

Mercer County Community College

Course Outline

<u>BUS 107</u>		<u>Business Law I</u>
Course Number		Course Title
<u>3</u>	<u>3</u>	<u>0</u>
Credits	Class Hours	Laboratory Hours

Online  
**Alternate Delivery Method**

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

Catalog Description:

Foundation course dealing primarily with contracts: the making of contracts, contractual elements, contracts in action, discharge of contracts, and remedies. Orientation to the legal system includes examination of law history and purpose. Uniform commercial Code applications are stressed.

Prerequisite: None

Corequisite: None

Eric M. Perkins  
Course Coordinator

INSTRUCTOR'S NAME \_\_\_\_\_  
 CLASS TIME/ROOM # \_\_\_\_\_  
 OFFICE HOURS \_\_\_\_\_  
 OFFICE #/PHONE # \_\_\_\_\_  
 E-MAIL \_\_\_\_\_

Aug. 2007

### Method of Instruction:

A combination of lecture and discussion will be employed to acquaint the student with the legal and social environment of business and contracts.

### Method of Evaluation:

At the discretion of the instructor, three or four one hour exams 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 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)

### Student 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 and pride and respect; we are all here to work cooperatively and to learn together.

## First Unit

### General Objectives:

The student will demonstrate a knowledge of general legal principles dealing with legal ethics and the objectives and sources of the law; the judicial process; criminal law; and torts. Unit One relates to Chapters 1-5 in the textbook.

#### Chapter 1 - Ethics

### Specific Objectives:

1. Distinguish between ethics and morals.
2. Explain subjective ethics.
3. Define the ethical character traits honesty, fairness, compassion, and integrity.
4. Determine how values are created.
5. Recognize how to solve conflicts of duty.
6. Identify the causes of unethical behavior.
7. Describe the place of codes of conduct in ethical decision making.
8. Differentiate among the various individualized approaches to developing an ethical lifestyle.
9. Explore the need for law in our society.
10. Explain how the law and ethics are usually in harmony with one another.

#### Chapter 2 - Sources of Law

### Specific Objectives:

1. Enumerate the objectives of the law.
2. Outline the content of the U.S. Constitution.
3. Explain the role of state constitutions in the legal system.
4. Discuss the principle of supremacy.
5. Explain the role of statutory law in the legal system.
6. Defend the need to set up a system of uniform state laws.
7. Describe the role of common law in the legal system.
8. Describe how the principle of *stare decisis* provides stability to our legal system.
9. Differentiate between statutory interpretation and judicial review.
10. Account for the legislature's need to establish administrative regulations.

## Chapter 3 - The Judicial Process

### Specific Objectives:

1. Distinguish between original jurisdiction and appellate jurisdiction and between general jurisdiction and special jurisdiction.
2. Outline the structure of the federal court system, and judge under what circumstances the federal court has jurisdiction to hear a case.
3. Determine those cases that may be heard by the U.S. Supreme Court.
4. Determine the law that a federal court will apply when trying a case involving parties from different states.
5. Identify the typical structure found in most state court systems.
6. Explain the available techniques of alternative dispute resolution.
7. Describe the civil litigation process.
8. Define *discovery* and explain the most commonly used discovery techniques.
9. Relate how the appellate courts operate.
10. Describe the steps in a criminal prosecution.

## Chapter 4 - Criminal Law

### Specific Objectives:

1. Enumerate the various categories and classes of crimes.
2. Describe the nature of an act within the meaning of criminal liability.
3. Identify the four mental states that can be found in the criminal code.
4. Distinguish motive from the required elements of criminal liability.
5. Explain the three standards for the insanity defense found in criminal law.
6. Outline the requirements of the other defenses to criminal liability.
7. Differentiate among crimes against the government, crimes against people, and crimes against property.
8. Classify the major business crimes.

#### Chapter 4 (continued)

9. Identify the various approaches that the states have taken to combat computer crime.
10. Identify the various approaches that the federal government has taken to combat computer crime.

#### Chapter 5 - Tort Law

##### Specific Objectives:

1. Differentiate between the objectives of tort law and those of criminal law.
2. Discuss the element of duty and explain how duties relate to rights.
3. Identify the principal intentional torts and outline the elements of each.
4. Determine the four elements of negligence.
5. Contrast contributory negligence, comparative negligence, and assumption of the risk.
6. Judge whether the doctrine of strict liability applies in a particular case.
7. Outline the various remedies available in tort law.
8. Distinguish between survival statutes and wrongful death statutes.
9. Discuss the concept of damage caps.
10. Identify the principal innovations suggested for federal tort reform legislation.

## Second Unit

### General Objectives:

The student will demonstrate a knowledge of the nature, characteristics, and status of contracts; offer and acceptance; mutual assent and defective agreement; contractual capacity; and consideration. Unit Two relates to Chapters 6-10 in the textbook.

