

**Business Law II (BLAW 308) CSUN**  
**Spring 2014, 3 units**  
**Juniper Hall 1234**

Instructor: Jill Vander Borght  
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Required Texts: *Business Law: The Ethical, Global, and E-Commerce Environment*, 15<sup>th</sup> ed. (2012) Mallor et al. and the Student Study Guide. The textbook (required) and Student Study Guide (recommended) are available hardcopy at the campus bookstore (new, used and as a rental) and elsewhere. They are also available as an e-text online at <https://create.mcgraw-hill.com/shop/>

**Course Description:**

This course is designed to provide an overview of the rules of law concerning business organizations and agency. You will be exposed to the statutes, regulations, and court decisions relating to agency, partnerships, corporations, securities regulation, and employment in the business environment. Prerequisite: BLAW 280.

**Course Objectives:**

You will gain an understanding of the various legal rules that apply to decision making in the business environment, and to use these rules to manage legal risk and make ethical decisions. You will develop your analytical, argumentation, and writing skills by reading and briefing court decisions, identifying legal issues and legally relevant facts, using rules and facts to support an argument, and applying rules through oral discussion of cases and hypothetical problems in class and through written analysis on examinations.

Students will analyze how law applies to given factual settings. You will read court decisions, prepare written briefs of the decisions, orally defend your interpretations of the cases, answer hypothetical questions in open class discussion, and write papers in which you analyze contract disputes related to agency and business organizations. Students will learn to distinguish the application of rules depending on changing circumstances in various cases and hypotheticals, and to argue alternate sides of a dispute regardless of personal belief. Students 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 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. Exams sometimes include multiple-choice questions.

### **Method of Instruction:**

I intend to create an active learning environment. My methods will include a combination of lecture, voluntary class discussion, small group activities and the Socratic Method. Classes are taught using the Socratic method, with its goal of participatory learning and the development of reasoning skills. The 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.

### **Class Attendance, Participation & Preparation:**

You are required to attend, be prepared for, and participate in class. Readings and problems will be assigned in advance of each class. Preparation for class entails reading the assigned materials, briefing all cases, and preparing written answers to problems. Case briefs must summarize the facts, issues, holdings, and rationale of each decision. In addition, class participation is mandatory. Class will be conducted through use of the Socratic and case methods, lecture, and discussion. You will be called upon at random during each class to discuss your briefs, answer questions, analyze problems, and a portion of your final grade will be based on your participation in class.

Reading and written assignments for the semester are listed below. Supplemental material may be distributed via email or posted on Moodle. Additionally, the schedule may change slightly depending on our pacing. Normally we complete one assignment each class. Always be one full assignment ahead. If, for instance, we begin but do not finish an assignment, prepare the next full assignment for the next class.

Assignments include reading from the Mallor text, or other written materials. In addition, there are cases, case problems and questions, which must be briefed in writing. A “case” refers to a court case contained in the text. A “case problem” is an end-of-chapter question that also must be briefed. These case problems are also actual court cases, but do not include the court’s ultimate decisions – the appropriate decision will be your job to analyze. When a case problem contains questions, simply ignore them, and instead brief the case. If you have questions about the assigned material, please ask via email or during class time. Your written work will only be collected at random and at the discretion of the professor. I will call on students at random using the Socratic Method during class and ask them to read from their briefs.

It is your responsibility to be prepared for each class. Being unprepared in class without an acceptable excuse that has been communicated to me prior to class starting will affect your grade negatively. Once during the term you may give me a note at the start of class stating that you are unprepared 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. You may not tape record the class without permission.

Active learning and class discussion is most fruitful through your active studying. Active studying is best accomplished by outlining each reading assignment and briefing the cases.

Class partner: You will make partners with another class member. The purpose of this partnership is to make sure that you have a source for any information or materials you may have missed.

