

BUSINESS 480
Commercial Transactions Law
SPRING 2015
Friday 9:00 AM
K. Greenhalgh

OFFICE HOURS: Tuesday 11:00 AM to 11:30 AM and 2:00 PM to 2:30 PM;
Thursday 9:00 AM to 9:30 PM and 12:00 AM to 12:30 PM;
Friday 8:00 AM to 9:00 AM;
and by appointment.
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TEXTBOOK: Beatty and Samuelson, *Business Law and the Legal Environment*, 6th edition. The textbook is available in hardcopy at the campus bookstore and elsewhere. You may also download chapters from the text on-line at www.cengagebrain.com

For this course you will need to download chapters 20, 21, 22, 23, 24, 25, 26 and 37.

WEBSITE: All materials distributed by the instructor for this course will be available on the website for this course that can be found at <http://moodle.csun.edu/> Each student's grade on each class assignment will also be posted on that website.

METHOD OF INSTRUCTION AND CLASS PARTICIPATION: This class will be taught by a combination of the lecture and class discussion methods. Discussion in class is a very important part of this course. All students are expected to be prepared to discuss the cases and problems assigned for each class. Students will be called upon to participate in class discussion. The instructor will evaluate each student's class participation. While no numerical weight will be assigned to class participation for grading purposes, class participation will be considered in determining the course grade when a student's performance on the exams and written homework

assignments places that student on the borderline between two grades.

Every student will be excused for being unprepared to participate in class discussion on two class days during the semester. A student who is not prepared should leave a note with the instructor before the beginning of the class containing the student's name and indicating that he or she is not prepared to discuss that day's assignments.

HOMEWORK ASSIGNMENTS:

Several times during the semester problems will be distributed for which all students are required to prepare a written answer. At the beginning of the class period at which that assignment is due the instructor may collect written answers to the assigned problem. Two written assignments will be collected from each student during the course of the semester. Students will not be told in advance whose assignments will be collected on any particular day. Each student may, if called upon to submit a written assignment, decline to submit the assignment without any penalty. However a student may use this privilege *only one time* during the semester. Each student will also be allowed to submit a problem answer to be graded even though the instructor has not called upon that student to submit that particular assignment. This privilege also may be used only one time during the semester. **All answers to questions must be written on a word processing computer. Handwritten answers will NOT be accepted.**

TESTS AND GRADING:

There will be two exams during the course of the semester. Each exam will count for 30% of the course grade. (The other 40% of the course grade will be based upon the written homework assignments as discussed above.) The exams may include essay questions; tests may also include multiple choice and true-false questions. The course will be graded on a + and - basis. This means that in addition to such letter grades as "A" and "C", grades such as "A-" and "C+" will also be used.

The tests and homework assignments will be graded on a scale with a maximum score of 150 points for test and 100 points for each homework

assignment.. Letter grades for the course will be based on the total score earned on all tests and homework assignments in accordance with the following scale:

- 95% or more of the total points possible: A
- 90% or more of the total points possible: A-
- 87% or more of the total points possible: B+
- 84% or more of the total points possible: B
- 80% or more of the total points possible: B-
- 77% or more of the total points possible: C+
- 74% or more of the total points possible: C
- 70% or more of the total points possible: C-
- 67% or more of the total points possible: D+
- 64% or more of the total points possible: D
- 60% or more of the total points possible: D-
- Less than 60% of the total points possible: F

The instructor may award a grade higher than the grade indicated in the scale listed above for good reasons. For example a higher grade may be awarded to a student who has an outstanding record of class participation.

I will be happy to discuss a test or your grade with you, but the grade assigned is not subject to negotiation. The grade will be changed only if I have made a clear mistake in evaluating the exam or calculating the grade.

MISSED EXAMS:

No make-up exams will be given. If a student is unable to take the first exam, he or she must produce documentary evidence establishing a valid excuse for failure to take the exam. If this is done the course grade will be determined by the final exam and the homework assignments. If no valid excuse is established, the student will receive a score of 0 points for the missed exam. If a student knows in advance that he or she will be absent for good reason on the day that the test is to be given, it may be possible to arrange for an alternative test time. Arrangements must be made in advance with the instructor. If a student is unable to take the second test, he or she must apply for an Incomplete in accordance with University regulations.

ATTENDANCE:

Students are expected to attend all class sessions. Each student will be excused from one absence during the course of the semester -- failure to attend class on that day will not affect the course grade. Being absent from class for more than one class period can result in the reduction of a student's grade by one grade interval for each absence from the grade to which that student would be entitled based on the exams and written course assignments. For example this means that one three absences during the semester could lead to a student's grade being reduced from "B" to "B-". The total reduction in the grade for absences from class will be limited to one full grade. (This means for example that a student otherwise entitled to receive a grade of "B" could instead receive a "C" if that student was absent from class on 5 or more days during the semester.)

