

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

Course Title:- BUSINESS LAW II  
Code No.:- BUS 215  
Program:- ACCOUNTING/GEN.ED.  
Semester:- THREE  
Date:- 1997 06 13  
Author:- Prof. JOE LUCCHETTI  
Office:- E-4680  
Telephone:- 759-2554 EXT. 678  
Email:- Joe.Lucchetti@Saultc.on.ca

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APPROVED: \_\_\_\_\_

Dean

Date: June 13/97



reality based

INTRODUCTION:

The law and its administration is an extremely important part of our daily lives. It provides direction and governs our personal and business relationships. This course is designed to cover topics which we face in our lives, some occasionally and some much more frequently. Some of these topics include issues concerning various types of contracts, sales contracts, insurance, employment, mortgages, credit, etc.

This course will cover historical and contemporary issues of these and other topics. It will be of interest and benefit to anyone regardless as to whether the individual plans to start a business, is an employee or volunteer in an organization, or a consumer.

GENERAL OBJECTIVES:

1. To introduce students to basic legal terms, concepts, and principles.
2. To discuss the use of contracts in developing and maintaining personal and business relationships.
3. To develop skills in interpreting contracts and to examine privity of contracts and the assignment of contractual rights.
4. To discuss the factors required to discharge a contract, what constitutes a breach, and remedies for breach.
5. To explore various elements of a Contract of Sale including title of goods, liability of seller, and consumer protection legislation.
6. To examine the topic of insurance its terminology, law regulating insurance, special aspects of insurance contracts etc.
7. To discuss the nature, duties, and liability of principal and agent.
8. To examine various aspects of interests in land and their transfer, landlord and tenant, and legal issues involved in mortgages of land.
9. To provide students with knowledge and to develop skills in legal terminology, concepts, and issues to enable them to make decisions and function effectively in an environment of complex social issues.

- copyright laws ✓  
- model release ✓  
- draw own 2 simple contracts ✓  
- verbal contracts ✓  
taxation ✓



## GENERAL EDUCATION REQUIREMENTS

This course meets the general education criteria as follows:

### Duration:

This course is three hours per week for 16 weeks.

### Meeting Societal Challenges:

A knowledge of the law and its application will contribute to the student becoming an informed citizen and benefit the student as he/she engages in daily activities as an employee and consumer.

This course will contribute to the student's personal growth in the following ways:

- a. Students will be encouraged to share their views in class discussions.
- b. Case studies will be used to help develop students' skills in problem-solving, decision making and communication.

### Historical, Theoretical, & Contemporary:

a. Historical Context - This course will examine the origin and progress of laws focussing on the late 19th century and on. It will look at the roots of Canadian law and its development from English common law and natural law.

b. Theoretical Basis - basic legal terms will be defined. The course will also include such topics as the role of courts and the machinery of justice, the types of laws, sources of laws and the system of courts in Canada.

c. Application to Contemporary Life - through the use of classroom discussions, case studies, and review of current legal issues and articles, this course will have practical application to contemporary life.

### Support Continuous Learning:

The case studies will help develop student's skills in critical thinking and problem solving which may be used in other areas of study and in their daily lives.

### Evaluation & Teaching Methods:

The course may be covered in a variety of methods including readings, lectures, discussions, case studies, and group work if appropriate. Evaluation will include assignments, quizzes, and tests. The quizzes and tests will be essay and objective type instruments.



CSAC Goals:

a. Civic Life - this course will help develop an awareness of the structure and administration of laws and the judicial system in Canada. Such knowledge will be of benefit to individuals in all walks of life.

b. Personal Development - the students will gain an awareness and intellectual growth relative to the law and the legal system. The course will involve discussions of values, and laws and their application to personal and business relationship. This course will look at various legal issues including freedoms and responsibilities.

c. Social Understanding - the law, its application, and its institutions will help students to understand relationships in society. The law is often an instrument for social change, addresses social problems, it outlines the roles of individuals in private and business life, it is used to resolve conflict, etc.

Broad Contexts:

The topics covered in this course are of interest and benefit to all individuals regardless of vocation. References and examples which may be used to illustrate the course material may come from every walk of life.

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 which may be unique to each situation.

Students are cautioned against taking the course material and applying it directly to issues which they may face. The course material, discussions, opinions, etc. are presented for educational purposes only and at a very basic level. The course is intended to make students generally more aware of the law, and its administration and not as a solution to 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 must not be used as a solution or remedy for specific legal problems. Students are directed to seek appropriate professional assistance to remedy their specific or general legal concerns and problems.



