

SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SAULT STE. MARIE, ONTARIO



Sault College

COURSE OUTLINE

COURSE TITLE: Business Law II

CODE NO. : BUS 215 **SEMESTER:** Three

PROGRAM: Accounting & General Education

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DATE: 2006/08/08 **PREVIOUS OUTLINE DATED:** Sep./05

APPROVED:

	_____	_____
	DEAN	DATE

TOTAL CREDITS: Three

PREREQUISITE(S): N/A

LENGTH OF COURSE: 16 Weeks **TOTAL CREDIT HOURS:** 48

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I. COURSE DESCRIPTION:

The law and the administration of the law are extremely important if society is to live and progress in an orderly manner. This course will cover historical and contemporary issues of the law with a focus on the law of torts and the law of contracts.

II. LEARNING OUTCOMES AND ELEMENTS OF PERFORMANCE:

Upon successful completion of this course, the student will demonstrate the ability to:

1. Explain the various elements which are necessary in the formation of a business contract which is legal and binding.

Potential Elements of Performance:

- Discuss and apply the essential elements of an offer.
- Discuss and apply standard form contracts.
- Describe the ways in which an offer may be made and terminated or lapsed.
- Describe the methods by which an offer may be accepted.
- Explain the term “consideration” as it relates to a contract.
- Outline the meaning of the phrase “intention to create legal relations.”
- Explain a minor’s capacity to contract.
- Apply the concept of capacity to contract to other groups in society.
- Outline what type of contracts are illegal and why.
- Identify and explain agreements in restraint of trade.
- Discuss the types of contracts that must be in writing to be enforceable and the requirements that a written document must meet to satisfy the Statute of Frauds.
- Explain the doctrine of part performance.

2. Explain the rules for interpreting expressed and implied terms of a contract.

Potential Elements of Performance:

- Describe the rules for interpretation of expressed terms of a contract.
- Discuss and apply the Parol Evidence Rule.
- Outline what is involved in a Collateral Agreement & Condition Precedent.

- Explain when and how terms may be implied in a contract.
- Outline how implied terms are interpreted.
- Write complete explanations for the key terms in the chapter.

3. Explain the Privity of Contracts and the assignment of contractual rights.

Potential Elements of Performance:

- Outline the meaning of privity of contract rule.
- Examine the exceptions to the privity of contract rule.
- What is vicarious performance and what impact does it have on contracts?
- Outline the liabilities of manufacturers and sellers of goods.
- Define Novation and explain the different methods of novation in contract law.
- Discuss and apply the concept of, requirements for and the types of, assignment of contractual rights, equities & trusts.
- Explain negotiable instruments and why they are important to business.
- Briefly explore the undisclosed principal and its consequences.
- Write complete explanations for the key terms in the chapter.

4. Discuss the various ways in which a contract may be discharged.

Potential Elements of Performance:

- Discuss and apply the principles of discharge of a contract through “tendering performance”.
- Explain the various ways in which a contract may be discharged by agreement.
- Discuss how a contract may provide for its own termination.
- Explain the meaning and effect of a condition precedent and a condition subsequent.
- Outline the shortcomings of common law rules in their ability to deal with frustration.
- Examine the meaning, and application of the doctrine of frustration.
- Discuss “discharge by operation of Law”.
- Write complete explanations for the key terms in the chapter.

5. Discuss the possible consequences of a breach of a contract and the meaning and functions of exemption clauses.

Potential Elements of Performance:

- Provide details about the effects of different breaches of contract.
- Discuss how serious a breach must be in order to trigger various options.
- Explain the meaning and functions of exemption clauses
- What is the business significance of a breach?
- Write complete explanations for the key terms in the chapter.

6. **Describe and differentiate remedies for a breach of contract including damages, specific performance, rescission, and quantum meruit.**

Potential Elements of Performance:

- Explain the nature of, and principles underlying an award of damages.
- Discuss what limits are placed on an award by the requirement that the aggrieved party minimize the harm suffered.
- Explain the factors taken into account in measuring losses and non-economic losses.
- Outline the approaches used in measuring losses.
- Demonstrate an understanding of the equitable remedies of specific performance, injunction, and rescission.
- Explain the factors that will prevent an individual from obtaining equitable remedies.
- Discuss and apply the remedy of quantum meruit.
- Explain who judgments may be enforced.
- Write complete explanations for the key terms in the chapter.

