

TEXAS A&M UNIVERSITY - COMMERCE
SYLLABUS
Spring, 2015



Course: BA 357-01W: Legal Organizations and Business Transactions

Time & Location: Online 24-7

Instructor: Jay Garrett, J.D.

Office and hours: BA Building, Room 225; Tuesday and Thursday 8:00 am to 12:00 pm and by appointment.

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A. COURSE MISSION

1. To provide an overview of the basics of the legal system, both nationally and internationally, along with ethical principles that impact law and business.
2. To develop skill in working with legal materials and understanding the language of the law.
3. To provide a general understanding of major legal issues that affect the business environment, both nationally and internationally.
4. To provide knowledge of specific basic laws which affect business structure and finance.

B. STUDENT COMPETENCIES TO BE ACHIEVED IN THIS COURSE. These are set out in the following questions.

- a. Demonstrate knowledge and understanding of the various forms of business organizations, their operation and laws governing their activities.
- b. Demonstrate knowledge and understanding of the nature of relationships among the principal, the agent and third parties under agency law.
- c. Demonstrate knowledge and understanding of negotiable instruments and banking laws.
- d. Demonstrate knowledge, understanding and comprehension of Article 2 of the Uniform Commercial Code.
- e. Demonstrate the process of researching and preparing a case brief.

Student understanding of these concepts will be tested throughout the course, viz.:

a. Demonstrate knowledge and understanding of the various forms of business organizations, their operation and laws governing their activities.

1. Compare the personal liability of entrepreneurs in *sole proprietorships, partnerships, and corporations*.
2. What formalities are required to form a partnership?
3. What is a *limited liability partnership*?
4. List the major characteristics of a corporation.
5. Define an *S corporation*. What are its tax benefits?
6. What are the duties of corporate directors and officers?
7. What laws govern a franchising relationship?
8. What are the two options for managing limited liability companies?
9. What is a joint venture?
10. What is the difference between a corporate merger and a corporate consolidation?
11. What is insider trading? Why is it prohibited?

b. Demonstrate knowledge and understanding of the nature of relationships among the principal, the agent and third parties under agency law.

1. When can a principal be liable for the negligence of an independent contractor?
2. In what situations does an agent incur personal liability when she signs a contract on behalf of her principal?

c. Demonstrate knowledge and understanding of negotiable instruments and banking laws.

1. What is the difference between *order* and *bearer* paper?
2. What is the difference between the *assignment* and the *negotiation* of an instrument?
3. What is the difference between a *holder* and a *holder in due course*?
4. What are the requirements for *holder in due course* status?
5. When a customer deposits money in a bank, which is the debtor and which the creditor?
6. Explain a bank's midnight deadline for determining when to dishonor a check.

d. *Demonstrate knowledge, understanding and comprehension of Article 2 of the Uniform Commercial Code.*

1. What is the UCC's *firm offer* rule?
2. What is the *parol evidence* rule?
3. When does title to goods pass in a shipment contract?
4. Define a *good faith purchaser for value*.
5. What is the *perfect tender* rule?
6. What implied warranties arise under the UCC?
7. Describe the implied warranty of merchantability?

e. *Student understanding of the process of legal research and preparing a case brief will be assessed by the case brief assignment.*

C. COURSE REQUIREMENTS

1. Readings as assigned.
2. Chapter quizzes (20% of grade)
3. Three examinations and a final (50% of grade). The final will not be comprehensive. Normally there will be no make-up exams. Exams will be graded on the following scale. 90-100=A; 80-89=B; 70-79=C; 60-69=D; Below 60=F.
3. One written case brief (20% of grade). One written case brief is due on or before **April 25th**. I will provide instructions on how to write a brief to you via email at the appropriate time. Cases will be found on the second floor of the library, in the Southwestern Reports, the Federal Supplement, and the Federal Reports. The can also be found under the Westlaw or Lexis-Nexis databases for the library. Cases will be provided by the instructor upon your email request. Students must report on different cases. The brief should be neatly typed (20% of grade). This course is designed to train you in the skill of critical legal thinking. As such it is imperative that you do all the reading (particularly the cases), quizzes and discussion postings. Jumping ahead would frustrate the process. The study of law is unlike any other college courses. At the outset of the course you could not yet prepare a proper case brief as you have not been seasoned with the study. Further instructions on the process will be forthcoming. Though you may request your case early on, the case brief should not be attempted until after exam 2. See the Grading Rubric in eCollege for further elucidation.
4. Class participation is required (10% of grade). Each student is required to make at least one thoughtful post for each required chapter of study along with three postings in challenge or support of the postings of other students or in rebuttal or defense of your own. Posts for readings associated with text chapters are required no later than the end of the week during which the chapter is assigned. This is the class participation component of the grade. See the Grading Rubric for discussions in eCollege for further elucidation. As a general guideline, your grade on this portion will be a function of the quality, quantity, timeliness and consistency of your posts (including your original posts and your replies to other

posts) on the bulletin board. Please note the deadline for bulletin board participation in the daily schedule. Please also note that heavy activity during the last few days cannot compensate for a lack of participation during the term. Plan to participate throughout the course.

