

**COMMERCIAL TRANSACTIONS LAW (BLAW 480 – 3 units) Revised 1/15/16**  
**Professor Carr**  
**Spring 2016**

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Text: BUSINESS LAW: THE ETHICAL, GLOBAL AND E-COMMERCE ENVIRONMENT, 16<sup>th</sup> ed., Mallor *et al.*, (2016). (*Yes, you must have the 16<sup>th</sup> edition.*) The textbook is available hardcopy at the campus bookstore and elsewhere. A custom electronic version, with just the chapters that we will use in class, is available at a significant discount online at: [www.create.mheducation.com/shop](http://www.create.mheducation.com/shop)  
Enter ISBN 9781308682310  
The price is \$29.73

**Moodle: It is your responsibility to check Moodle regularly for announcements and other information related to the course.**

**Mission, Learning Goals and Objectives:**

The mission of the Department of Business Law is to enable students, through excellence in teaching, to recognize and analyze legal issues arising in the business environment.

Classes are taught using the Socratic method, with its goal of participatory learning and the development of reasoning skills. This active learning process requires students to articulate, develop and defend positions, to think critically and to engage in problem-solving. Students learn to formulate an effective legal analysis by synthesizing information, identifying legal issues, distinguishing relevant from irrelevant facts, using facts and law to support argument, reasoning by analogy and reaching conclusions based on analysis. In addition, students in all courses study ethical issues in a business context, with actual topics depending on course content.

Commercial Transactions Law (BLAW 480) is the study of those areas of law related to commercial business transactions including commercial paper, negotiable instruments, secured transactions, bankruptcy and the law of sales.

You will analyze how law applies to factual settings. You will read court decisions, prepare written briefs of the decisions, orally defend your interpretations of the cases and answer hypothetical questions in open class discussion. You will learn to distinguish the application of rules depending on changing circumstances in various cases and

hypotheticals. You will learn to argue alternate sides of a dispute regardless of personal belief. You will learn to identify the functions, policies, and trends in the law, and to consider social, economic and ethical influences on the law.

Exams are composed of multiple-choice questions and one or more essay questions which require you to analyze factual situations, identify legal issues and apply the law in determining the outcome of hypothetical cases.

### **Class Preparation**

The assignments are listed below. Normally we complete one assignment each class, however, always be one full assignment ahead. If we begin but do not finish an assignment, prepare the next full assignment for the next class. Assignments include reading from the text and written preparation, some of which will be turned in. You must write all briefs for all classes and they will be randomly checked from time to time. When asked, you must either be able to show your briefs, whether in a notebook or on your laptop or tablet. If you have questions about the assigned material, please ask. You may not audio or video record the class, nor take any photos in the classroom.

It is your responsibility to be prepared for every class. If you are absent, it is still your responsibility to be prepared for class. Exchange contact information with another student in the class to find out any missed information from an absence. You should contact that fellow student, rather than the professor, unless you have a particular question or problem. Once during the term, you may turn in a note at the start of class stating that you are unprepared for class discussion and no negative mark will be made. You must be present in class to give such a note. It is not available as an excuse for an absence or a brief that is to be turned in.

You are expected to show respect for your classmates, your professor, and the university, and not to engage in disruptive behavior. If you walk in late, please do so quietly and take a seat in the back of the room. Food is not permitted in the classroom nor is sleeping during class or raising your voice to fellow students or the professor. You may be asked to leave class for disruptive behavior and you may be required to speak with the Student Conduct Coordinator before returning to class.

**Briefs:** As you read the text, it is strongly recommended that you outline the chapter, take notes as you go, and/or make flashcards. You are responsible for making a study guide. It will not be provided for you.

You will be called on at random throughout the semester to read your briefs in class. You will not be graded on the briefs because these are learning tools, not finished product. However, if you are unprepared or absent, this will affect your grade.