Students may be excused from class attendance for good cause (such as serious illness). A student will be excused for such reasons only upon production of documentary evidence of the cause for missing the class periods. (For example if a student missed class due to illness a written statement from a medical doctor would be necessary for the absences to be excused.)

SYLLABUS OF TOPICS AND READING ASSIGNMENTS

This syllabus contains reading assignments. Please read the assigned materials before the date for which it has been assigned. If the assignment

includes cases you must read and brief each case that is assigned. *Handouts* mentioned in the list of assignments are materials that will be distributed by e-mail. The problems mentioned in the list of assignments are problems for class *discussion*. These problems are found in the course textbook. Please read these problems; they may be discussed during class. Students will not be required to turn in written answers to these problems. (As explained above *homework problems* must be answered in writing. The homework problems will be distributed to students by e-mail.)

23 January: Introduction to Sales.

Read Chapter 20; *Jannusch v. Nafziger*, p. 459; *Delta Star, Inc. v. Michael's Carpet World*, p. 461; *Superior Boiler Works, Inc. v. R.J. Sanders, Inc.*, p. 465; *Mathis v. Exxon Corporation*, p. 467; Essay Questions #3, 4 and 5 on p. 477; Discussion Question #5 on p. 478.

30 January: Sales: Ownership and Risk.

Read pp. 480-489; *Valley Forge Insurance Co. v. Great American Insurance Co.*, p. 487; *Bakalar v. Vavra*, p. 489.

6 February: Ownership and Risk (continued).

Read pp. 490-504; *Harmon v. Dunn*, p. 498; Essay Questions #1, 2, 3 and 5 on pp. 502-503.

13 February: Sales—Warranties and Product Liability.

Read pp. 505-518; *Rite Aid Corp. v. Levy-Gray*, p. 508; *Goodman v. Wenco Foods, Inc.* p. 511; *CCB Ohio, LLC v. Chemique, Inc.* p. 514.

20 February: Sales—Warranties and Product Liability (continued).

Read pp. 519-530; *Reed v. City of Chicago*, p. 518; *Boumelhem v. Bic Corp.*, p. 521; Essay Questions #1, 2, and 3 on pp. 528-529.

27 February: Sales -- Performance and Remedies.

Read pp. 531-540; *Zion Temple First Pentecostal Church of Cincinnati, Ohio, Inc. v. Brighter Day Bookstore & Gifts*, p. 535; *United Aluminum Corporation v. Linde, Inc.* p. 537; *Lile v. Kiesel*, p. 540.

6 March: Sales -- Performance and Remedies (continued).

Read pp. 541-555; *Smith v. Penbridge Associates, Inc.*, p. 545; *Hessler v. Crystal Lake Chrysler-Plymouth, Inc.*, p. 546; Questions #1, 2, 3, 4 and 5 on pp. 553-554..

13 March: Review and Exam #1.

20 March: Secured Transactions.

Read: pp. 568-577; *In Re CFLC, Inc.* p. 564; *Corona Fruits and Veggies, Inc. v. Frozsun Foods, Inc.* p. 568; *Layne v. Bank One*, p. 572; *Conseco Finance Servicing Corp. v. Lee*, p. 577.

27 March: Secured Transactions (continued).

Read pp. 578-592; *In Re Roser*, p.583; Essay Questions #1, 2, 3 and 5 on p. 591.

3 April: Negotiable Instruments – Creation.

Read pp. 593-607; *Blasco v. Money Services Center*, p. 601; *Buckeye Check Cashing, Inc. v. Camp*, p. 605; *Hartford Accident & Indemnity Co. v. American Express Co.*, p. 607.

10 April: The class will not meet due to Spring Recess.

17 April: Negotiable Instruments –Creation (continued).

Read pp. 608-617; *Antuna v. Nescor*, p. 611; Essay Questions #1, 2, 4, 5 and 6.

24 April: Negotiable Instruments – Liability

Read pp. 618-643; *Harrington v. Mc Nab*, p. 622; *In Re Couchot*, p. 625; *Quimby v. Bank of America*, p. 629; *Gulf States Section, PGA, Inc. v. Whitney National Bank of New Orleans*, p. 634; Essay Questions #1, 2, 3 and 5 on p. 642.

1 May: Bankruptcy.

Read Chapter 37; *Jackson v. Holiday Furniture*, p. 927; *in Re Stern*, p.933; *In Re Grisham*, p. 936; *In Re Fox*, p.938; Essay Questions #1, 2, 3 and 4 on pp.945-946.

8 May: Bankruptcy (continued); Review.

15 May 8:00 AM: Exam #2.