7. **Explain the types of contracts to which the Sale of Goods Act applies and discuss terms of the Act.**

Potential Elements of Performance:

- Discuss and apply the Sale of Goods Act.
- Outline what terms of a contract the Sale of Goods Act affects.
- Explain common terms of a contract that are not governed by the Sale of Goods Act.
- Outline how the ownership of goods is transferred.
- Explain to what extent the seller is liable for defective or unsatisfactory goods.
- Describe the remedies that are available to buyers and sellers.
- Discuss and apply the general nature of consumer protection legislation.
- Write complete explanations for the key terms in the chapter.

8. **Discuss various aspects of leasing and bailment, types and the various rights, duties, and liabilities under leasing and bailment.**
- Discuss the principal types of chattel lease.
 - Explain why leasing contracts are used, and why they have become so important.
 - Outline the terms that are commonly found in leasing contracts
 - Explain the respective rights of the lessor and lessee.
 - Discuss the legal nature of bailment.
 - Explain the principal types of bailment contracts.
 - What are the rights and duties of the parties to a contract of Bailment?
 - Write complete explanations for the key terms in the chapter.

9. **Explain the nature and types of insurance and guarantees and the laws that regulate both.**

Potential Elements of Performance:

- Explain the nature of the contract of insurance.
- Discuss the role insurance plays in risk management.
- Outline various types of insurance and when they take effect.
- Examine the special characteristics of insurance contracts.
- Discuss and apply the role and function of a guarantee.
- Discuss the legal nature of a guarantee.
- Explain how a guarantee may be discharged.
- Outline the right and liabilities of a guarantor.
- Write complete explanations for the key terms in the chapter

10. **Explain the nature of an agency relationship and franchising, how they are formed, and the roles of the parties.**

Potential Elements of Performance:

- Explain the agency relationship.
- Describe the ways an agent obtains authority to act for a principal.
- Explain the meaning of ratification.
- Describe an agent's duties to the principal.
- Describe a principal's duties to the agent.
- Outline the liability of an agent to the principal and to a third party.
- Explain how an agency relationship is terminated.
- Discuss the usual contents of a franchising agreement.

- Explain the rights and duties of the parties to a franchise agreement.
- Write complete explanations for the key terms in the chapter.

11. **Describe an employment relationship and be able to distinguish it from other types of legal relationships which are similar to the employment relationship.**

Potential Elements of Performance:

- Discuss the difference between an employer's liability in contract and in tort.
- Explain the grounds for dismissal "with cause".
- Discuss wrongful dismissal and its consequences.
- Discuss the effects of human rights requirements, and pay and employment equity statutes.
- Explain the consequences of regulation on general working conditions.
- Discuss how mandatory retirement is affected by the Canadian Charter of Rights and Freedoms.
- Explain how employment conditions are affected by workers' compensation and occupational health and safety.
- Discuss the implications of a collective agreement for the individual employee.
- Explain the legal status of unions.
- Write complete explanations for the key terms in the chapter.

Marks for the above outcomes will be distributed approximately equally.

III. TOPICS:

1. Review of Major Concepts from Business Law I
2. Interpreting Contracts
3. Privity of Contract and Assignment of Contractual Rights
4. Discharge of Contracts
5. The Effect of Breach
6. Remedies for Breach
7. Sale of Goods Act
8. Leasing and Bailment
9. Insurance and Guarantee
10. Agency and Franchising
11. The Contract of Employment

IV. REQUIRED RESOURCES/TEXTS/MATERIALS:

Principal Text: Smyth, J. E., Soberman, D. A., Easson, A. J., The Law and Business Administration in Canada, 10th Edition; Prentice-Hall Canada, Inc. 2004.

Support Material: 1. Periodicals and other appropriate material.

V. Evaluation Process/Grading System

Students will be evaluated on the following basis:

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|------------------------------|-----|
| • Quizzes and Assignments | 20% |
| • First Test | 25% |
| • Second Test | 25% |
| • Final Test (semester work) | 30% |

TOTAL	100%
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TESTS

The majority of marks on all tests will be based primarily of essay questions. Multiple choice (or other objective type questions) may be used to complement and extend the test areas. Dates of tests will be announced approximately one week in advance. **Students are required to write all tests and quizzes as scheduled.**

THERE ARE NO RE-WRITES OF INDIVIDUAL TESTS OR QUIZZES!!!!

Students must meet the following requirements to complete this course successfully:

1. Must complete, in a fashion acceptable to the professor, all projects and assignments.
2. Must write the two tests and the final exam. If a student misses a test or the final exam and has not made appropriate arrangements as outlined below, he/she will receive a mark of zero for that test/exam.
3. Must have an overall mark of 50%. This mark includes all work in the semester.

