I. GENERAL COURSE INFORMATION

Course name: Business Law I/BL 201               Course credit: 4 hours

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<th>DOWNRIVER</th>
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NOTE: YOUR INSTRUCTOR RESERVES THE RIGHT TO MODIFY THE COURSE REQUIREMENTS, ASSIGNMENTS, GRADING PROCEDURES, AND OTHER RELATED POLICIES AS CIRCUMSTANCES MAY DICTATE.

II. INSTRUCTOR INFORMATION


WCCCD: Downriver Campus (Office #5) - (734) 946-3500, Ext. 3291  
Home Phone: (248) 855-3843  
EMAIL: glciampa@aol.com

OFFICE HOURS: See ADDENDUM attached to this syllabus for specific location and time of office hours when I will be available to see students this semester. It is strongly advised that you contact me in advance for an appointment.

III. COURSE DESCRIPTION

Business Law I is a survey of the American legal system designed to develop an understanding of the fundamentals of business law. Classes are conducted by using text and actual case studies for the purpose of observing the development and application of legal principles in a business activity. Topics covered include the nature of law, courts and court procedures, crimes and torts, contracts, sales, and negotiable instruments.

IV. COURSE RATIONALE

This course is part of the curriculum for college students majoring in business and others who want to learn about the subject. Successful completion of this course will provide the student with a working knowledge of the legal framework within which formal business organizations must operate.
V. TEXT/MATERIALS


Students will also need four (4) Scan-Tron Test Forms - 100 Question Answer Sheets & No. 2 pencils

Answer Sheets for STUDY GUIDE assignments which will be provided to you in class by your instructor.

VI. PREREQUISITES

There are no prerequisites for this course.

VII. LEARNING GOALS AND OBJECTIVES

Students will be able to:

1.00 Introduction. Identify and discuss the sources and classifications of the law; identify those fields commonly referred to as business law; state the reasons for studying business law.

1.01 Identify those fields commonly referred to as business law and state why it is important to study business law.
1.02 State the nature of law, distinguishing the law as a legal system, law as rules, and the functions of law.
1.03 List and discuss the various sources of law: constitutional, statutory, administrative, and common law.
1.04 Define and distinguish substantive versus procedural law and criminal versus civil law.

2.00 Procedure. Describe the structure of the federal and state court systems; outline the basic procedure followed in a civil lawsuit and draw comparisons between civil and criminal proceedings.

2.01 Explain the concept of jurisdiction as it relates to the judicial system distinguishing original from appellate jurisdiction.
2.02 Describe the basic structure of the federal and state court systems and the bases for federal court jurisdiction: federal questions and diversity of citizenship.
2.03 Define and discuss the following pleadings or documents: summons, complaint, answer, affirmative defense, counterclaim, cross-claim, summary disposition, and default.
2.04 Define and discuss the following procedures and concepts of discovery: subpoena, subpoena duces tecum, interrogatories, depositions, compulsory medical exam, and motions.
2.05 Define, sequence and discuss the importance of the following procedures: pre-trial conference, jury selection, opening statements, direct examination/cross-examination, closing statements, mistrial, jury instructions, directed verdict, verdict, judgment, judgment n.o.v., execution and garnishment.
2.06 Distinguish between a civil and a criminal action and the basic differences in court procedure.

### Criminal Law

**3.00** Define and discuss the nature of crime and the essential elements to be convicted of criminal behavior.

- **3.01** Define crime and state the essential elements to be found guilty of a crime, including statutory prohibition, burden of proof, and capacity; and state the common defenses thereto.
- **3.02** Distinguish felonies from misdemeanors.
- **3.03** State common felonies related to business: larceny, robbery, embezzlement, forgery, bribery, extortion, burglary, and arson.

### Torts

**4.00** Define torts and the bases for tort liability; define and discuss the various intentional torts, negligence and strict liability and any defenses available.