Some of these briefs, as noted on the assignment list, must be turned in, using [turnitin.com](https://www.turnitin.com), through Moodle, prior to the beginning of class, for credit/no credit. Hard copies and emails of the briefs will not be accepted for any reason, so don't wait until the

last minute to turn in an assignment only to be frustrated by a technical difficulty. These turned in briefs are credit/no credit, but please be aware that simply turning in something is not sufficient to receive credit. You must have made a good faith effort to complete all elements of the assignment. **You may not copy from any source, including the textbook.** Your work must be your own, and turnitin will report on the amount of your brief that is copied. Failure to adequately complete the assignment will affect your grade as discussed below under "Exams and Grading".

## Briefing Cases

To brief cases, use the following "IRAC" format:

*Issue:* The issue is a question that must be answered in order to reach a conclusion in the case. Make it specific (e.g. "Is defendant liable for false imprisonment if plaintiff was asleep at the time of 'confinement?") rather than general (e.g. "Will the plaintiff be successful?") It is best to use the parties' names in the specific case being briefed (e.g. "Did Miller owe a duty of care to Osco, Inc. and therefore is liable for negligence?") Most cases present one issue, however, if there is more than one issue, list all, and analyze all issues raised.

*Rules:* The rules are the laws which apply to the issue. They should be stated as general principles, (e.g. "A duty of care is owed whenever the defendant should anticipate that her conduct could create a risk of harm to the plaintiff") not a conclusion to the particular case being briefed, (e.g. "The plaintiff was negligent.") Rules must be in the form of sentences, not questions. Present the rules as a list, not a paragraph.

*Application:* The application is a discussion of how the rule applies to the facts of a particular case. The application must be at least two paragraphs, one for each of plaintiff's and defendant's arguments. It should be written debate, not simply a statement of the conclusion. Present both sides of any issue. The application shows how you are able to reason on paper and is the most difficult (and, on exams, the most important) skill you will learn. It is called an application because you are applying the facts to the rules, so be sure to use all of the facts presented to make your arguments.

*Conclusion:* What was the result of the case? When briefing a case, make sure you give the result reached by the court, rather than your opinion of what should have happened. When briefing a problem case or writing an exam essay, be sure to draw a reasoned conclusion based on the rules and application you presented. The conclusion should not be more than a couple of sentences and should answer your issue.

Most briefs that you prepare for class will be about one typewritten page. If you choose to handwrite them, they will be longer. Each brief must be brought to class on the day it is scheduled to be discussed, and thereafter in the event that we are behind, and you should take notes on them as we discuss them. Then, after it has been discussed in

class, you no longer need to bring it with you, but you should keep it to study for the exam.

## **Exams and Grading**

Your grade will be based upon participation and two exams. Plus/minus grading may be used. The grade allocation is as follows:

Participation (attendance, class discussions, assignments): 30 points

First exam: 85 points

Second exam: 85 points

Attendance is mandatory and will be taken at every class meeting. You may have one absence during the semester, but any other absences will result in a loss of 10 points for each absence. Tardiness is disruptive to the entire class. You may have one tardy during the semester, but any other tardies will result in a loss of 10 points for each tardy. There are no excused absences, but you will have the opportunity to make up a lost attendance points by presenting cases in class. Your grade is affected by whether you have been late, left class early, prepared when called on and whether you have turned in required briefs. If you are absent, late, or unprepared when called on, that will be noted, and will have a negative impact (loss of 10 points per day) when calculating your final grade.

The grade reached after calculating the participation, first exam, and second exam will be the minimum grade you can receive in the course. At the professor's sole discretion, your course grade may be raised based on classroom participation, effort, and improvement.

## **General Instructions on Taking Exams**

Answer each question fully, clearly, and in the order given. Mere conclusions receive no credit. You should:

- Discuss the issue.
- Define and discuss any principles of law and legal theories that are relevant to the question.
- Fully apply the given facts to the legal principles on which you rely. Do not ignore any facts, even if they do not support your conclusions. Do not assume that the reader knows what you're talking about. Define every legal term used.
- You must base your conclusions on complete and intelligent applications of the facts to the legal principles involved. Thoughtful arguments and detailed analysis are more important than the conclusion that you reach.
- If further facts could affect the outcome of the problem, state with particularity what they are, and how they could affect the outcome.
- Use the IRAC format, just as we do in class. Discuss the issues involved, the applicable legal rules, and an application of the law to the facts to reach your outcome. Discuss all issues; some questions have more than one issue.
- If you need scratch paper to make notes, use your exam itself. Although you must turn in the exam, your notes will not be graded. You may also designate a page of

your examination book as "notes" and that page will not be graded. These "notes" **may not** be written in the examination book prior to the start of the exam.

