

Mercer County Community College

Course Outline

BUS 108
Course Number

Business Law II
Course Title

3
Credits

3
Class Hours

0
Laboratory Hours

Online
Alternate Delivery Method

Text: Title: Introduction to Business Law
Author: Beatty and Samuelson
Publisher: Thomson West
Edition: Second
Copyright: 2007

Catalog Description:

The law of agency and employment and labor-management relations. Regulation of business organizations: sole proprietorships, partnerships, and corporations. Addresses property law, bailment's, personal property, intellectual property, real property, landlord-tenant relationships, wills, estates and trusts, and the evolving role/impact of the global business environment.

Prerequisite: BUS 107

Corequisite: None

Eric M. Perkins
Course Coordinator

INSTRUCTOR'S NAME _____
CLASS TIME/ROOM # _____
OFFICE HOURS _____
OFFICE #/PHOHE # _____
E-MAIL _____

Aug. 2007

Method of Instruction:

A combination of lecture and discussion will be employed to acquaint the student with the various topics making up the Business Law II course.

Method of Evaluation:

At the discretion of the instructor, three one examinations will be given. Exams will generally be of an objective nature (true/false, multiple choice) but the instructor may supplement the exams with essay questions. Periodic quizzes and in or out of class projects may be given at the discretion of the instructor. A student's final course grade will be based on the traditional grading scale as follows:

A - 90 - 100%

B - 80 - 89%

C - 70 - 79%

D - 60 - 69%

F - below 60%

Academic Integrity Statement

“A student who a.) knowingly represents work of others as his/her own, b.) uses or obtains unauthorized assistance in the execution of any academic work, or c.) gives fraudulent assistance to another student is guilty of cheating. Violators will be penalized.”

(Student Handbook)

Classroom Conduct Statement

It is the students' responsibility to attend all of their classes. If they miss a class meeting for any reason, students are responsible for all content that is covered, for announcements made in their absence, and for acquiring any materials that may have been distributed in class. It is expected that students be on time for all their classes. If students walk into a class after it has begun, it is expected that they choose a seat close to where they entered the room so that they do not disrupt the class meeting.

Students are expected to follow ordinary rules of courtesy during class sessions. Engaging in private, side conversations during class time is distracting to other students and to the instructor. Leaving class early without having informed the instructor prior to class is not appropriate. Unless there is an emergency, leaving class and returning while the class is in session is not acceptable behavior. Disruptive behavior of any type, including sharpening pencils during class while someone is speaking, is not appropriate.

The college welcomes all students into an environment that creates a sense of community of pride and respect; we are all here to work cooperatively and to learn together.

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First Unit

General Objectives:

The student will demonstrate a knowledge of the law of agency and employment and labor-management relations. Unit 1 relates to Chapters 32 - 35.

Specific Objectives:

Chapter 32 - The Principal and Agent Relationship

The student will be able to:

1. Describe the nature of the agency relationship.
2. Distinguish among the principal-agent relationship, the employer-employee relationship, the master-servant relationship, and the proprietor-independent contractor relationship.
3. Explain the doctrine of vicarious liability.
4. Distinguish among the types of principals.
5. Distinguish among the types of agents.
6. Explain the liability of agents and principals.
7. Explain the relationship between business organizations and agency law.
8. Explain the circumstances under which an agency is created by appointment, implication, necessity, operation of law, estoppel, and ratification.

Chapter 33 - Operation and Termination of Agency

The student will be able to:

1. Distinguish among express, implied, and apparent authority.
2. Identify the major duties imposed upon the agent in compliance with the agency agreement and the fiduciary relationship with the principal.
3. Summarize the duties the principal owes to the agent that are created by the agency relationship.
4. Differentiate between agency terminations accomplished by actions of the parties and those accomplished by operation of the law.
5. Recognize when notice of agency termination must be communicated individually to third parties and when a public

notice is sufficient.