### Chapter 6 - The Nature, Characteristics, and Status of Contracts

#### Specific Objectives:

1. Identify the six elements of a contract.
2. Distinguish contracts from other agreements made between different parties.
3. Explain the nature of valid, void, voidable, and unenforceable contracts.
4. Contrast unilateral and bilateral contractual agreements.
5. Outline the difference between express and implied contracts.
6. State the nature of a formal contract in contrast to the nature of an informal contract.
7. Explain how executory contracts differ from executed contracts.

### Chapter 7 - Offer and Acceptance

#### Specific Objectives:

1. Identify the three requirements of a valid offer and judge whether those requirements are present in any particular offer.
2. Differentiate between a public offer and an invitation to trade.
3. Explain acceptance of an offer in the case of a unilateral contract and a bilateral contract.
4. Outline the proper procedure for accepting an offer that has been sent by mail, telegram, telephone, or other means.
5. Discuss the mirror image rule and explain its status under the Uniform Commercial Code.
6. Relate the various means by which an offer can be revoked.
7. Explain what is meant by a firm offer.
8. Defend the proposition that an option is both a contract and an offer and distinguish an option from a simple offer.

## Chapter 8 - Mutual Assent and Defective Agreement

### Specific Objectives:

1. Explain the nature of mutual assent and indicate how mutual assent can be destroyed.
2. List the elements that must be proved to establish fraud and judge whether those elements are present in a given contract situation.
3. Identify situations that can give rise to claims of passive fraud.
4. Distinguish between fraud and misrepresentation and contrast the remedies available for each.
5. Discuss the difference between unilateral and bilateral mistakes.
6. Judge which types of mistakes provide appropriate grounds for getting out of the contract.
7. Differentiate among physical, emotional, and economic duress and recognize the remedies available to an injured party alleging duress.
8. Explain how the existence of a confidential relationship is a key factor in establishing undue influence.

## Chapter 9 - Contractual Capacity

### Specific Objectives:

1. Describe the general legal presumptions in regard to a party's capacity to create a contract.
2. Explain why the law allows minors to void contracts for anything other than necessities.
3. Differentiate between the age of minority and the age of majority under common law, and explain how Amendment 26 of the U.S. Constitution affects the age of majority.
4. Distinguish between emancipation and abandonment and explain the meaning of each concept.
5. Assess the potential liability of minors who lie about their age when entering into a contract.
6. Contrast the legal liability of minors in contracts involving necessities with their legal liability in contracts that do not involve necessities.
7. Identify types of contracts that the law may except from the general rule that states contracts by minors are voidable by the minor.

### Chapter 9 (continued)

8. Contrast the contractual capacity of persons declared legally insane with that of persons not declared legally insane.
9. Discuss the contractual capacity of drugged or intoxicated persons.

### Chapter 10 - Consideration

#### Specific Objectives:

1. Explain the term *consideration* and identify the characteristics necessary for valid consideration.
2. Describe the attitude of the court when dealing with questions that involve the adequacy of consideration.
3. Discuss the types of consideration that can be used to bind parties to one another in a contractual situation.
4. Outline the procedure that a debtor and creditor may use to settle a claim by means of accord and satisfaction.
5. Identify those agreements that may be enforceable by a court of law even though they lack consideration.
6. Relate those agreements that appear to have consideration but that the courts refuse to enforce.



### Third Unit

#### General Objectives:

The student will demonstrate a knowledge of various concepts associated with basic contract law including legality; form of the agreement; third parties in contract law; and discharge and remedies. Unit Three relates to Chapters 11-14 in the textbook.

#### Chapter 11 - Legality

##### Specific Objectives:

1. State the effect of illegality on an agreement.
2. Illustrate agreements to commit illegal or wrongful acts.
3. Cite agreements that are illegal by statute.
4. Describe some agreements that are opposed to public policy.
5. Explain the consequences of illegal agreements.

#### Chapter 12 - Form of the Agreement

##### Specific Objectives:

1. Identify the types of agreements that must be in writing.
2. List the essential information that should be included in a written memorandum.
3. Explain the parole evidence rule.
4. Compare the best evidence rule with the equal dignities rule.
5. Illustrate various methods of writing a signature.
6. Discuss the use of the seal.

#### Chapter 13 - Third Parties in Contract Law

##### Specific Objectives:

1. Differentiate between the legal rights given to intended beneficiaries and those given to incidental beneficiaries.
2. Contrast assignment with delegation.
3. Identify the three parties to an assignment.
4. Indicate who is responsible for giving notice of an assignment and explain the consequences of failing to do so.
5. Explain the obligations of the parties to an assignment.
6. Identify contracts that cannot be assigned.
7. Distinguish between a novation and an assignment.

## Chapter 14 - Discharge and Remedies

### Specific Objectives:

1. Compare the different ways that time for performance of a contract is enforced by the courts.
2. Describe the standards that are used to determine whether or not the performance of a contract is satisfactory.
3. Contrast complete performance with substantial performance.
4. Explain the importance of making tender of performance and tender of payment.
5. Discuss the four ways that contracts are discharged.
6. Identify the remedies that are available to an injured party when a contract is breached.