Students, who are not successful in achieving the minimum mark of 50% and/or do not complete the required assignments in an acceptable fashion, as they are due, will repeat the course.

FINAL GRADES WILL BE ISSUED BY THE REGISTRAR'S OFFICE

The following semester grades will be assigned to students in postsecondary courses:

<u>Grade</u>	<u>Definition</u>	<u>Grade Point Equivalent</u>
A+	90 - 100%	4.00
A	80 - 89%	4.00
B	70 – 79%	3.00
C	60 – 69%	2.00
D	50 – 59%	1.00
F (Fail)	49% or below	0.00
CR (Credit)	Credit for diploma requirements has been awarded.	
S	Satisfactory achievement in field /clinical placement or non-graded subject areas.	
U	Unsatisfactory achievement in field/ clinical placement or non-graded subject areas.	
X	A temporary grade. This is used in limited situations with extenuating circumstances giving a student additional time to complete the requirements for a course.	
NR	Grade not reported to Registrar's office.	
W	Student has withdrawn from the course without academic penalty	

Students are required to have a minimum GPA of 2.00 to Graduate.

VI. SPECIAL NOTES:

Special Needs:

If you are a student with special needs (e.g. physical limitations, visual impairments, hearing impairments, or learning disabilities), you are encouraged to discuss required accommodations with the Special Needs office. Visit Room E1204 or call Extension 493 so that support services can be arranged for you.

Retention of course outlines:

It is the responsibility of the student to retain all course outlines for possible future use in acquiring advanced standing at other postsecondary institutions.

Plagiarism:

Students are directed to the definition of “academic dishonesty” in *Student Rights and Responsibilities*. Students who engage in “academic dishonesty” will receive an automatic failure for that submission and/or such other penalty, up to and including expulsion from the course/program, as may be decided by the professor/dean. In order to protect students from inadvertent plagiarism, to protect the copyright of the material referenced, and to credit the author of the material, it is the policy of the department to employ a documentation format for referencing source material.

Course outline amendments:

The Professor reserves the right to change the information contained in this course outline depending on the needs of the learner and the availability of resources.

Substitute course information is available in the Registrar's office.

SPECIAL NOTE:

The law and its administration involve some very complex issues. These issues are subject to a variety of interpretations, and applications, and depend on various factors that may be unique to each situation.

Students are cautioned about taking the course material and applying it directly to issues which they may face. Individuals tend to see only one side of the issue in which they are involved. The course is intended to make students generally aware of the law, its administration and legal rights and responsibilities of individuals. It is not intended to be, or serve as, a remedy for specific legal problems.

If specific issues are raised in class, they may be raised for discussion purposes only. Such discussions will make the course material more relevant and interesting but students should not use such discussion as a solution to their specific problems. Students are directed to seek appropriate professional assistance to remedy their specific or general legal concerns and problems.

Missed Tests/Exam:

If a student is not able to write a test/exam as scheduled, for medical reasons or some other emergency, that student is asked to contact the professor **prior** to the test/exam and provide an explanation which is acceptable to the professor. (Medical certificates or other appropriate proof **may** be required.) Following the student's return to the college, he/she must request, in writing, to write a makeup for the missed test/exam. This request will be in proper letter form (typed), hard copy, and (no e-mail) and must outline the reasons for requesting special consideration. Making such a request does not guarantee that the student will receive permission to make up for the missed test/exam. Such requests must be made within one week of the student's return to the college.

The professor will consider the request, and if permission is granted, the test/exam will be given at the end of the semester, or at some other time at the professor's convenience. This will allow time for the student to prepare for the test without missing important work and to provide time for the professor to prepare a new test.

In considering the request, the professor will take a number of factors into consideration. These will include, but not limited to, the student's attendance and participation in class, completion of other tests, quizzes, and assignments as scheduled and the professor's judgment as to the student's potential success.

In all other cases, the student will receive a mark of zero for that test.

THERE ARE NO SUPPLEMENTARY TESTS OR QUIZZES!!**Attendance:**

Students are expected to attend all scheduled classes. Attendance will be taken for each class on a sign in basis starting shortly after the semester begins. Students will be advised when the process is to begin. **Students must sign only themselves in!!** Signing for another student, whether the other student is present or not, will be tantamount to academic dishonesty. Students are advised to read the Students' Rights and Responsibilities for the consequences of academic dishonesty. While students are expected to attend all classes, it is understood that circumstances beyond their control may prevent them from doing so. Students who find themselves in this category should treat the classes as a job and take action accordingly.