## METHODOLOGY:

A variety of methods may be employed to cover the course content. These may include readings, lecture, discussion, case studies, and study groups, depending on the size of the class and the commitment and involvement of the students. Students will be required to read and understand the relevant chapters of the textbook and other assigned readings.

Students will be required to complete assignments in order to enhance their learning experience and to demonstrate knowledge and application of the subject material.

### **Learning Outcomes and Elements of Performance**

Upon successful completion of this course, the student should be able to:

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

Possible Elements of Performance:

- Discuss the essential elements of an offer.
- Discuss standard form contracts.
- Describe the ways in which an offer may be made and terminated.
- Describe the methods by which an offer may be accepted.
- Explain the meaning of the term consideration.
- Discuss the meaning of the phrase "intention to create legal relations".
- Discuss a minor's capacity to contract.
- Discuss others who are limited in their capacity to contract.
- Outline what types of contracts are illegal and why.
- Discuss agreements in restraint of trade.
- Discuss the types of contracts that must be in writing to be enforceable.
- Describe the requirements that a written document must meet to satisfy the Statute of Frauds.
- Explain the doctrine of part performance.
- Discuss the Sale of Goods Act.

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

Possible Elements of Performance:

- Describe the rules for interpretation of express terms of a contract.
- Discuss the Parol Evidence Rule.
- Explain when and how terms may be implied in a contract.



3. Explain Privity of Contract and the Assignment of contractual rights.

Possible Elements of Performance:

- Discuss the meaning of the privity of contract rule.
- Explain how the privity of contract rule can be circumvented.
- Examine the exceptions to the privity of contract rule.
- Discuss the concept of, requirements for and the types of, assignment of contractual rights.

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

Possible Elements of Performance:

- Discuss discharge of a contract through performance.
- Discuss the meaning of waiver, substitution, accord and satisfaction, and novation.
- Explain the meaning and effects of a condition precedent and a condition subsequent.
- Examine the meaning, and application of the doctrine of frustration.
- Discuss limitations acts.

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

Possible Elements of Performance:

- Discuss the effects of a breach of contract.
- Explain breach of contract by express repudiation.
- Examine breach of contract through failure to perform.
- Discuss the meaning and functions of exemption clauses.

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

Possible Elements of Performance:

- Explain the nature of, and principles underlying an award of damages.
- Examine the types of damages available and when each can be obtained.
- Discuss the equitable remedies of specific performance, injunction, and rescission.
- Explain the factors which will prevent an individual from obtaining equitable remedies.
- Discuss the remedy of *quantum meruit*.



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

Possible Elements of Performance:

- Discuss the application of the Sale of Goods Act.
- Discuss 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.

8. Discuss Consumer Protection Legislation and the remedies available to the seller and the buyer under the Sale of Goods Act.

Possible Elements of Performance:

- Describe the remedies that a seller of goods has.
- Explain the types of liability that a seller of goods might have.
- Discuss the general nature of consumer protection legislation.

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

Possible Elements of Performance:

- Discuss insurance at common law and under statute.
- Discuss various types of insurance and when they take effect.
- Examine certain aspects of the insurance contract.
- Discuss the role and function of a guarantee.

10. Discuss bailment, the types of bailment, and the various rights, duties, and liabilities of the bailor and bailee.

Possible Elements of Performance:

- Discuss the nature of a bailment.
- Explain the legal position of a bailee.
- Discuss the legal position of carriers and hotelkeepers as bailees.



11. Explain the nature of an agency relationship and how it is formed and roles of the principal and the agent.

Possible Elements of Performance:

- Discuss 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 the principal's duties to the agent.
- Discuss the liability of an agent to the principle and to a third party.

**Marks for the above outcomes will be distributed approximately equally**

**Detailed learning objectives will be distributed in class for each of the units**

#### EVALUATION & MARKING SCHEME:

Students will be evaluated on the following basis:

- Assignments and quizzes	20%
- First test	25%
- Second test	25%
- Final test (semester work)	30%
<b>TOTAL</b>	<b>100%</b>

#### TESTS:

All tests will consist primarily of essay questions. Some short answer, multiple choice questions, etc. may be used to complement and extend the test areas.

Dates of the tests will be announced approximately one week in advance. Students are required to take the tests as scheduled.



If a student is not able to write a test because of illness, or a legitimate emergency, that student must contact the professor prior to the test and provide an explanation which is acceptable to the professor. (In some circumstances a medical certificate or other appropriate proof may be required.)

