Santa Monica College

Course Outline for
BUSINESS 5, Business Law

Course Title: Business Law
Units: 3.00
Total Instructional Hours (usually 18 per unit): 54

Hours per week (full semester equivalent) in
Lecture: 3.00
In-Class Lab: 0
Arranged:

Date Submitted: April 2016
Date Updated: April 2016
Transferability: Transfers to CSU
Transfers to UC

IGETC Area:
CSU GE Area:
SMC GE Area:

Degree Applicability: Credit - Degree Applicable
Prerequisite(s): None
Pre/Corequisite(s): None
Corequisite(s): None
Skills Advisory(s): None

I. Catalog Description
This course provides students with an overview of the fundamental legal principles and rules concerning business transactions. It also encompasses introductory topics such as the court structure, sources of the law and case analysis. The following additional subject areas are covered: criminal law, torts, civil procedure, alternative dispute resolution, contract law, ethics, constitutional law, agency and the principles pertaining to business entities.

II. Examples of Appropriate Text or Other Required Reading: (include all publication dates; for transferable courses at least one text should have been published within the last five years)

III. Course Objectives
Upon completion of this course, the student will be able to:
1. Explain the historical development of the law, operation of the court system and sources of commercial law.

2. Explain the social, political and ethical implications of the law, and their application to actual and hypothetical business transactions.

3. Distinguish between crimes and torts and describe the purpose of criminal and tort law.

4. Evaluate when a promise is enforceable, and describe the elements of a contract, contract performance, and the remedies available in the event of a breach.

5. Distinguish between contracts that are governed by the Uniform Commercial Code and the common law of contracts, as well as the Restatement 2nd of contracts, and case law. Analyze third party claims involving contract disputes and know whether the particular third party has a valid contract claim.

6. Analyze cases. Understand why a particular legal principle was applied to the case fact pattern and how it contributed to the decision reached.

7. Demonstrate the ability to utilize the internet to research legal issues and to identify and understand current issues relevant to business law.

8. Perform legal research. Include evaluating and interpreting a court citation and locating a court case on an assigned topic.

9. Analyze the powers and functions of government agencies.

10. Differentiate the relationship between state and federal systems, determine when each has jurisdiction, and recognize the importance and application of alternate dispute resolution (ADR) options.

11. Demonstrate how cases progress through the court system from problem, to filing, to trial, and appeal.

12. Analyze the relationship between law and ethics.

13. Explain the constitutional basis for, and limitations on, the government’s regulation of business.

14. Describe the legal relationship between the principal and the agent. Analyze the principal’s and agent’s respective duties and liabilities for contracts and torts.

15. Distinguish between the various forms of business organizations including sole proprietorships, partnerships, limited liability partnerships, limited liability companies and corporations.

IV. Methods of Presentation:
Other (Specify) , Lecture and Discussion
Other Methods: PowerPoint Presentations, case studies

V. Course Content

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<thead>
<tr>
<th>% of course</th>
<th>Topic</th>
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<tbody>
<tr>
<td>5%</td>
<td>Introduction to law. Classifications (equity, common law, etc.). Sources of and reasons for law. Administrative agencies.</td>
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<td>Percentage</td>
<td>Evaluation Method</td>
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<tr>
<td>10%</td>
<td>State and federal court systems, jurisdiction, methods for alternate dispute resolution. Progress of a case through the court system, role of judge, jury, lawyers and the parties. The appellate process, types of motions, rulings, judgments, and enforcement of judgments.</td>
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<tr>
<td>5%</td>
<td>Law, ethics, and ethical decision making including, but not limited to, corporate social responsibility and stakeholder relationships.</td>
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<tr>
<td>35%</td>
<td>Contracts under common law and the Uniform Commercial Code; classification, contract terms and elements and performance; enforcement, breach and remedies; third person beneficiary contracts; assignment of contracts.</td>
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<tr>
<td>10%</td>
<td>Creation of agency relationships; tort and contract liability of principals and agents.</td>
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<tr>
<td>10%</td>
<td>Torts distinguished from crimes. Intentional torts, negligence, business torts, and strict liability.</td>
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<tr>
<td>10%</td>
<td>Basics of criminal law.</td>
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<tr>
<td>5%</td>
<td>Sole proprietorships, partnerships, limited partnerships, limited liability partnerships, limited liability companies, corporations, corporate structure and governance.</td>
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<tr>
<td>5%</td>
<td>Application of the U.S. Constitution to business activities.</td>
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<tr>
<td>5%</td>
<td>Writing (the Statute of Frauds) and The Parol Evidence Doctrine</td>
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<tr>
<td>100%</td>
<td>Total</td>
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**VI. Methods of Evaluation:** (Actual point distribution will vary from instructor to instructor but approximate values are shown.)