In all cases, attendance of less than 80% of the scheduled classes is not acceptable.

The professor will use attendance in considering student requests for special consideration in writing missed tests, submitting late assignments, etc.

Submitting Assigned Work:

All assignments, projects, questions, etc. must be submitted to the professor at the beginning of class on the due date. Once the class starts, any assignment, etc. which has not been submitted will be considered late. If no class is scheduled on the due date, students are required to deliver the assignments, etc. to the professor's office, by the deadline time. Assignments, etc. may be submitted in advance; normally assignments, etc. will not be accepted after the stated deadline. If a student wishes consideration for a late submission, he/she must make this request in a formal typed letter, (hard copy) providing an explanation. If the assignment is accepted late, a penalty will be assessed. Assignments, etc. will not be accepted late once those which have been submitted on time have been graded and returned to students.

It is the student's responsibility to ensure that the professor gets his/her completed assignment, etc. Do not place assignments, etc. in the professor's mailbox or deliver the same to his/her office during class.

Return of Students' Work:

Tests, quizzes, assignments, etc. will be returned to students during one of the normal class times. Any student not present at that time must pick up his/her test, etc. at the professor's office within three weeks of that class. Tests, etc. not picked up within the three weeks will be discarded. End of semester tests, etc. will be held for three weeks following the end of the semester. If they have not been picked up within that three-week period, they will be discarded.

Students are required to retain their texts, quizzes, assignments, etc. in the event that there is a disagreement with the mark received and the mark recorded by the professor. If the student is not able to present the instrument in question, the professor's recorded mark will stand.

Tests, etc. will be returned only to the students to whom they belong. In limited circumstances tests, etc. may be given to another student, if the student to whom they belong provides written instructions in a formal letter (hard copy) to the professor requesting that the test, etc. be given to a particular individual.

Assistance is Always Available:

IT WILL BE TO THE STUDENTS' ADVANTAGE TO HAVE QUESTIONS, CONCERNS, OR PROBLEMS RELATED TO THIS COURSE RESOLVED AS SOON AS POSSIBLE. IF YOU REQUIRE ASSISTANCE, HAVE PROBLEMS OR CONCERNS, SEE YOUR PROFESSOR. HE WILL BE MORE THAN HAPPY TO HELP!!

Students are urged to ask questions and to participate in and contribute to the class discussion. Students are also encouraged to read newspapers, magazines, etc. and to tune in to radio and television newscasts for legal and business news. This will make the subject more understandable, interesting, and practical. It will provide students the opportunity to better apply the theory and to enhance his/her opportunity for success in this course.

PLEASE KEEP IN MIND THAT STUDENTS WILL ONLY GET OUT OF THIS COURSE WHAT THEY PUT INTO IT.

Classroom Decorum:

Students will respect the diversity and the dignity of those in the classroom. Students will respect the professor's right and duty to teach and students' right to learn without interference. Students who cause any interference with the objectives of the class will be asked to leave the classroom and will not be permitted to return until he/she commits in writing, typed, (a formal letter) that he/she will conduct themselves appropriately in the classroom. This letter will be addressed to the professor.

If a student is asked to leave the classroom a second time, he/she must make an appointment with the Dean who will decide if the student will be permitted to return to class. A copy of the above letter will be given to the Dean at that time.

In the event that a student is asked to leave the classroom a third time, he/she will not be permitted back to the classroom for the rest of the semester. The Dean will also decide if any other action needs to be taken.

Students attending this class do so to study Business Law. Therefore, no other activity will be permitted. Student's who wish to engage in other activities will be asked to leave the classroom, as described above.

Other inappropriate behaviour includes, but not limited to, sleeping in class, or appearing to be sleeping in class, putting feet (foot) on the furniture, writing on the furniture, talking or otherwise communicating privately with other students, have a cell phone on during class, etc.

Only those students who are properly registered for this course or those invited by the professor are permitted to be in the classroom.

VII. PRIOR LEARNING ASSESSMENT:

Students who wish to apply for advanced credit in the course should consult the professor. Credit for prior learning will be given upon successful completion of a challenge exam or portfolio, if such are available and can be evaluated.

VIII. DIRECT CREDIT TRANSFERS:

Students who wish to apply for direct credit transfer (advanced standing) should obtain a direct credit transfer form from the Dean's secretary. Students will be required to provide a transcript and course outline related to the course in question.

IX. GENERAL EDUCATION REQUIREMENTS

This course meets the general education requirements as established by the Ministry of Colleges and Universities.