

Course Syllabus

Commercial Law
General Business 4320-03 Section (24497)/
7305-02 Section(16265)
Spring, 2017
University of Houston- Central Campus
School of Business
Tuesday- 6:00 p.m.- 9:00 p.m.

PERSON RESPONSIBLE FOR DEVELOPING SYLLABUS:

John L. Green, Ph.D., CPA, J. D.
Visiting Associate Professor

STATEMENT AS TO THE FREQUENCY WITH WHICH REVIEW OF THIS COURSE OCCURS:

Course syllabus is reviewed each semester.

INSTRUCTOR INFORMATION:

Name: Dr. John L. Green, J.D., Ph. D, C.P.A.
E-mail: JL.Green488@aol.com
Office Phone: 713-743-4845. If no answer, please call 713-660-7400 and leave a message.
Office Location: Melcher, Room 390
Office Hours: Tuesday, 1-2:15 p.m. Others by appointment.

TEXTBOOK:

Course Textbook:	Business Law: Text and Cases, 13 th Edition (Clarkson, Miller, Cross) ISBN: 978-1-285-18524-8
Required Materials:	Houston Chronicle: daily, read current legal issues

COURSE DESCRIPTION:

The general purpose of this course is to educate the students as to the basic legal principles which create the legal environment in which business is conducted in the United States.

COURSE SEQUENCE IN CURRICULUM:

PRE-REQUISITE INFORMATION

We will discuss in class- CPA candidates oriented class.

RELATION TO THE PURPOSE STATEMENT OF THE UNIVERSITY

In keeping with the University's commitment to produce the "development of the whole person," the School of Business seeks to impart knowledge to the student in order to produce an ethical individual who can operate successfully in the modern legal environment of business.

RELATION TO COLLEGE GOALS AND PURPOSES

The purpose of this class is to provide students with an understanding of current legal statutes and practices in the legal environment of business.

RELATION TO GOALS FOR MAJOR/PROGRAM

The purpose of this class is to help students gain an understanding of the impact of the legal process in a free enterprise system.

COURSE OBJECTIVES

"The study of the law qualifies a man to be useful to himself, to his neighbors, and to the public." Thomas Jefferson, 1790.

1. To study the concept of the law as it relates to the environment in which business is conducted.
2. To analyze the basic principles upon which the law is founded.
3. To explore practical examples of the law as it relates to the business environment.
4. To develop an understanding of the steps necessary to successfully operate in the modern legal business environment.

Learning Objectives – Broad Skills and Abilities

1. Improve your critical thinking skills.
2. Improve your active listening skills with your peers in any setting.
3. Improve your oral communication skills. Improve your ability to communicate in class under pressure with peers in a classroom setting.
4. Improve your ability to think and communicate quickly.
5. Improve problem solving skills. Learn how to solve difficult problems in a classroom setting.
6. Improve your organization skills.
7. Improve your ability to make connections with how the subject matter fits.

Commercial Law Learning Objectives

1. Be able to distinguish between the freedom *of* contract and the freedom *from* contract.
2. Be able to define the objective theory of contracts.
3. Be able to distinguish between bilateral and unilateral contracts.
4. Be able to distinguish between express and implied contracts.
5. Know how a quasi contract differs from a contract.
6. Be able to distinguish between formal and informal contracts.
7. Be able to distinguish between executed and executory contracts.
8. Know the differences among valid, void, voidable, and unenforceable contracts.
9. Be able to define the plain meaning rule and other rules relating to the interpretation of contracts.
10. Understand the elements of an offer, why they exist, and how they are determined.
11. Know how the parties can terminate an offer.
12. Understand situations limiting an offeror's right to revoke.
13. Know how an offer can be terminated by operation of law.
14. Know who may accept an offer.
15. Be able to define unequivocal acceptance.
16. Know in what contractual situations acceptance must be communicated, and when and how it must be communicated.
17. Be able to define consideration and "adequacy of consideration."
18. Understand how a preexisting duty can satisfy the requirements of consideration and how the exceptions to the preexisting duty rule.
19. Be able to define an illusory promise.
20. Be able to discuss agreements to settle claims or discharge debts.
21. Know in which circumstance promises will be enforced despite the lack of what one normally considers.
22. Know minors' rights to disaffirm their contracts and what effect their misrepresentation of age and/or contracting for necessities may have on these rights.
23. Know minor's duty of restitution.
24. Know when parents are liable for their minor children's contracts and torts.
25. Know the effect that intoxication has on a person's contractual capacity.
26. Know under what circumstances contracts made by a mentally incompetent person are void, voidable, and/or valid?
27. Understand the legal significance of the difference between a mistake in judgment as to market condition and a mistake of fact.
28. Be able to define a unilateral mistake.
29. Be able to define the elements of fraudulent misrepresentation.