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<thead>
<tr>
<th>Percentage</th>
<th>Evaluation Method</th>
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<tbody>
<tr>
<td>65 %</td>
<td>Exams/Tests - 3 unit examinations</td>
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<tr>
<td>20 %</td>
<td>Quizzes</td>
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<tr>
<td>5 %</td>
<td>Class Participation</td>
</tr>
<tr>
<td>10 %</td>
<td>Written assignments - include case briefs and the application of the law to hypothetical fact patterns</td>
</tr>
<tr>
<td>100 %</td>
<td>Total</td>
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VII.  **Sample Assignments:**

Sample Assignment #1: The student is asked to respond to the following:

An offer is a proposal by an offeror that, if accepted, will create a contract. Offers require that the offeror make a promise. The promise can be express or implied. The offer must bargain for a return promise, an act, or forbearance, and it must describe what is being offered (the subject matter) with enough certainty so that a court will not have to guess at what the offeror intended. The offer must be communicated to the offeree, and it must be proven that the offeror outwardly manifested the intent to make an offer. How would an offeree prove that an offeror intended to make an offer if the offeror alleged that she was only kidding or that her proposal was merely an invitation to the other party to make an offer?

Offerors have the legal right to revoke their offers if they effectively do so before the offeree accepts. There are, however, several circumstances that would preclude the offeror from revoking the offer. Please identify these circumstances and give an example of each.

Sample Assignment #2: The student is asked to respond to the following:

An acceptance will create a contract. At common law, the acceptance had to be identical (mirror image) to the offer. A response that was not identical would amount to a counter-offer and cancel out the offer. Modernly, this is no longer the case. If the offeree gives a grumbling response, or if the response given contains additional terms that are unimportant (immaterial), it will still be ruled an acceptance! The UCC reflects a greater departure from the traditional common law approach. When merchants (pros) are transacting business, they almost always rely on their own forms. An offer will be made on one form and an acceptance will be presented on another form. The purported acceptance will invariably contain terms and conditions that are not in the offer. Will the additional terms cause the court to rule that a counter offer was made? Will a court find a contract based on the terms that are identical and then disregard the additional terms? Will a court find a contract and include the additional terms? Submit your answer.

Contract law requires proof that the offeree 'intended' to accept the offer. It is not an uncommon defense for the offeree to allege that she did not intend to accept the offer. The offeree might argue that she didn't even know that an offer was being made, or that when signing the document she failed to read all of the terms, or that she did read all of the terms but did not understand certain ones. How would an offeror prove that the offeree did intend to accept a particular offer if the offeree contended that she was only joking, or that she didn't know that an offer was being made, or that she knew she was signing an offer but she didn't read all of the terms or didn't understand some or all of the terms and conditions?

Sample Assignment #3: The student is asked to perform legal research and locate a
case involving a relevant business issue. The student then writes a brief of the case which outlines the following: the important facts, issue(s), rule of law applied, decision and reasoning of the court.

VIII. **Student Learning Outcomes**

1. Given a set of facts, identify and properly analyze the legal implications of words and actions in relation to standard contract principles.
2. Given excerpts from a written contract, comprehend and evaluate its components according to standard contract principles.
3. Demonstrate a level of engagement in the subject matter that reveals their understanding of the value of the course content beyond the task itself, specifically as it relates to linking the relevance of course content to careers in business and accounting and their personal lives.