**Be sure to:**

- Use non-erasable dark blue or black ink for your essays.
- Do not use white-out or tear pages out of your examination book.
- Use pencil on the scantron. Write your name on the scantron. **Failure to write your name on the scantron will result in a grade of zero (0) on that portion of the exam.**
- Bring one large examination book and one 882 scantron to each exam.
  - o Do not write your name on the examination book - they will be exchanged in class.
  - o After they have been exchanged, write your name on the **inside back cover** of the examination book. Do not write your name anywhere else on the examination book. The purpose of this requirement is to ensure blind grading. **Failure to write your name on the examination book will result in a grade of zero (0) on that portion of the exam.**
  - o Write on only one side of each page; however, you may use the facing page to insert information.
- Write your name on the typed exam itself. **Failure to return the exam itself will result in a grade of "F" for the exam and may be referred to the Dean's office for further proceedings.** So, in order to give you credit for turning it in, it must have your name on it

One point will be deducted from your exam grade for *each* instruction you fail to follow.

All exams are closed book. Make sure that all study materials are completely out of sight. Make sure that all books, notes, bookbags, and purses are placed in front of the class at the start of the exam. **Cell phones must be turned off and stowed away.** There is a presumption of cheating if any study materials are within view during exams. There are no restroom breaks during exams as they, too, carry a presumption of cheating. Note: all cases of cheating result in a grade of "F" for the course and are referred to the Dean's office for further action.

**Legal Advice**

**Faculty members may not provide legal advice or legal services to students.** If you need legal advice or information regarding the law, resources can be found on the Department of Business Law web page at <http://www.csun.edu/blaw/student-resources>.

**If you have any questions about the material contained in this syllabus, please contact the professor.**

**Course Topics and Assignments – Tentative 1/15/2016**

<b>Date</b>	<b>Class topics</b>	<b>Work due</b>
1/29	Introduction, review syllabus, IRAC, and contracts	Read the syllabus
2/5	<b>Sales</b> Formation and Terms of Sales Contracts	Read Ch. 19; brief <i>Janke v. Brooks</i> , <i>Noble Roman's v. Pizza Boxes</i> , and PC5. Read Purchase Order Terms and Conditions posted in Moodle.
2/12	Product Liability	Read Ch. 20; brief <i>Oakes v Carrabba's</i> , and <i>Wilson v Hewlett-Packard</i>
2/19	Product Liability (con't)	See Moodle assignment (bring to class 2 products with warning labels)
2/26	Performance of Sales Contracts	Read Ch. 21; brief <i>Label v Kliff</i> , <i>Waddell v. L.V.R.V. (turn in)</i> , PC 1, and PC 5
3/4	Remedies for Breach of Sales Contracts	Read Ch. 22; <i>Green Wood v Forceman</i> , <i>Cahaba v Rogers</i> , PC 2, and PC 4 ( <i>turn in</i> )
3/11	<a href="#">First exam</a>	
3/18	<b>Credit</b> Secured Transactions	Read Ch. 28; cases TBA
3/25	<a href="#">Spring Break – no class</a>	
4/1	Security Interests	Read Ch. 29; cases TBA
4/8	<b>Bankruptcy</b>	Read Ch. 30; cases TBA
4/15	<b>Commercial Paper</b> Negotiable Instruments	Read Ch. 31; cases TBA
4/22	Negotiation and Holder in Due Course	Read Ch. 32; cases TBA
4/29	Liability of Parties	Read Ch. 33; cases TBA
5/6	Checks and Electronic Transfers	Read Ch. 34; cases TBA
5/13	<a href="#">Second exam</a>	