30. Know under what circumstances undue influence occurs.
31. Be able to define duress.
32. Know what statutes make specific agreements or parts of agreements illegal.
33. Know why some contracts are unenforceable as contrary to public policy.
34. Know some exceptions to the rule that a court will not enforce an illegal agreement.
35. Be able to define the Statute of Frauds.
36. Be able to define the one-year rule.
37. Be able to define a collateral promise and the "main purpose" rule.
38. Know what effect partial performance has on the enforcement of an oral contract, and what happens if the party against whom enforcement of an oral contract is sought admits in court that a contract was made.
39. Know how assignments function and id an assignment can be revoked.
40. Know what problems arise when notice of assignment is not given to the obligor.
41. Be able to define delegation; know what duties can be delegated and what happens if the delegatee fails to perform.
42. Understand the degrees of performance.
43. Be able to define anticipatory repudiation of contract.
44. Know the methods by which a contract can be discharged by agreement and/or operation of law.
45. Know why agency law is essential to the existence and operation of a corporation.
46. Be able to define a principal-agent relationship.
47. Be able to define an employer-employee relationship.
48. Be able to define an employer-independent contract relationship and some of the factors that can determine whether an individual is considered an employer or independent contractor.
49. Know how an agency relationship is created.
50. Know the general duties agents and principals owe each other.
51. Know an agency's rights and remedies against a principal and a principal's rights and remedies against an agent.
52. Know what effects a principal's representations giving up parent authority to an agent have on the principal's liability.
53. Know what happens if a principal does not ratify an agent's unauthorized act.
54. Know whether disclosed, partially disclosed, or undisclosed principals and their agents are liable undr contracts made by their agents with third parties.
55. Understand how a principal can be liable for an agent's torts.
56. Know if an employer is liable for an employee's or an independent contractor's torts.
57. Know if a principal is liable for a subagent's acts.
58. Know what notice is required to third parties when an agency terminates.
59. Know the primary functions and powers of the Consumer Products Safety Commission.
60. Know what standard the UCC offers for determining whether a contract is unconscionable.
61. Know for what compensatory damages compensate and the measure of these damages on breach of a contract on the sale of goods or land.
62. Be able to define consequential damages and punitive damages.
63. Know an injured party's duty to mitigate damages.
64. Be able to define liquidated damages.
65. Understand rescission and restitution.
66. Be able to define specific performance.
67. Understand when reformation is used.
68. Understand when recovery may be based on quasi contract.
69. Know the purpose of election of remedies doctrine.
70. Be able to define duress.
71. Know what statutes make specific agreements or parts of agreements illegal.
72. Know why some contracts are unenforceable as contrary to public policy.
73. Know some exceptions to the rule that a court will not enforce an illegal agreement.
74. Be able to define the Statute of Frauds.
75. Be able to define the one-year rule.
76. Be able to define a collateral promise and the "main purpose" rule.
77. Know what effect partial performance has on the enforcement of an oral contract, and what happens if the party against whom enforcement of an oral contract is sought admits in court that a contract was made.
78. Know for what compensatory damages compensate and the measure of these damages on breach of a contract on the sale of goods or land.
79. Be able to define consequential damages and punitive damages.
80. Know an injured party's duty to mitigate damages.
81. Be able to define liquidated damages.
82. Understand rescission and restitution.
83. Be able to define specific performance.
84. Understand when reformation is used.