- **4.01** Define tort and distinguish a tort from a crime and from a breach of contract.
- **4.02** Explain the difference between the following categories of torts: intentional torts, negligence and strict liability.
- **4.03** State and explain the elements of the following intentional torts: assault; battery; false imprisonment; mental distress; libel; slander; invasion of privacy; conversion; trespass, nuisance, infringement of trademark, patent and copyright; unfair competition.
- **4.04** List and explain the elements of negligence (act or omission, duty, breach, causation and damages) and explain the defenses of contributory negligence and comparative negligence.
- **4.05** Explain the doctrines of res ipsa loquitur and last clear chance.
- **4.06** Explain the rationale for strict liability; identify those areas to which the theory is applicable.

### Contracts - Introduction and Requirements

**5.00** Define contract and state the essential elements; discuss in detail the requirements of the offer, acceptance and consideration.

- **5.01** Define contract and the essential elements of a contract: agreement, capacity, voluntary assent, consideration and proper legal form.
- **5.02** Distinguish and explain the following classifications of contracts and theories: express/implied; valid/void/voidable; simple/formal; executed/executory; unilateral/bilateral; promissory estoppel and quasi-contract.
- **5.03** Define offer both in terms of its requirements and legal effect emphasizing the importance of present contractual intent, certainty of terms, and communication.
- **5.04** State the various methods by which an offer may be terminated: acceptance, lapse of time (stated or reasonable), revocation, rejection (including counteroffer) and operation of law.
- **5.05** Explain the various rules applied to determine in given factual situations whether or not there has been an effective acceptance.
- **5.06** Define consideration and distinguish legal value from adequacy of consideration and distinguish legal benefit from legal detriment (forbearance) as consideration.
- **5.07** Explain the applicability of the following concepts in determining legally sufficient consideration: past consideration; moral consideration; mutuality of consideration; pre-existing obligation as consideration.
6.00 Legal Impediments and Defenses to Contract. State and discuss in detail how a contract may be defeated by affirmative defenses related to the state of mind of either or both of the parties, or by illegality.

6.01 List the categories of persons usually deemed incapable of creating enforceable agreements: minors, intoxicated persons and insane persons; explain disaffirmance, ratification, and restitution.

6.02 Explain the application of equitable theories such as quasi-contract to avoid an unjust result where one party was incapable of forming an enforceable agreement.

6.03 Define and describe the effect (including remedies, if any) on the validity of the assent to contract in the following situations: unilateral and bilateral mistake, fraud, misrepresentation, concealment, physical and economic duress, and undue influence.

6.04 Define and explain the effect of the following types of illegality on a contract: obstruction of legal process, wagers, usury, unlicensed dealings, unconscionable contracts and contracts in restraint of trade; determine the effect of partial illegality on a divisible and indivisible contract.

7.00 Form and Interpretation. State and compare the parol evidence rule and the statute of frauds; compare the two; describe the memorandum necessary to comply with the statute of frauds and the consequences of failure to comply; state and apply the rules used most commonly to resolve ambiguities in written contracts.

7.01 State the parol evidence rule, its rationale and its exceptions.

7.02 Distinguish between the parol evidence rule and the statute of frauds.

7.03 List those types of contracts which must be in writing in order to be enforceable under the statute of frauds - sale of land, promises to answer for the debts of another, promises not capable of performance within one year, and sale of goods under the UCC; state the rationale for each category.

7.04 Describe the nature of the writing required by the statute of frauds and the effect of non-compliance.

7.05 State and apply the rules used most commonly in resolving ambiguities in written contracts.

8.00 Third Parties in Contract. Define third party beneficiary and discuss the rules used in determining the rights of the parties; define assignment/delegation and discuss the rules used in determining the rights of the parties.

8.01 Explain the position of the third party beneficiary in a contract and distinguish between the intended beneficiary (donee and creditor) and the incidental beneficiary.