Following the student's return to the college, he/she must request, in writing, to make up for the missed test. This request will be in proper letter form and outline the reasons for requesting special considerations. Making such a request does not guarantee that the student will receive permission to make up for the missed test. The professor will consider the request, and if permission is granted, the test will be given at the end of the semester, or at some other time at the professor's convenience. This is to allow time for the student to prepare for the test without missing important work and to allow time for the professor to prepare a new test.

Such requests must be made within one week of returning to the College. 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, completion of all other quizzes, tests, assignments, etc. and the likelihood of the student being successful. In all other cases, the student will receive a mark of zero for that test.

**THERE WILL BE NO REWRITES OF INDIVIDUAL TESTS.**

**QUIZZES:**

Quizzes may, or may not, be announced in advance. If a student misses a quiz, he/she will receive a zero for that quiz. No make-up quizzes will be given. Consideration may be given to students who miss a quiz but who made some arrangements in advance.

**Final Grade:**

The final grade will be based on the following scale:

- 90% and more	"A+"
- 80% to 89%	"A"
- 70% to 79%	"B"
- 60% to 69%	"C"
- 59% or less	"R"



Each student must meet the following requirements in order to complete this course successfully:

1. Must complete, in a fashion acceptable to the professor, all projects and other assignments.
2. Must write two tests and the final exam. If a student misses a test, or the final exam, and has not made appropriate arrangements as above, he/she will receive a mark of zero for that test/exam.
3. Must have an overall mark of 60%. This mark includes all work in the semester.

Students who are not successful in achieving the minimum mark of 60% and/or do not complete the required assignments in an acceptable fashion, as they are due, will repeat the course.

THERE WILL BE NO SUPPLEMENTARY TESTS.

FINAL GRADES WILL BE RELEASED BY THE REGISTRAR'S OFFICE

RESOURCE MATERIAL:

Principal Text: J.E. Smyth, D.A. Soberman, A.J. Easson,  
The Law and Business Administration in Canada, Seventh Edition;  
Prentice-Hall Canada, Inc., 1995

Support Material: 1. Richard Yates, Business Law in Canada, Fourth Edition; Prentice-Hall  
Canada, Inc., 1995.

2. Periodicals and other appropriate material.

ASSIGNMENTS, PROJECTS, QUESTIONS, ETC.:

All assignments, projects, questions, etc. must be submitted to the professor at the beginning of class on the due date. If no class is scheduled on the due date, students are required to deliver the assignments to the professor's office, by the designated time. Assignments may be submitted in advance; normally assignments will not be accepted after the stated deadline. If assignments are accepted late, a penalty will be assessed. It is the student's responsibility to ensure the professor gets his/her completed assignment.



Questions assigned for homework must be completed promptly and be available at any time to be submitted for evaluation. They, too, will be collected at the beginning of class. Materials not submitted in accordance with these requirements and where no arrangements have been made, will be given a mark of zero.

#### RETURN OF STUDENTS' WORK:

Quizzes, tests, assignments, projects, 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 after that class. Tests, etc. not picked up within the three weeks will be discarded. End of semester tests, assignments, etc. will be held for three weeks. If they have not been picked up by students within that three-week period, the tests, assignments, etc. will be discarded.

Tests, etc. will be returned only to those 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 to the professor requesting that the tests, etc. be given to a particular individual.

#### ASSISTANCE IS ALWAYS AVAILABLE:

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

Review classes will be held as deemed necessary by the professor. Tutorials held outside of class time may also be arranged at the mutual convenience of the students and the professor. These review classes and tutorials are not to be used as an opportunity to miss classes.

Students are urged to ask questions and participate in the class discussions. This will enable the student to clarify any issue and also to participate in and contribute to the class discussions.

Students are also encouraged to read newspapers, magazines, etc. and to tune in to the radio and television newscasts for legal issues as they may relate to individuals and businesses. This will make this course more understandable, interesting, and practical. It will provide the opportunity for the student to better apply the theory and to enhance his/her opportunity for success in this course.



PLEASE KEEP IN MIND THAT STUDENT WILL ONLY GET OUT OF THIS COURSE WHAT HE OR SHE IS PREPARED TO PUT INTO IT. STUDENTS MUST DO THE REQUIRED WORK IF THEY EXPECT TO BE SUCCESSFUL.

THE ABOVE SCHEDULE WILL BE INTERRUPTED BY TESTS AND IS SUBJECT TO CHANGE FOR OTHER REASONS.

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