples of insufficient or invalid consideration.

- o. Recognize when consideration is not required.
 - p. Describe the mistakes that do not invalidate a contract.
 - q. State what types of mistakes normally invalidate contracts.
 - r. Identify the situations in which fraud, duress, or undue influence are present.
 - s. Explain the remedies available to the victim of acts rendering contracts voidable.
 - t. Explain the consequences of a contract for an unlawful purpose or a purpose achieved illegally.
 - u. Explain what types of contracts are void for illegality.
 - v. Identify the types of contracts that are contrary to public policy.
 - w. Identify which contracts the Statute of Frauds requires to be in writing.
 - x. Distinguish adequate from inadequate writings when a written contract is required.
 - y. Explain the parol evidence rule.
 - z. Discuss the difference between a third-party beneficiary contract and a novation.
 - aa. Explain the difference between assignment of a contract and delegation of duties under it.
 - bb. Describe the different types of contracts involving more than two people.
 - cc. Describe the requirements for terminating a contract by performance.
 - dd. Recognize the circumstances that discharge a contract by operation of law.
 - ee. Explain what breach of contract is and the potential remedies for breach.
3. **Define property law.**
- a. Define and name two classes of personal property.
 - b. Explain the difference between lost and abandoned property.
 - c. Define and give examples of a bailment.
 - d. Distinguish among the three types of bailments.
 - e. Explain what a carrier does and name two categories of carriers.
 - f. Identify the exceptions to the normal rule of a common carrier being an insurer of the safety of goods.
 - g. Distinguish a boardinghouse keeper from a hotel keeper.
 - h. Name the duties and liabilities of a hotelkeeper.
4. **Analyze sales contracts.**
- a. Define goods.
 - b. Define a sale of goods and distinguish it from a contract to sell.
 - c. Distinguish between existing and future goods.
 - d. List the requirements of the Statute of Frauds for sales and explain the exceptions to it.
 - e. Define an auction sale and describe its peculiarities to the law of sales.
 - f. Describe the nature of the writing required by the Statute of Frauds.
 - g. Explain the importance of determining when title and risk of loss pass.
 - h. Distinguish between a sale on approval, a sale or return, and a consignment.
 - i. Discuss the rule regarding attempted sales by people who do not have title to the goods and list exceptions.
 - j. Define a warranty and distinguish between express and implied warranties.
 - k. Specify the warranties which apply to all sellers and those which apply only to merchants.
 - l. Explain how warranties may be excluded or surrendered.
 - m. Explain the various means the law use to provide consumer protection.
5. **Investigate commercial paper and negotiable instruments.**
- a. Explain what a negotiable instrument is.
 - b. Discuss how negotiable instruments are transferred.
 - c. Differentiate between bearer paper and order paper.
 - d. Describe an electronic fund transfer.
 - e. List the seven requirements of negotiability.
 - f. List the requirements for delivery of a negotiable instrument.
 - g. State whether a negotiable instrument must be dated and whether the location of making payment must be indicated.
 - h. State the accountability of the maker and distinguish among the different types of notes.
 - i. Identify the two different kinds of drafts.
 - j. Explain how drafts are accepted and what admissions are made by acceptance.
 - k. Describe the characteristics of a check.
 - l. State what negotiation involves.