8.02 Explain what is meant by assignment of rights in a contract.

8.03 Distinguish between the assignment of rights and the delegation of duties.

8.04 Distinguish between assignment and novation.

8.05 State the exceptions to the generally free assignability of contracts: personal service, changing the burden and contractual limitation.

8.06 State and apply the rules for determining priorities when there are multiple and conflicting assignments of contractual rights.
9.0 **Discharge, Breach and Remedies.** State the principles necessary to determine whether a contract has been performed, discharged or breached and, if breached, identify the appropriate remedy.

9.01 State what a condition to performance is and distinguish between a condition precedent, a condition subsequent, and concurrent conditions; and how each type of condition affects the duty to perform under a contract.

9.02 Distinguish between complete performance, substantial performance, material breach, and anticipatory breach; and the effects of each on the rights and duties of the parties to the contract.

9.03 State common excuses for nonperformance of one’s duties under a contract, including prevention and impossibility as a result of illness or death, intervening illegality, destruction of subject matter, and commercial impracticability/frustration.

9.04 State and distinguish between the various ways a party can be discharged from his duty to perform, including by agreement, waiver, alteration, and statute of limitations.

9.05 State the kinds of damages available as a remedy for breach of contract, including compensatory damages, consequential damages, nominal damages, liquidated damages, and why emotional damages and punitive damages are generally not recoverable for breach of contract.

9.06 State what is meant by the duty to mitigate damages.

9.07 Distinguish between the remedy of damages and the equitable remedies of specific performance and injunctions; and when equitable remedies are appropriate.

10.00 **Sales Contracts.** Distinguish sales contracts from common law contracts; state the guidelines for determining when ownership changes hands, and when responsibility for merchandise shifts from seller to buyer; outline the basic duties of buyers and sellers and distinguish various kinds of contracts according to the conditions under which goods are transferred from seller to buyer; distinguish the kinds of warranties a seller makes and the seller’s liability when no warranty exists.

10.01 Explain how and why sales contract differ from contracts created under the common law and under what circumstances Article 2 of the Uniform Commercial Code applies to sales contracts.

10.02 Describe the requirements for formation of a sales contract under Article 2 and how the UCC “fills gaps” when a contract does not specify price, time, delivery, or quantity.

10.03 List and describe the requirements of buyer and seller under a sales contract.

10.04 Define and distinguish the concepts of title to goods (including when title passes), insurable interest, and risk of loss (including when risk of loss passes), and how the concept of risk of loss relates to that of insurable interest.

10.05 State the rights and duties of the buyer and seller in a contract for the sale of goods.

10.06 Distinguish a shipment contract from a destination contract, and list and define the common shipping terms (i.e. FOB, FAS, CIF, C&F, Ex-ship, No Arrival, No Sale) and the implications of each for the performance of the seller’s duties.

10.07 Discuss the special conditions affecting sales contracts in the following commercial situations: sale on approval, sale or return, consignment, and auction.
10.08 Define the term warranty and state the implications for the duties of the seller under contract law.

10.09 Distinguish between an express warranty and an implied warranty, including implied warranty of merchantability, implied warranty of fitness for particular purpose, and implied warranty of title, and establish who benefits from them.

10.10 Explain how a seller may modify or exclude express and implied warranties and explain the implications of such exclusions.

10.11 Define the concept of product liability, and state the potential remedies available under tort law to a person who is injured by goods for which no warranty provisions are made.

11.00 **Negotiable Instruments.** Define negotiability and state the requirements for negotiability; define the types of negotiable instruments; and state the rights of the parties thereunder.

11.01 List and explain the requirements of negotiability.

11.02 State the functions of negotiable instruments and the difference between assigning a contract and negotiating a negotiable instrument.

11.03 Distinguish between certificate of deposit, check, draft and promissory note; identify the parties in each instrument and state their liabilities.

11.04 Define and state the effect of the various types of endorsements of a negotiable instrument: blank, special, qualified and restrictive.

11.05 Distinguish between order paper and bearer paper; state the methods of negotiating each and the warranties made upon negotiation.

