

Date Adopted: \_\_\_\_\_

Date Reviewed: Aug 2015

Date Revised: Aug 2015

## **BUS 263 – The Legal and Social Environment of Business**

### **I. BUS 263 – The Legal and Social Environment of Business– 3 Semester Hours**

#### **II. Course Description**

This course provides an overview of the legal and social environment for business operations with emphasis on contemporary issues and their subsequent impact on business. Topics include Constitution, the Bill of Rights, the legislative process, civil and criminal law, administrative agencies, trade regulations, consumer protection, contracts, employment and personal property.

#### **III. Prerequisite**

None

#### **IV. Textbook\*\***

Textbook: The Legal Environment Today, 8<sup>th</sup> Edition

Publisher: Southwestern

Authors: Miller, Cross

#### **\*\*BRYSON ONLY:**

Textbook: The Legal Environment Today, Loose-leaf Version, 8<sup>th</sup> Ed. + MindTap™ Business Law  
One term (6 months) Printed Access Card

Publisher: Southwestern/Cengage

#### **V. Course Objectives**

1. The student will understand the legal environment of business including a study of the nature of law, court systems, constitutional law, and lawmaking by administration agencies.
2. The student will understand the basis for tort and criminal liability which particularly affect business.
3. The student will understand how consumer protection legislation protects the buyer from exploitation by the seller.
4. The student will understand the principles of contract law including the nature and classification of contracts, the agreement, consideration, contractual capacity, illegality, reality consent, and contracts in writing, rights of third parties, and the discharge of contracts.

#### **VI. Course Outline of Topics**

1. The student will understand the legal environment of business including a study of the nature and sources of law, court system, constitutional law, and lawmaking by administrative agencies by:
  - a) defining the nature and purpose of the law.
  - b) distinguishing between constitutional, statutory, case, and administrative law.
  - c) identifying the various court systems and administrative agencies that enforce the law.
2. The student will understand the basis for tort and criminal liability including torts and crimes which specifically affect business by:
  - a) defining the common law crimes.
  - b) defining the law of torts.
  - c) describing the basis of tort liability.
  - d) explaining the doctrine of contributory negligence.
  - e) describing conduct in the nature of business torts and crimes.

3. The student will understand how consumer protection legislation protects the buyer from exploitation by the seller by:
  - a) describing the purpose of truth in advertising legislation.
  - b) explaining the four installment rule.
  - c) stating the extent to which the holder of a credit card is liable for purchases made by a person finding or stealing the card.
  - d) explaining what is provided for the protection of credit standing and reputation.
  - e) describing the remedies available for breach of a consumer protection law.
4. The student will understand the principles of contract law including the nature and classification of contracts, the agreement, consideration, contractual capacity, illegality, mutual assent, contracts in writing, the rights of third parties, and the discharge of contracts by:
  - 1) listing the essential elements of a contract.
  - 2) describing the way in which a contract arises.
  - 3) stating how contracts are classified.
  - 4) differentiating contracts from agreements that are not contracts.
  - 5) differentiating formal contracts from simple contracts.
  - 6) differentiating express contracts from implied contracts.
  - 7) differentiating contractual liability from quasi-contractual liability.
  - 8) discussing whether a statement is an offer.
  - 9) explaining an agreement that is too indefinite to be enforced.
  - 10) describing the exceptions that the law makes to the requirement of definiteness.
  - 11) listing the ways in which an offer is terminated.
  - 12) comparing offers, firm offers, and option contracts.
  - 13) explaining when an offer has been accepted.
  - 14) stating the effect of receiving unordered goods or tickets by mail.
  - 15) describing what constitutes the communication of an offer, the communication of a revocation of an offer, and the communication of an acceptance.
  - 16) defining contractual capacity.
  - 17) stating the extent and effect of avoidance of a contract by a minor.
  - 18) defining the extent of a minor's liability for necessities.
  - 19) comparing the liability of third persons with respect to the contract of a minor.
  - 20) listing those classes of persons who lack contractual capacity.
  - 21) listing the reasons why an agreement is not binding because the asset was in fact not genuine.
  - 22) listing the kinds of mistakes that can be made and their effect upon contracts.
  - 23) comparing the effects of an innocent false statement, a failure to volunteer information, and fraud.
  - 24) distinguishing between undue influence, physical duress, and economic duress.
  - 25) listing the remedies available when the assent of a party to the agreement is not genuine.
  - 26) defining what constitutes consideration.
  - 27) stating the effect of the absence of consideration.
  - 28) identifying promises that can serve as consideration.
  - 29) distinguishing between present consideration and past consideration.
  - 30) stating when forbearance can be a consideration.
  - 31) recognizing situations when adequacy of consideration has significance.
  - 32) listing the exceptions to the requirement of consideration.
  - 33) stating the effect of illegality upon a contract.
  - 34) comparing illegality and unconscionability.