C. TEXT: Miller and Jentz, *Business Law Today*, Ninth Edition, (South-Western, Cengage Learning 2012) Comprehensive Edition ISBN 978-0-538-45280-9 or 0-538-45280-3

D. OUTLINE OF COURSE

Date Open/Close	Subject	Assignment
Jan. 20/Jan. 25	Formation of Sales and Lease Contracts	Chapter 18 Discussion and Quiz
Jan. 20/Jan. 25	Title and Risk of Loss	Chapter 19 Discussion and Quiz
Jan. 25/Feb. 1	Performance and Breach of Sales and Lease Contracts	Chapter 20 Discussion and Quiz
Feb. 1/Feb. 8	Warranties and Product Liability	Chapter 21 Discussion and Quiz
Feb. 8/Feb. 15	EXAM I (Chapters 18, 19, 20, and 21)	
Feb. 15/Feb. 22	Negotiable Instruments: Transferability and Liability	Chapter 22 Discussion and Quiz
Feb. 22/Mar. 1	Security Interests	Chapter 24 Discussion and Quiz
Mar. 1/Mar. 8	Warranties and Product Liability	Chapter 23 Discussion and Quiz
Mar. 8/Mar. 15	EXAM II (Chapters 22, 23, and 24)	
Mar. 22/Mar. 29	Agency Relationships in Business	Chapter 28 Discussion and Quiz
Mar. 29/Apr. 5	Sole Proprietorships and Franchises	Chapter 31 Discussion and Quiz
Mar. 29/Apr. 5	Partnerships	Chapter 32 Discussion and Quiz
Apr. 5/Apr. 12	Corporate Formation and Financing	Chapter 34 Discussion and Quiz
Apr. 5/Apr. 12	Limited Liability Companies and Special Business Forms	Chapter 33 Discussion and Quiz
Apr. 12/Apr. 19	EXAM III (Chapters 28, 31, 32, 33 and 34)	
Apr. 19/Apr. 26	Directors, Officers and Shareholders	Chapter 35 Discussion and Quiz
Apr. 19/Apr. 26	Corporate Acquisitions, Takeovers and Terminations	Chapter 36 Discussion and Quiz
Apr 25	Case Brief	Due in Drop Box
Apr. 26/May 3	Investor Protection and Corporate	Chapter 37 Discussion

	Governance	and Quiz
May 3/May 10	Wills, Trusts and Living Wills	Chapter 45 Discussion and Quiz
May 10/May 14	FINAL EXAMINATION (Chapters 35, 36, 37 and 45)	

NOTE: Requests from students with disabilities for reasonable accommodations must go through the Academic Support Committee. For more information, please contact the office of Advisement Services, BA 314, (903) 886-5133.

All students enrolled at the university shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment (see Student's Guide Book, Policies and Procedures, conduct). You will be expected to understand and abide by the Texas A&M University – Commerce, College of Business and Technology, Academic Honesty Policy.

**Texas A&M University-Commerce
College of Business and Technology
Academic Honesty Policy**

Statement of Ethical and Professional Conduct:

The College of Business and Technology at Texas A&M University-Commerce faculty, staff and students will follow the highest level of ethical and professional behavior. We will strive to be recognized as a community with legal, ethical and moral principles and to teach and practice professionalism in all that we do.

In an academic environment we will endeavor to not only teach these values but also to live them in our daily lives and work. Faculty and staff will be held to the same standards and expectations as our students.

Failure to abide by these principles will result in sanctions up to and including dismissal.

Actionable Conduct:

There are five different types of actions that will bring sanction. They are:

1. Illegal activity: Violation of any local, state or federal laws that prohibit the offender from performance of his or her duty.
2. Dishonest Conduct: Seeking or obtaining unfair advantage by stealing or receiving copies of tests or intentionally preventing others from completing their work. In addition falsifying of records to enter or complete a program will also be considered dishonest conduct.
3. Cheating: The unauthorized use of another's work and reporting it as your own.

4. Plagiarism: Using someone else's ideas and not giving proper credit.
5. Collusion: Acting with others to perpetrate any of the above actions regardless of personal gain.

Sanctions:

In the case of staff or faculty the immediate supervisor will be the arbiter of actionable behavior and will use Texas A&M University-Commerce and/or Texas A&M University System Policy and Procedures as appropriate to guide sanctions.

Faculty, guided by clearly delineated policy in the course syllabus, will be the arbiter for in-class violations. All violations will be reported to the Dean of the College of Business and Technology to assure equity and to provide appropriate counsel. In addition, the Dean will maintain records of violations by students. Second violations will be reviewed by the Dean and sanctions beyond those of the faculty up to and including suspension and permanent expulsion from Texas A&M University-Commerce will be considered. Faculty and students are guided by the current undergraduate and graduate catalogs of the University as well as The Student's Guidebook.

Faculty, staff and students will always be afforded due process and review as appropriate.

A&M-Commerce will comply in the classroom, and in online courses, with all federal and state laws prohibiting discrimination and related retaliation on the basis of race, color, religion, sex, national origin, disability, age, genetic information or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained.

Texas A&M University-Commerce
College of Business & Technology
Student Appeal of Course Grade

(Refer to TAMU-C Procedure: 13.99.99.R0.05)

TEXAS A&M UNIVERSITY-COMMERCE PROCEDURE

13.99.99. R0.05 Student's Appeal of Instructor's Evaluation Effective September 1, 1996 Revised December 15, 1999 Revised February 8, 2007 Supplements System Policy 13.02

1. The final grades awarded by faculty members are their expert judgment concerning student performance. Students challenging a final grade must show that the instructor's judgment was unfair based on: a) some basis other than performance, or b) standards different from those applied to other students in the same course section, or c) a substantial, unreasonable, and unannounced departure from previously articulated standards or the syllabus.

2. Students who believe their grade to be unfair *must first discuss the matter with the instructor.*

3. *If no satisfactory resolution is reached with the instructor, or if the instructor is unavailable, the student shall appeal to the Department Head.* A grade appeal must be initiated in writing with the Department Head (or Dean if the Department Head is the instructor) within six (6) months of the last day of the semester in which the grade was awarded. The Department Head will examine the student's appeal to determine whether the student has established an apparent case of unfair academic evaluation as described in section 1. If the student has not established a case that appears to have merit, the Department Head will so inform the student and the instructor without delay.

4. If the case has merit, the Department Head will secure, from all parties, written statements and other such information as he or she deems helpful and will issue his or her findings and remedies, if any. In so doing, the Department Head will be guided by the principle *the burden of proof lies with the student.*

5. The instructor or the student may appeal the Department Head's decision (with respect to findings and remedies) to the Dean of the College in which the course is offered within 30 days of the date on which the Department Head offered his or her judgment.

6. Upon receipt of an appeal, the Dean will appoint a three-person advisory committee of faculty to hear the case. The chair of the committee will be from a department other than the one offering the course in question. The two remaining committee members will be from the department offering the course. One of these faculty members may be suggested by the author of the appeal. The instructor and the student may file additional statements. The committee will review all written materials and may seek other information, as they deem appropriate. After reviewing all information, the committee will communicate their findings and suggested remedies, if any, to the Dean.

7. The Dean is the final authority on issues of fairness in course evaluation. He or she will consider the recommendations of the committee but has wide latitude in resolving the matter.

The Dean too will be guided by the principle that the student must show the evaluation to have been unfair as identified in Section 1.

8. The Dean is responsible for notifying the Office of the Registrar of any decision requiring a change in records.

References: Prior ETSU Policies V C 1.1 and B-32 approved October 7, 1977; revised September 1, 1979, January 19, 1990, July 30, 1998, and December 15, 1999; Procedure A13.06

CONTACT FOR INTERPRETATION: Provost and Vice President for Academic Affairs

Students with Disabilities:

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities.

Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact:

**Office of Student Disability Resources and Services
Texas A&M University-Commerce**

Gee Library

Room 132

Phone (903) 886-5150 or (903) 886-5835

Fax (903) 468-8148

StudentDisabilityServices@tamu-commerce.edu

Protocol and Grading Rubric for Discussion Posts.