11.06 Distinguish between a bearer, holder and holder in due course of a negotiable instrument.

11.07 List the defenses to negotiable instruments; classify each as personal or real; state the effect of each.

11.08 Distinguish between primary liability and secondary liability; and distinguish between the necessity of presentment for payment of a promissory note and the necessity of presentment of a draft for acceptance.

11.09 State the effect of dishonoring an instrument and the holder’s recourse upon such dishonor.

11.10 List and explain the various ways in which either one or all of the parties to a negotiable instrument may be discharged.

VIII. **INSTRUCTIONAL STRATEGY**

Class sessions will typically consist of lectures and discussions of case problems based on the material assigned in the assignment schedule set forth below or as directed by your instructor. Students will be expected to have read thoroughly the corresponding material in the textbook for each class session and to have completed the material in the STUDY GUIDE for each chapter he/she is required to read in the textbook. When requested by the instructor, students will be required to submit selected STUDY GUIDE assignments for credit on answer sheets to be provided in class.

It is extremely important for the student to keep up with the scheduled assignments and not to fall behind in preparing the material for class. Much of the material builds on what has been covered previously, and failure to stay up with the schedule will simply make the work more difficult.
IX. EVALUATION PROCEDURES

A. Examinations

There will be four examinations throughout the semester given as specified on the assignment schedule below and covering the material there indicated. The examinations will consist of objective questions (true-false, multiple choice, etc.) and case problems. On these examinations, the student will be responsible for the material covered in the textbook as well as material covered in class lectures.

There will be no comprehensive final examination at the end of the semester. The last examination will simply cover the last quarter of the course materials. A student is required to take all of the examinations. Failure to take one or more of the required examinations will result in automatic failure in this class.

The number of points available on each examination will be as follows:

- EXAM. NO. 1 - 50 Points
- EXAM. NO. 2 - 60 Points
- EXAM. NO. 3 - 60 Points
- EXAM. NO. 4 - 50 Points

220 Points possible

The objective portion of these examinations will be administered on Scan-Tron Test Forms which are machine scored. Therefore, each student must submit four (4) 100 Question Answer Sheets to me within the first three weeks of the semester. These answer sheets are available at all of the college bookstores at a nominal cost.

NOTE: If you are not present for an examination and have not notified me in advance or immediately after the examination to indicate to my satisfaction that extenuating circumstances beyond your control prevented you from taking the examination at the scheduled time, it will be within my discretion to lower your grade up to ten points when you do complete the examination.

B. Grading

Your performance in the class will be measured by points earned for attendance and class participation, points earned on examinations, points earned on STUDY GUIDE assignments, and points earned on a Courtroom Visitation Report, with the following points possible in each area:

- Attendance and Class Participation - 40 Points Possible
- Examinations - 220 Points Possible
- STUDY GUIDE Assignments - 50 Points Possible
- Courtroom Visitation Report - 25 Points Possible

335 Points Possible

Your final grade will basically be determined by computing your percentage of the total points possible (total points earned divided by total points possible) and converting it to a letter grade. The following percentages will be equivalent to the following letter grades:
You will not be given letter grades on your examinations and assignments, but you will receive the number of points earned on each examination and assignment and be informed of your class standing on each examination. At the end of the semester, each student's points will be totaled, converted to a percentage of the total points possible, and assigned a letter grade.

A grade of INCOMPLETE will be given to a student only if all of the following conditions exist:

1. A documented, unforeseen emergency prevents the student from completing the work in the course.
2. The emergency must have occurred after the last day to withdraw from classes.
3. At the time of the emergency, the student must be earning a passing grade.
4. The Incomplete grade is not being used as a substitute for a W, XW, or for an unsatisfactory grade.

UNDER NO CIRCUMSTANCES WILL A GRADE OF INCOMPLETE BE GIVEN SO THAT A STUDENT CAN REPEAT A CLASS.