- m. Discuss how indorsements are made, and identify the different types of indorsements.
 - n. Describe the liabilities of an indorser.
 - o. Explain how negotiable instruments may be discharged.
 - p. Summarize the rules for primary and secondary liability.
 - q. Explain the procedures for an agent to use when executing a negotiable instrument.
 - r. Define holder in due course and holder through a holder in due course.
 - s. Discuss the special rules for holders of consumer paper.
 - t. State the chief advantage of being a holder in due course of commercial paper.
 - u. Distinguish between limited and universal defenses to holders.
 - v. Explain the nature of hybrid defenses and list them.
6. **Describe agency and employment law.**
- a. Explain the nature of an agency and identify the parties involved.
 - b. Describe the different classifications of agents and the corresponding authority of each.
 - c. Distinguish between an agency and independent contractor or employer-employee relationships.
 - d. Discuss how an agency is usually created.
 - e. Specify the duties an agent owes the principal and the principal owes the agent.
 - f. Describe the agent's and principal's liabilities to third parties.
 - g. State how an agency may be terminated, either by the parties or by operation of law.
 - h. Recognize how the relationship of employer and employee arises.
 - i. Identify the statutory modifications of an employer's defenses under the common law.
 - j. Describe the liability of an employer to third parties for acts of employees.
 - k. Name the duties an employee owes the employer.
 - l. List the bases in federal law upon which an employer may not discriminate against employees.
 - m. Explain the restrictions on employers in requiring invasive or offensive testing of employees and job applicants.
 - n. Discuss three significant protections given to employees by federal or state law, municipal ordinance, or employer regulation.
 - o. Discuss the objectives and coverage of the Fair Labor Standards Act.
 - p. State the five major provisions of the Labor management Relations Act.
 - q. Name the three major provisions of the Labor Management Reporting and Disclosure Act.
7. **Recognize laws associated with differing organizational structures.**
- a. Discuss the differences in setting up a sole proprietorship, a partnership, and a corporation.
 - b. Explain the most important disadvantage of sole proprietorships and partnerships.
 - c. Give two reasons why the corporate form of business organization is important.
 - d. Describe how a partnership is created.
 - e. Specify the duties the law imposes upon partners.
 - f. Identify the rights and liabilities every partner has.
 - g. Explain how partnership profits and losses are shared.
 - h. List the methods the partners may use to dissolve a partnership.
 - i. Discuss the reasons why a court may order dissolution of a partnership.
 - j. Identify those events that result in dissolution of a partnership by operation of law.
 - k. Explain who should be notified of a partnership dissolution.
 - l. List the different classifications and kinds of corporations.
 - m. Discuss how a corporation is formed and potential promoter liability.
 - n. Name the types of powers a corporation has and the significance of ultra vires contracts.
 - o. Define capital stock.
 - p. List the various types of stock and stock rights.
 - q. Explain what dividends are and how they may be paid.
 - r. Name the various laws regulating the sale of securities, exchanges, and brokers.
 - s. Discuss how a corporation is managed and controlled by stockholders.
 - t. Identify the rights of stockholders.
 - u. Specify the responsibilities and powers of directors and officers.
 - v. Describe how a corporation is combined or dissolved.
8. **Summarize risk-bearing devices.**
- a. Identify important terms used in insurance.

- b. Explain who may obtain insurance.
 - c. List the five aspects of the law of contracts which have special significance for insurance contracts.
 - d. Explain the nature of life insurance and its normal limitations.
 - e. Define property insurance.
 - f. Identify the types of coverage afforded by automobile insurance.
 - g. State the general nature of a contract of guaranty or suretyship.
 - h. Identify ways contracts of guaranty and suretyship are discharged.
 - i. Discuss the rights of the parties in a secured credit sale.
 - j. Discuss the rights of the seller and buyer in a secured credit sale.
 - k. Identify the purposes for bankruptcy and who may file for it.
 - l. Describe the procedures in a bankruptcy (liquidation) case.
 - m. Explain the effect of a discharge of indebtedness.
 - n. Summarize the effect of nonliquidation bankruptcy plans.
9. **Define real property.**
- a. Define real property, and explain the rules about vegetation, running water, and fixtures.
 - b. Name the types of multiple ownership of property.
 - c. List the estates and other interests in real property.
 - d. Identify methods of acquisition exclusive to real property.
 - e. Describe the means by which title to real estate is transferred.
 - f. Explain the provisions normally contained in a deed.
 - g. Summarize the steps taken to safely and effectively transfer title to real property after a deed is signed.
 - h. Define and discuss the effect of a mortgage.
 - i. List the duties and rights of a mortgagor.
 - j. Explain the rights of parties upon foreclosure, sale, and assignment of the mortgage.
 - k. Explain the nature and formation of the landlord/tenant relationship.
 - l. Name the various types of tenancies.
 - m. List the rights and duties of tenants and landlords.
 - n. Explain how a lease may be terminated.
 - o. Describe a will, its characteristics, and the limitations on disposition of property.
 - p. Explain the normal formalities required for executing the various types of wills.
 - q. Name the ways in which a will may be changed or revoked.
 - r. Discuss the requirements for probate and administration.
 - s. Recognize a trust and the parties to a trust.