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Chapter 34 - Employment Law

The student will be able to:

1. Explain the doctrine of employment-at-will.
2. Describe the wrongful discharge exceptions to employment-at-will.
3. Explain the after acquired evidence defense.
4. Identify the functions of the Occupational Safety and Health Administration (OSHA).
5. List the chief provisions of the Fair Labor Standards Act.
6. Outline provisions of the Immigration Reform and Control Act.
7. Differentiate between unemployment compensation and worker's compensation.
8. Explain the provisions of the Family and Medical Leave Act.
9. Contrast disparate treatment and disparate impact.
10. Explain the different types of sexual harassment.
11. Explain the Age Discrimination in Employment Act (ADEA).
12. Describe the purpose of the Vietnam Era Veterans Readjustment Act.
13. Identify provisions of the Americans with Disabilities Act (ADA).

Chapter 35 - Labor Management Relations Law

The student will be able to:

1. Explain the inherent conflict of interest that exists between labor and management and make clear the results of this conflict.
2. Relate the three basic aims of labor unions in response to workers' needs.
3. Summarize the major provisions of the Norris-LaGuardia Act, the Wagner Act, the Taft-Hartley Act, and the Landrum-Griffin Act.
4. Describe the procedure followed by the NLRB upon receiving a complaint of an unfair labor practice.
5. Determine the position taken by the federal courts in denying employees in the public sector the right to strike.

Second Unit

General Objectives:

The student will be able to demonstrate a knowledge of the nature of sole proprietorships and partnerships and the creation and termination of corporations, corporate finance, corporate management and shareholder control and government regulation of corporate business. Unit Two relates to Chapters 36 - 39 in the textbook.

Specific Objectives:

Chapter 36 - Sole Proprietorships and Partnerships

The student will be able to:

1. Describe the advantages and disadvantages of a sole proprietorship.
2. Distinguish between the entity theory and the aggregate theory of partnership law.
3. Describe the evidence used by the courts to determine whether a partnership exists.
4. Distinguish between partnership property and property belonging to individual partners.
5. Outline the various rights, duties, and liabilities of partners.
6. Describe and distinguish among dissolution by acts of the partners, by operation of law, and by court decree.
7. Judge the liability of partners to third persons who have no actual or constructive notice that a partnership has been dissolved.
8. Determine the ranking of partnership liabilities in settling accounts after the dissolution of a partnership.
9. Explain the nature of registered partnerships having limited liability.
10. Contrast the advantages of a limited partner in a limited partnership to those of a general partner.

Chapter 37 - Corporate Formations and Finance

The student will be able to:

1. Distinguish by their characteristics the major forms of business corporations including public, private, and quasi-public corporations; domestic and foreign corporations; close and S corporations; and limited liability companies.

Chapter 37 (continued)

2. Describe what a promoter must do to transform a corporation into a fully and legally incorporated entity.
3. Analyze the rights and duties of promoters and determine the extent of their legal liability under contracts entered on behalf of the corporation.
4. Relate how state incorporation statutes, articles of incorporation, initial organization meetings, and corporation by-laws each serve to define the legal boundaries within which a corporation may conduct its business.
5. Explain the procedure to be followed in forming a limited liability company.
6. Differentiate between *de jure* corporation, *de facto* corporation, and corporation by estoppel.
7. Relate the effects of failing to properly maintain the existence of a limited liability company.
8. Explain the activities that would cause courts to go behind the legal status of a corporate entity to pierce the corporate veil.
9. Distinguish between common and preferred stock, and between par value and no par value stock.

Chapter 38 - Corporate Management and Control

The student will be able to:

1. Describe the functions of the board of directors and officers of the corporation with regard to the control of corporate affairs.
2. Determine the voting rights of shareholders in regard to proxy solicitations, voting trusts, pooling agreements, and shareholder proposals.
3. Contrast shareholder direct suits with shareholder derivative suits and explain the prerequisites for each.
4. Distinguish between circumstances that call for the application of the business judgment rule and those that call for the fairness rule in the evaluation of management decisions.
5. Analyze the rights of shareholders with regard to the corporation as established by the stock certificate, corporation by-laws, and state corporation statutes.
6. Explain the nature of the management responsibilities of a limited liability company.