If a student decides to withdraw from the class before the end of the semester, it is the policy of the college that the responsibility for dropping a class belongs to the student. Students may drop the class until the eighth week of the semester without an instructor's signature. From the ninth week to the twelfth week of the semester, the student must obtain his/her instructor's signature on an Add/Drop Form. If you drop the class for any reason, please inform your instructor so that the necessary record keeping entries can be recorded for you.

X. COURSE REQUIREMENTS

A. Textbook

The proposed reading assignments for the semester are as listed below. You will be expected to have read the material assigned before each class period. You will also be expected to have your text and STUDY GUIDE with you in class at all times.

WEEK 1

Introduction
Chapter 2 - Dispute Settlement - P. 27

WEEK 2

Chapter 1 - Law, Legal Reasoning, and the Legal Profession - P. 3
Chapter 6 - Intentional Torts - P. 111
WEEK 3

Chapter 7 - Negligence and Strict Liability - P. 127
Chapter 5 - Crimes - P. 96

WEEK 4

EXAMINATION NO. 1 (Chapters 1, 2, & 5-7)

WEEK 5

Chapter 9 - The Nature and Origins of Contracts - P. 165
Chapter 10 - Creating a Contract: Offers - P. 180

WEEK 6

Chapter 11 - Creating a Contract: Acceptances - P. 196
* Chapter 14 - Voluntary Consent - P. 238

WEEK 7

Chapter 13 - Capacity to Contract - P. 226

WEEK 8

EXAMINATION NO. 2 (Chapters 9-11, 13, & 14)

WEEK 9

Chapter 12 - Consideration - P. 211

WEEK 10

Chapter 16 - The Form and Meaning of Contracts - P. 268
* Chapter 15 - Illegality - P. 253

WEEK 11

Chapter 17 - Third Parties' Contract Rights - P. 285
Chapter 18 - Performance and Remedies - P. 296

WEEK 12

EXAMINATION NO. 3 (Chapters 12 & 15-18)

WEEK 13

COURTROOM VISITATION REPORT IS DUE
Chapter 38 - Negotiable Instruments - P. 749
Chapter 39 - Negotiation and Holder in Due Course - P. 766
WEEK 14

Chapter 19 - Formation and Terms of Sales Contracts - P. 315
Chapter 21 - Performance of Sales Contracts - P. 361

WEEK 15

EXAMINATION NO. 4 (Chapters 19, 21, 38, & 39)

*Only the case problems at the end of these chapters in the text and SUPPLEMENTARY CASE PROBLEMS will be covered in class.

If at any time during the semester the material assigned for a particular period is not covered, the lecture will continue from the point at which we left off. Thus, if we do get behind, continue with the chapters assigned in the order listed on the assignment schedule and stay approximately one chapter ahead of the point at which we left off. Do not eliminate any chapters unless so instructed.

It is strongly urged that students take thorough notes while in class which can be used to review the material covered and to prepare for examinations.

B. Study Guide

It is expected that the STUDY GUIDE materials will be completed for each chapter as you read the text. These materials assist in evaluating your understanding of the material read and also help to familiarize you with the kinds of questions that will be asked on examinations.

Because of the great amount of time required to correct and grade these assignments, every assignment will not necessarily be collected. Instead, I will collect selected assignments at random intervals during the semester. On those occasions, I will correct and grade them. All answers to STUDY GUIDE assignments must be submitted on answer sheets which will be provided to you in class.

The STUDY GUIDE assignments together will be worth a total of 50 points toward your final grade, which will be calculated by dividing the total number of points earned on the assignments collected by the total number of points possible and multiplying that figure by 50.

Failure to submit these assignments when collected will result in a penalty of 10% of the total points possible for the assignments submitted late for each class period that the assignment is late with a maximum penalty of 30% of the total points possible. Late assignments will only be accepted for credit for three class periods from the date the assignments were originally collected. Thereafter, no credit will be given. If you are absent from class when STUDY GUIDE assignments are collected, they will be due immediately upon your return to class. Otherwise, they will be considered late.