### **Briefing Cases:**

To brief cases, case problems and questions use the following "IRAC" format:

- *Issue:* What question must be answered in order to reach a conclusion in the case? This should be a legal question which, when answered, gives a result in the particular case. It should be specific to the case and not general.
  - I.e. "Has there been a false imprisonment if the plaintiff was asleep at the time of 'confinement'?" rather than "Will the plaintiff be successful?"
  - Most cases present one issue. If there is more than one issue, list all, and give rules for all issues raised.
- *Rule:* The rule is the rule of law, which applies to the issue. There are normally several rules of law that a court may cite in its opinion, but there is a specific ruling or "holding" that is the fundamental basis for the court's decision. The rule should be stated as a general principal, rather than a conclusion to the particular case being briefed.
  - I.e. "A duty of care is owed whenever the defendant should anticipate that her conduct could create a risk of harm to the plaintiff" rather than "The plaintiff in this case was negligent."
- *Application:* The application is a discussion of how the rule applies to the facts of a particular case. A description of the court's thought process by which it answered the issue and announced a rule. This should be the longest portion of your brief. The application tracks the court's reasoning and summarizes the analysis/logic the court used to arrive at its holding.
  - While the issue and rule are normally only one sentence each, the application is normally paragraphs long. It should be written debate - not simply a statement of the conclusion. Whenever possible, present both sides of any issue. Do not begin with your conclusion. 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.

- *Conclusion*: What was the result of the case? With cases, the text gives you a background of the facts along with the judge's reasoning and conclusion.
- Notes\*\*\*
  - When you brief cases, you are basically summarizing the judge's opinion. With case problems, the editors have given you a summary of the facts of an actual case, but have not given you the judge's opinion. Your job is to act as the judge in reasoning your way to a ruling, again using the IRAC format.
  - Most briefs are one page long. They must be brought to class on the day they are to be discussed. Once an assignment has been discussed, you no longer need to bring it to class. Since the briefs are not normally turned in, they may be either handwritten or typed.

### **Exams / Grading:**

There will be two midterms and a final. The final exam IS cumulative and will be given on the day and time as indicated by the CSUN finals schedule. The grade allocation is as follows:

Midterm 1: 30% of course grade  
 Midterm 2: 30% of course grade  
 Final exam: 40% of course grade

As above, your course grade may be affected negatively by unsatisfactory classroom participation (including not being prepared when called upon), or positively by active and constructive classroom participation, all of which is subject to my sole and reasonable discretion. Absences will be viewed as non-participation. If you are called on and have not given an "unprepared" note or are absent you will receive an "unprepared" mark. If you are absent when called on you are "unprepared." Any unprepared marks beyond that will cause your final grade in the course to be reduced by 0.1 for each such mark.

At the professor's sole discretion, your course grade may be raised based on classroom participation and improvement. One way to increase participation is to bring and/or email me news articles related to topics studied in the class. The instructor uses a standard scale and the +/- system as applicable.

Exams are composed of 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. Exams may include multiple-choice questions.

Make-up exams are NOT given. In the event that a student misses a midterm exam with a documented excuse that can be verified the final exam will count for 70% of the final grade. Without notifying the professor of the absence AND documented evidence demonstrating a valid excuse the missed midterm is counted as an "F"

grade. Students must take the final exam to in order to pass this course. Those who do not complete the final should request an "I" in accordance with CSUN's rules and regulations.

### **General Tips/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, legal theories, etc., 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 I know that you know something - tell me in your exam what you know, defining every legal term used.
- The actual conclusions you reach could be the least important part of your answer but you must base your conclusions on complete and intelligent applications of the facts to the legal principles involved. If further facts could affect the outcome of the problem, state with particularity what they are, and how they could affect the outcome.
- You may either use the "IRAC" format or write in straight paragraph form. Either way, you need to cover the same information: 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 it in, it will not be graded. You may also designate a page of your bluebook as "notes" and it will not be graded.