Chapter 39 - Government Regulation of Corporate Business

The student will be able to:

1. Distinguish between the power of the federal government and that of state governments to regulate business.
2. Explain the procedures practiced by the Securities and Exchange Commission to prevent unfair practices.
3. Compare the effectiveness of the Sherman and the Clayton antitrust acts in preventing anticompetitive practices.
4. Describe the various techniques available for corporate expansion and termination.
5. Contrast the Securities and Exchange Commission's interest in the corporate expansion process and the Federal Trade Commission's interest in the process.
6. Identify the major regulatory responsibilities of the Federal Environmental Protection Agency and the Federal Energy Regulation Commission.
7. Describe how the Employee Retirement Income Security Act and the Worker Adjustment and Retraining Notification Act impact on the sale of a corporation.
8. Discuss how the government is involved in the dissolution of a corporation.
9. Explain the circumstances and the effects involved in the dissolution of a limited liability company.

Third Unit

General Objectives:

The student will be able to demonstrate a knowledge of property law, the landlord-tenant relationship, wills, estates and trusts and the evolving role and impact of the global business environment. Unit Three relates to Chapters 20 - 24 and 43.

Specific Objectives:

Chapter 20 - Personal Property and Bailments

The student will be able to:

1. Explain the law that applies to lost and stolen property and gifts of personal property.
2. Judge when a patent, copyright, or trademark is needed.
3. Determine when a bailment occurs.
4. Name and describe the principal types of bailments.
5. Give examples of two bailments that are imposed by law.
6. Explain the duties of bailors and bailees in various situations.
7. Describe four types of tortious bailees.

Chapter 21 - Innkeepers, Carriers, and Warehousemen

The student will be able to:

1. Recognize innkeepers' obligations to accept all transients.
2. Explain innkeepers' duties of care to their guests.
3. Contrast contract carriers with common carriers.
4. Describe the liability imposed upon common carriers for damages to goods transported by them.
5. Discuss the duties and obligations of carriers towards passengers and their baggage.
6. Describe the deregulation that occurred between the mid-1970s and the mid-1980s in the transportation industry.
7. Identify the classes of warehouses and describe their rights and duties.
8. Explain a warehouseman's lien.

Chapter 22 - Real Property

The student will be able to:

1. Explain what constitutes real property.
2. Identify three ways of creating an easement.
3. Differentiate between freehold and leasehold estates.
4. Describe the different types of co-ownership of real property.
5. Identify three methods of acquiring title to real property.
6. Give an example of a nonconforming use of real property and discuss the granting of a variance.
7. Explain eminent domain.

Chapter 23 - Landlord and Tenant

The student will be able to:

1. List the five elements necessary to create the landlord-tenant relationship.
2. Compare the landlord-tenant relationship with licenses and lodging.
3. Define the four types of leasehold interests.
4. Discuss the law regarding options to renew, options to purchase, assignments, and subletting.
5. Explain the rights and duties of landlords and tenants.
6. Describe the methods used to evict tenants.

Chapter 24 - Wills, Intestacy and Trusts

The student will be able to:

1. Determine whether a person who makes a will has the capacity to do so.
2. Explain the formal requirements for executing a will.
3. Compare the protection of children with the protection of spouses under the law of wills.
4. Identify the different methods of revoking or changing a will.
5. Decide, in different situations, who will inherit the property of someone who dies without a will.
6. Describe the steps to be taken by an executor or administrator in settling an estate.

Chapter 24 (continued)

7. Differentiate among the various types of trusts and determine when they might be used.

Chapter 43 - International Law

The student will be able to:

1. Differentiate between national and international legal standards.
2. Identify the principal arguments underlying the Just War Theory.
3. Examine the significant contributions of the Geneva Conventions.
4. Outline the structure, jurisdiction, and operation of the International Court of Justice.
5. Set out the structure, jurisdiction, and operation of the International Law Commission.
6. Relate the structure, jurisdiction, and operation of the United Nations Commission on International Trade Law.
7. Discuss the objectives of the General Agreement on Tariffs and Trade (GATT).
8. Outline the structure of the World Trade Organization (WTO).
9. Relate the objectives of the Dispute Settlement Understanding (DSU).
10. Explain the major purpose of the North American Free Trade Agreement (NAFTA).