- 35) distinguishing between illegality in performing a legal contract and the illegality of a contract.
- 36) explaining when a contract is invalid because it obstructs legal processes.
- 37) stating when a contract must be evidenced by a writing.
- 38) listing the requirements of a writing that evidences a contract.
- 39) stating the effects of the absence of a sufficient writing when a contract must be evidenced by a writing.
- 40) listing the exceptions that have been made by the courts to the laws requiring written evidence of contracts.
- 41) comparing statute of frauds requirements with the parol evidence rule.
- 42) listing exceptions to the parol evidence rule.
- 43) comparing the effect of objective and subjective intent of the parties to a contract.
- 44) distinguishing between conditions precedent and conditions subsequent.
- 45) stating the rules for interpreting ambiguous terms in a contract.
- 46) stating the effect of contradictory terms.
- 47) defining and illustrating implied terms.
- 48) distinguishing between joint, several, and joint and several contracts.
- 49) distinguishing between a third party beneficiary and an incidental beneficiary.
- 50) defining an assignment of contract rights.
- 51) stating the limitations on the assign ability of a right to performance.
- 52) describing what constitutes a delegation of duties.
- 53) stating the liability of the parties after a proper delegation of duties has been made.
- 54) describing the status of an assignee with respect to defenses and setoffs available against the assignor.
- 55) stating the significance of a notice of assignment.
- 56) stating the liability of an assignor to an assignee.
- 57) listing the ways in which a contract can be discharged.
- 58) distinguishing between the effect of a rejected tender of payment and a rejected tender of performance.
- 59) comparing performance to the satisfaction of the other contracting parties, performance to the satisfaction of a reasonable person, and substantial performance.
- 60) stating when a consumer contract may be rescinded by the consumer.
- 61) comparing the discharge of a contract by recession, cancellation, substitution, and ovation.
- 62) stating the effect upon a contract of the death or disability of one of the contracting parties.

## **VII. Evaluation and Assessment**

Evaluation and assessment will be determined by the instructor and specified on the instructor's class syllabus. Grades will be based upon following scale: A = 90 – 100%, B = 80 – 89%, C = 70 – 79%, D = 60 – 69%, and F = below 60%.

## **VIII. Attendance**

Students are expected to attend all classes for which they are registered. Students who are unable to attend class regularly, regardless of the reason or circumstance, should withdraw from that class before poor attendance interferes with the student's ability to achieve the objectives required in the course. Withdrawal from class can affect eligibility for federal financial aid.

### **IX. Statement on Discrimination/Harassment**

The College and the Alabama State Board of Education are committed to providing both employment and educational environments free of harassment or discrimination related to an individual's race, color, gender, religion, national origin, age, or disability. Such harassment is a violation of State Board of Education policy. Any practice or behavior that constitutes harassment or discrimination will not be tolerated.

### **X. Americans with Disabilities**

The Rehabilitation Act of 1973 (Section 504) and the Americans with Disabilities Act of 1990 state that qualified students with disabilities who meet the essential functions and academic requirements are entitled to reasonable accommodations. It is the student's responsibility to provide appropriate disability documentation to the College. The ADA Accommodations Office is in FSC 305 (205-856-7731).