C. Courtroom Visitation Report

Each student will be required to visit a local court and prepare a report on his/her personal observations. This report is expected to be prepared and submitted in a scholarly manner and will be graded for both content and presentation. This paper will be
worth a maximum of twenty-five (25) points and will be due at the beginning of the thirteenth week of class. An assignment sheet explaining the exact details and requirements for this report will be submitted to you in class during the semester.

XI. CLASS PROCEDURES

A. Attendance and Class Participation

Strict attendance will be taken in this course throughout the semester and will be worth a total of twenty points toward your final grade.

The points given for attendance will be determined by the total number of absences as follows:

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*Automatic Failure

Full credit for attendance will be given only if the student is in class the entire period. Coming to class excessively late or leaving early will result in either partial credit for attendance or no credit at all. If you know you are going to be absent or have an excuse for an absence of which you wish me to be aware, you can let me know before or after class. However, there are no excused absences; and all absences, no matter what the reason, will result in a loss of points as set forth above.

Class participation will be judged by your preparedness for class and your ability to discuss problems and questions in class (not necessarily by the number of correct answers). It too will be worth a total of twenty points toward your final grade. The points will be assigned by me at the conclusion of the semester.

Furthermore, at the end of the semester, if any student is in a borderline situation (i.e. between an A and a B, between a B and a C, etc.) attendance and class participation will be the factors to which I will look to determine whether he/she will receive the higher or the lower grade.

A student is responsible for material covered in class regardless of whether he/she is present. In the event that a student is absent, it is his/her responsibility to determine what he/she missed and to obtain notes from other students. Any handouts or assignments that are distributed can be obtained from your instructor. A student who has missed the first class meeting(s) because he/she registered late must catch up on any missed assignments immediately. No special privileges are available for registering late.
B. **Class Periods**

Day class periods will run for one hour and fifty minutes, and night class periods will run for three hours and forty-five minutes with a short break. **THERE WILL BE NO SMOKING, EATING, OR DRINKING IN THE CLASSROOM! ALL telephones, pagers, beepers, etc. must be turned off during class sessions and out of sight.**

When you come to class, please be prepared to remain in attendance for the entire period. Casually walking in and out of the classroom while class is in session will not be permitted.

Parents will not be allowed to bring their children with them to class. It shall be your responsibility to arrange for adequate child care. If an emergency arises which you feel necessitates bringing a child to class, you must first have it approved by me. Otherwise, you may be asked to leave the class.

C. **General**

If you feel you are having difficulty in the course at any time, make an appointment with me as soon as the difficulty arises. Do not wait until the last few weeks of the semester or just prior to an examination. **MY DOOR WILL ALWAYS BE OPEN.** Students are always welcome to make an appointment with me in order to discuss course work or career and educational problems. Feel free to arrange an appointment with me at a mutually convenient time.

XII. **ACADEMIC DISHONESTY**

Any student who participates in cheating in **ANY WAY** including, but not limited to:

(1) Using lecture/study notes or summaries in any form during examinations,
(2) Copying examination answers,
(3) Failing to cover answers on an examination,
(4) Giving and/or receiving examination questions and/or answers,
(5) Removing an examination from the classroom, and/or
(6) Giving or receiving assistance on an assignment that goes beyond that allowed by your instructor,

**WILL RECEIVE A FAILING GRADE IN THIS COURSE. ALL ASSIGNMENTS AND EXAMINATIONS FOR THIS CLASS ARE TO BE DONE INDEPENDENTLY UNLESS STATED OTHERWISE BY YOUR INSTRUCTOR.**

XIII. **STUDENT FEEDBACK**

Students' opinions regarding this course, including course content and method of presentation, are important to me. If you have any suggestions for changes that might be made or additions that would improve this course, please do not hesitate to contact me and advise me of your suggestions.