Course Content:

Students in all sections of Business Law will be required to do the following:

1. Students will read assigned chapters in the text and complete an online quiz for each chapter.
2. Students will read assigned cases in the text and will form and type responses to case questions.
3. Students will complete online objective exams which include a written essay portion.

Methods of Instruction/Course Format/Delivery: This course is offered in the traditional classroom and over the Internet using WebCT. Students in the traditional class and in the Internet class will have access to this course via WebCT. Students in the traditional class will meet regularly for lecture over the material. Students in the Internet class will only be required to meet with the instructor for testing; however, Internet students are always welcome to attend the traditional class (especially for exam reviews). Resources provided through WebCT include

- A calendar displaying assignments each week (please check often)
- Chapter outlines
- PowerPoint presentations for each chapter
- Practice quizzes
- Online quizzes, case problems, and exams
- Email (totally contained within WebCT)

All quizzes, article summaries, and exams will be submitted through WebCT. After the assignment has been graded, the student will be able to view his or her grade by returning to the assignment and clicking the View Scores button or by clicking the My Grades link in the left banner. Students will have limited review of the answers to the exams, but they will always be able to view the score. Work is generally graded and posted within two days following the deadline.

Students in both the traditional and Internet classes should use Email within WebCT to communicate with the instructor. Using WebCT email gives you access to the instructor and other classmates without having to remember or type email addresses—you just select a name from the list. If you are not able to contact your instructor using email in WebCT, you may use his or her Panola College email address. Panola College instructors attempt to respond to all email within 24 hours. Please always include a subject line and your name in your email.

Assessment:

The following items will be assigned during the semester and used to calculate the student's final grade:

- **ONLINE QUIZZES**
Approximately 10-15 quizzes will be given during the semester. The quizzes will be given online and you may use your textbook to complete them. Each quiz will have a deadline and failure to complete the quiz by the deadline will result in a zero for that quiz. The normal quiz includes ten true/false and multiple choice questions; incorrect answers will count 10 points each. The two lowest quiz grades will be dropped at the end of the semester.
- **CASE PROBLEMS**
Case problems can be found at the end of each section in the textbook. Certain cases will be assigned and you will be asked to write your opinion of the cases with regard to the material we have covered in the text. All case problems will be completed and submitted through WebCT.
- **EXAMS**
Four exams will be given during the semester. All tests will be administered by a proctor at the Carthage, Center, or Marshall sites for Panola College students. A Virtual College of Texas student will be able to take proctored exams at the college he or she currently attends. If you are unable to take a test when it is scheduled, you must reschedule the test with the instructor prior to the testing date. An excused absence and makeup test may be granted for sudden illness or unforeseen circumstances.

Course Grade:

The grading scale for this course is as follows:

- Online quizzes – 10%
- Case problems – 30%
- Exams – 60%

Assignments are due as assigned and 10 points will be deducted for each day work is late. All of your grades including a mid-semester and final grade will be posted to My Grades in WebCT.

Texts, Materials, and Supplies:

- *Law for Business* 16th edition + WebTutor Toolbox, Ashcroft and Ashcroft, West—Thomson Learning, 2008, ISBN: 0324558074.
- Access to a computer and the Internet.

Other:

- For current texts and materials, use the following link to access bookstore listings: <http://www.panola.edu/collegestore.htm>
- For testing services, use the following link: <http://www.panola.edu/instruction/dl/testing.htm>