Caution:

- Use non-erasable dark blue or black ink for your essays. Do not use white-out or tear pages out of your blue book.
- Bring one large bluebook and one 882 scantron to each exam. Do not write your name on the bluebook - they will be exchanged in class. When you get the bluebook in class that you will use for your exam, write your name on the inside back cover of the bluebook. Do not write your name on the front cover of the bluebook. The purpose of this requirement is to ensure blind grading. Write on every line of the blue book. Write on only one side of each page; however you may use the facing page to insert information. Write your name on the exam itself.
- When you complete the exam place the exam and scantron inside your bluebook and turn in the whole as a package. Failure to follow all of these directions will cause a 0.1 reduction in your exam grade. 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.

- All exams are closed book. Make sure that all study materials are completely out of sight. Make sure that all books, notes, book bags, and purses are placed in front of the class at the start of the exam. There is a presumption of cheating if any study materials are within view during exams. 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.

## READING/ ASSIGNMENT LIST

DATE:	TOPICS:	READING:	WRITTEN WORK:
1/23/14	Introduction; Course Overview; Brief Intro Agency Relationships	Ch. 35, pp. 916-21	Brief <i>MDM Group Associates, Inc.</i> , p. 917; <i>Eisenberg v. Advance Relocation</i> , p. 920
1/30/14	Agency Relationship Cont.	Ch. 35, pp. 922-31	Brief <i>ABKCO Music Inc. v. Harrisons</i> , p. 923; <i>Saunders v. Madison Square Garden</i> , p. 925; <i>Gniadek v. Camp Sunshine</i> , p. 930; Problem 2, p. 931
2/06/14	Third Party Relations of the Principal & Agent	Ch. 36, pp. 934-49	Brief <i>Opp v. Wheaton</i> , p. 937; <i>Treadwell v. JD Construction Co.</i> , p. 941; Problems 5 & 11, pp. 950-51
2/13/14	Employment Law	Ch. 51, pp. 1349-66	Brief <i>Darco Transportation v. Dulen</i> , p. 1353; <i>Beaver v. RGIS</i> , p. 1355; <i>Gaskell v. University of Kentucky</i> , p. 1361
2/20/14	Employment Law Cont.	Ch. 51, pp. 1366-84	Brief <i>Ashmore v. J.P. Thayer Co.</i> , p. 1369; <i>Sporer v. UAL Corp.</i> , p. 1382; Problems 4 & 9, pp. 1385-86
2/27/14	Agency/Employment Review; <b>EXAM 1</b>		
3/06/14	Formation of General Partnerships	Ch. 37, pp. 954-971	Brief <i>Southex Exhibitions, Inc. v. Rhode Island Builders Association, Inc.</i> , p. 963; <i>McGregor v. Crumley</i> , p. 966; <i>McCormick v. Brevig</i> , p. 969; Problem 3, p. 972
3/13/14	Operation of General Partnerships	Ch. 38, pp. 974-86	Brief <i>Spector v. Konover</i> , p. 976; <i>NBN Broadcasting, Inc. v. Sheridan Broadcasting</i> , p. 983; Problems 8 & 10, pp. 988-89

3/20/14	General Partnership Dissolution and Winding Up	Ch. 39, pp. 990-1005	Brief <i>Paciaroni v. Crane</i> , p. 997; <i>Warnick v. Warnick</i> , p. 1001; Problems 1 & 3 p. 1006
3/27/14	Limited Partnerships	Ch. 40, pp. 1008-24	Brief <i>Katris v. Carroll</i> , p. 1011; <i>In re Garrison-Ashburn, LC</i> , p. 1015; <i>Moser v. Moser</i> , p. 1019; Problems 3 & 11, pp. 1028-29
4/03/14	Review Partnership; <b>EXAM 2</b>		
4/10/14	<b>SPRING BREAK</b>		
4/17/14	Nature of Corporations	Ch. 41, pp. 1032-47	Brief <i>Hildreth v. Tidewater</i> , p. 1045; Problems 1, 4 & 10, pp. 1048-50
4/24/14	Organization and Financial Structure of Corporations	Ch. 42, pp. 1051-	Brief <i>Christmas Lumber Co., