

MASTER SYLLABUS - BUS 426, Business Law (4)
School of Business and Economics, SONOMA STATE UNIVERSITY

I. **Course Description:** A study of area of law of particular importance to business, including contracts, sales, negotiable instruments, secured transactions, agency, partnerships, and corporations.

II. **Prerequisites:** BUS 225, *The Legal Environment of Business*, provides a foundation for BUS 426; therefore, BUS 225 must be completed with a letter grade of C or better prior to registration in BUS 426. Focus of BUS 225 typically includes: the nature of the common law system, distinctions among common law, civil law and other international law systems, constitutional law, traditional and alternative dispute resolution methods, the state and federal court systems, tort law, criminal law, and the law of common law contracts. Without this foundation, the BUS 426 student would be at a disadvantage in maintaining the pace and depth required in BUS 426.

III. **Course Learning Objectives:**

General: The course presents a comprehensive study of major areas of business law. Critical thinking skills are enhanced by legal analysis of diverse fact patterns that test the validity of the principles studied in the specific focus areas. Both oral and written responses are required to demonstrate proficiency in applying law to practical business problems. Furthermore, the principle areas of business law are examined in multi-jurisdictional and international climates enhancing the understanding of business law in a global environment.

Specific: After completing the course, the student should be able to:

- 1) Demonstrate a basic understanding of the key focus areas of law including contractual principles, third party rights, negotiable instruments, banking law, product liability and warranties, secured transactions, business entity formation, securities law, bankruptcy, personal property and bailments, real property and landlord tenant law, insurance and trusts, and agency law.
- 2) Describe the *prima facie* elements of causes of action in common law and sales contract law.
- 3) Distinguish between common law and sales contract law both in principles of construction and availability of remedies.
- 4) Explain the requirements of negotiable instruments and holder in due course status.

- 5) Demonstrate a basic understanding of select provisions in Articles II, III, and IX of the Uniform Commercial Code.
- 6) Explain the nature of secured transactions, perfection, and priority.
- 7) Demonstrate a basic understanding of federal and state security laws including the Securities Acts of 1933 and 1934, exemption criteria, and state law interface with federal securities law.
- 8) Distinguish among the bankruptcy chapters, including Chapters 7, 11, and 13.
- 9) Describe the rationale in selecting among various forms of entity formation including sole proprietorships, partnerships, corporations, limited liability companies and limited liability partnerships.
- 10) Demonstrate a practical understanding of the diverse forms of entity formation by preparing "mock" registrations for at least two business entities in the State of California.
- 11) Distinguish among the forms of real property ownership including joint tenancy, tenants in common, and community property.
- 12) Explain the rights and responsibilities inherent in the landlord/tenant relationship including warranties of quiet title, habitability, set-off, and the parallel duties to pay rent and abide by the lease.
- 13) Distinguish among the types of real property leases and the rights and responsibilities inherent in each type.
- 14) Demonstrate an understanding of estate planning instruments by choosing to draft a simple will or revocable living trust pursuant to guidelines of the California Probate Code.
- 15) Explain the various types of insurance coverage and distinguish the pros and cons of each type.

IV. Course Materials: The primary resource used in BUS 426 is a textbook that provides a comprehensive as well as in-depth study of national and business law issues. For example, the currently assigned text is Henry Cheeseman's *Contemporary Business & E-Commerce Law, 4th edition*. This text was chosen not only because of the breadth of its coverage, but also due to its compatibility with areas studied in preparation for the Certified Public Accountant's Examination. In addition, a Cheeseman text is assigned in BUS 225 which

enhances the segue from BUS 225 to BUS 426. Other course resources include relevant articles from trade magazines in accounting, law, management, and general business issues. Finally, relevant examples of case proceedings in counties adjoining Sonoma State University are discussed to either support or distinguish the text materials.

- V. **Teaching Methodology:** Actual-teaching methods will be at the discretion of the individual professor. However, most approaches will utilize and include experiential and self-assessment exercises, group projects, team-projects, lectures, video-tape presentations, web-based and computer-aided presentations, and when possible, guest speakers. All of the above didactic methods will be utilized at the discretion and by the determination of the professor.
- VI. **Evaluation Tools:** The professor, subject to review, will determine evaluation techniques used in the course. The typical methods of assessing student proficiency include midterm and final examinations, group term projects and papers, oral presentation of projects, individual papers relating to course concepts, "mock" documents including registration of entity formation, securities exemptions, wills, trusts, etc., and journal or web articles related to business and issues from the text.

In addition, other common methods of evaluation include classroom contributions and participation, peer evaluation of team skills, and individual contributions to group projects.

VII. **Course Content:**

A) **Course Topics:**

- Common law contract elements and remedies as distinct from sales contract law and E-commerce contracts
- Characteristics and enforceability of E-commerce contracts
- Third party rights and discharge
- Product liability and warranties
- Negotiable instruments and holders in due course
- Checks and digital banking
- Credit and secured transactions
- Bankruptcy and debtor creditor law
- Business entity formation
- Securities law
- Personal property and bailments
- Real property and landlord/tenant law
- Insurance, wills, and trusts
- Agency law

B) Interdisciplinary Content: (Based on 45 hours)

<u>Topic</u>	<u>Class Hours</u>	<u>Required Graded Work Other Than Exams?</u>
International/Global	5	No
Ethical Issues	3	Yes
Political Issues	3	No
Social Issues	4	Yes
Legal/Regulatory	25	Yes
Environmental	1	No
Technology Issues	1	Yes
Demographic & Diversity	3	No

C) Interdisciplinary Skills:

<u>Skill Area</u>	<u>Required Graded Work Other Than Exams?</u>
Oral Communication	Yes
Written Communication	Yes
Critical Thinking	Yes
Working in Teams	Yes