Discussion postings must demonstrate an observable understanding of the cases being discussed. The understanding will be at the critical legal thinking level. Discussion postings should be a minimum of one short paragraph and a maximum of two paragraphs. Postings should be evenly made during the discussion period (not concentrated all on one day or at the beginning and/or end of the period) with 4 postings being the target. Avoid postings that are limited to “I agree” or “great idea” or “Judges were spot on in the mule skinning case”, etc. If you agree (or disagree) with the case or a posting of another student please expound as to why you agree or disagree supporting your assertion with concepts from the case or chapter or by bringing in a related example or experience. Try to use quotes from the cases or the chapter to support your posting using page numbers to cite your quotes. Build on the postings of others to create threads. Bring in related prior knowledge (work experience, readings, family experiences, etc.) Use proper etiquette (language, typing, etc.)

Grading Rubric for Discussion Posts

Criteria	3 (Exceeds Expectations)	2 (Meets Expectations)	1 (Does Not Meet Expectations)
Initial Posting	Posting is well developed that fully addresses and develops all aspects and concepts of the case	Posting is adequately developed and addresses most aspects of the case; lacks full development of concepts of the case	No posting; or copies the post of another; or does not demonstrate an understanding of the case
Frequency	Participates 4 or more times throughout the week	Participates 2-3 times throughout the week	Participates not at all; or copies the post of another
Follow-Up Posting	Demonstrates analysis of other’s postings; extends meaningful discussion by building on previous postings	Elaborates on an existing posting without further comment or observation or does not enrich discussion	Posts no follow-up responses to others; or copies the post of another; or merely agrees or disagrees
Content Contribution	Posts factually correct, reflective and substantive contribution; invites and advances discussion	Repeats facts of case; lacks full development of concept or thought; or does not add substantive	No post or posts information that is off-topic, incorrect, or

		information to discussion	irrelevant to discussion; or copies the post of another
Clarity & Mechanics	Contributes to discussion with clear, concise comments formatted in an easy to read style that is free of grammatical or spelling errors	Contributes information to discussion with minor clarity or mechanics errors	No post or posts long, unorganized or rude content that may contain multiple errors or may be inappropriate; or copies the post of another

Case Brief Instructions and Grading Rubric

Please note that, unlike the case you have been assigned, the cases in the text have been stripped down to a fundamental legal issue related to the chapter of study and do not contain much of the procedural aspects you may find in your case.

DECIDE ON A FORMAT AND STICK TO IT: Structure is essential to a good brief. It enables you to arrange systematically the related parts that are scattered throughout most cases, thus making manageable and understandable what might otherwise seem to be an endless and unfathomable sea of information. There are, of course, an unlimited number of formats that can be utilized. However, it is best to find one that suits your needs and stick to it. Consistency breeds both efficiency and the security that when called upon you will know where to look in your brief for the information you are asked to give. Be mindful that the operative word is “brief”; ideally the case brief should be about one page in length and never over two pages.

Nevertheless, it is important that a brief contain the following:

TITLE AND VENUE: Identify the case name and citation in the correct format.

RULE OF LAW: A statement of the general principle of law that the case illustrates in the form of a statement.

Determining the rule of law of a case is a procedure similar to determining the issue of the case. Avoid being fooled by red herrings; there may be a few rules of law mentioned in the case excerpt, but usually only one is the rule with which the judges are most concerned. The techniques used to locate the issue, described below, may also be utilized to find the rule of law.

FACTS: A synopsis of only the essential relevant facts of the case, i.e. those bearing upon or leading up to the issue. The facts entry should be a short statement of the events that led one party to initiate legal proceedings against another in the first place. While some cases conveniently state the salient facts at the beginning of the decision, in other instances they will have to be culled from hiding places throughout the text, even from concurring and dissenting opinions. Some of the "facts" will often be in dispute and should be so noted. Conflicting evidence may be briefly pointed up. It is impossible to tell what is relevant until the entire case is read, as the ultimate determination of the rights and liabilities of the parties may turn on something buried deep in the opinion. The facts entry should seldom be longer than five sentences.

ISSUE: A statement of the general legal question answered by or illustrated in the case (Do not attempt to delve into procedural issues; just focus on the substantive legal issue). For clarity, the issue is best put in the form of a question capable of a yes or no answer. In reality, the issue is simply the Concise Rule of Law put in the form of a question.

The major problem presented in discerning what is the issue in the case is that an opinion usually purports to raise and answer several questions. However, except for rare cases, only one such question is really the issue in the case. Collateral issues not necessary to the resolution of the matter in controversy are handled by the court by language known as obiter dictum or merely dictum. While dicta may be included later in the brief, it has no place under the issue heading.

To find the issue, the student again asks who wants what and then goes on to ask why did that party succeed or fail in getting it. Once this is determined, the "why" should be turned into a question.