85. Understand when recovery may be based on quasi contract.
 86. Know the purpose of the election of remedies doctrine.

TOPICAL OUTLINE

INTRODUCTION

I. The Legal Environment of Business

- Jan. 17 A Introduction of Law and Legal Reasoning - Chapter 1, Questions: 1.1 -1.7
 Jan. 17 B Courts and ADR - Chapter 2, Questions: 2.1-2.9
 Jan. 24 C Court Procedures – Chapter 3, Questions: 3.1-3.9

II. Torts and Crimes

- Jan. 24 A Torts- Chapter 6, Questions: 6.1-6.9
 Jan. 31 B Strict Liability and Product Liability – Chapter 7, Questions: 7.1-7.9
 Jan. 31 C Criminal Law and Cyber Crime – Chapter 10, Questions: 10.1-10.9

III. Contracts and E-Commerce

- Feb. 7 A Nature and Terminology of Contracts – Chapter 11, Questions: 11.1-11.9
 Feb. 7 B Agreement in Traditional and E-Contracts – Chapter 12, Questions: 12.1-12.9
 Feb. 14 C Consideration – Chapter 13, Questions: 13.1-13.9
 Feb. 14 D Capacity and Legality – Chapter 14, Questions: 14.1 -14.9
 Feb. 21 E Mistakes, Fraud, and Voluntary Consent – Chapter 15, Questions: 15.1-15.9
 Feb. 21 F The Writing Requirement and Electronic Records – Chapter 16, Questions: 16.1-16.7

FIRST EXAM – CHAPTERS 1, 2, 3, 6, 7, 10, 11, 12, 13, 14, 15, and 16

- Feb.28 G Third Party Rights – Chapter 17, Questions: 17.1-17.10
 Feb. 28 H Performance and Discharge in Traditional and E- Contracts – Chapter 18, Questions: 18.1-18.9
 Mar. 7 I Breach of Contract and Remedies – Chapter 19, Questions: 19.1-19.8

SPRING BREAK– MARCH 13-18, 2017

VII. Agency and Employment

- Mar. 21 A Agency Formation and Duties – Chapter 32, Questions: 32.1 – 32.9
 Mar. 21 B Agency Liability to Third Parties and Termination – Chapter 33, Questions: 33.1-33.9

SECOND EXAM- CHAPTERS 17, 18, 19, 32, and 33

V. Negotiable Instruments

- Mar. 28 A The Function and Creation of Negotiable Instruments – Chapter 25, Questions: 25.1-25.9
 Apr. 4 B Transferability and Holder in Due Course – Chapter 26, Questions: 26.1-26.9
 Apr. 4 C Liability, Defenses, and Discharge – Chapter 27, Questions: 27.1-27.8
 Apr. 11 D Banking in the Digital Age – Chapter 28, Questions: 28.1-28.9

V. Creditor's Rights and Bankruptcy

- Apr. 11 A Creditor's Rights and Remedies – Chapter 29, Questions: 29.1-29.9
 Apr. 18 B Secured Transactions – Chapter 30, Questions: 30.1-30.9

IX. Government Regulation

- Apr. 18 A Professional Liability and Accountability – Chapter 47, Questions: 47.1-47.8

4) **Method of evaluating student response to course** - Review of student evaluation sheets plus verbal feedback from students.

Instructor's Signature

Date

General Business 4320/5305/7305

Person Responsible for Developing Syllabus: John L. Green, J.D., Ph.D, C.P.A.

Professor of Accounting