Since many issues are resolved by a court in coming to a final disposition of a case, you should focus on the portion of the opinion containing the issue or issues most relevant to the area of law under scrutiny. A noted law professor gave this advice: "Look at the case key or head notes". It is also most important to remember to read the key or head notes at the beginning of a case to determine what the editors of the case reporter have gleaned from it.

OPINION AND DECISION: This section should succinctly explain the rationale of the court in arriving at its decision. In capsulizing the reasoning of the court, it should always include an application of the general rule or rules of law to the specific facts of the case. Hidden justifications come to light in this entry; the reasons for the state of the law, the public policies, the biases and prejudices, those considerations that influence the justices' thinking and, ultimately, the outcome of the case. At the end, there should be a short indication of the disposition or procedural resolution of the case. You may wish to put this portion of the brief in outline form.

USE OF PRECEDENT: You should relate how the rule of law discernible from this case compares with that derived from earlier and later cases. Where does this case fit in the series of cases which has shaped the relevant portion of the law?

EFFECT ON BUSINESS AND SOCIETY: You should briefly summarize the impact and effect that the ruling in the case will have on business and society.

REMEMBER THAT THE OPERATIVE WORD IS “BRIEF”.

For further elucidation, check these links out:

<http://www.lib.jjay.cuny.edu/research/brief.html>

<http://www.uclou.louisiana.edu/~ras2777/civlib/casebrief.html>

<http://www.lawnerds.com/guide/briefing.html>

<http://www.uclou.louisiana.edu/~ras2777/adminlaw/casebrief.html>

Grading Rubric for Case Brief

Written Case Brief	3 (Exceeds Expectations)	2 (Meets Expectations)	1 (Does Not Meet Expectations)
Identification – Heading	Identifies case name and citation in correct format	Identifies case name and citation incorrectly	Incomplete/Not provided; or incorrect
Issue/Legal Question	Issue correctly identified and is stated in the form of a question	Issue is not completely identified	Incomplete/Not provided; or incorrect
Rule/Relevant Law	Rule is correctly identified and is in the form of a statement	Rule is not completely identified	Incomplete/Not provided; or incorrect
Facts	Includes all relevant facts and the reasoning logically connects the facts to the rule in accord with the opinion.	Does not include all key facts and reasoning; or incoherent; or is not in accord with the opinion.	Incomplete/Not provided; or incorrect
Effect on Business and Society	Summation of the effect of the ruling in the case on business and society	Summation incompletely or incorrectly addresses the effect and ruling.	Incomplete/Not provided; or incorrect

Opinion and Decision	Properly identified the vote of the court and official opinion of the court and relevant information in formulation of opinion, and summation of concurring or dissenting opinions.	Identified the official opinion of the court, incomplete mention of concurring or dissenting opinions	Incomplete/Not provided; or incorrect
Use of Precedent	Properly identified the cases used as precedent along with explanation of how case shapes the relevant law.	Identified some of the cases used as precedent, no explanation on shaping relevant law.	Incomplete/Not provided; or incorrect

COURSE GRADING RUBRIC

Criteria (Course Objectives)	3 (Exceeds Expectations)	2 (Meets Expectations)	1 (Does Not Meet Expectations)
Demonstrate knowledge and an understanding of the various forms of business organizations, their operation and laws governing their activities.	Student demonstrates mastery in knowledge and understanding of all aspects.	Student demonstrates knowledge of and understanding of most aspects.	Student does not demonstrate any knowledge or understanding.
Demonstrate knowledge and understanding of the nature of relationships among the principal, the agent and third parties under agency law.	Student demonstrates mastery in knowledge and understanding of all aspects.	Student demonstrates knowledge of and understanding of most aspects.	Student does not demonstrate any knowledge or understanding.
Demonstrate knowledge and understanding of negotiable instruments and banking laws.	Student demonstrates mastery in knowledge and understanding of all aspects.	Student demonstrates knowledge of and understanding of most aspects.	Student does not demonstrate any knowledge or understanding.
Demonstrate the ability to define tort law and understand common torts and explain liabilities and remedies.	Student demonstrates mastery in knowledge and understanding of all aspects.	Student demonstrates knowledge of and understanding of most aspects.	Student does not demonstrate any knowledge or understanding.

Demonstrate the process of researching and preparing a case brief	Student demonstrates mastery in knowledge and understanding of all aspects of the process.	Student demonstrates knowledge of and understanding of most aspects of the process.	Student does not demonstrate any knowledge or understanding of the process.
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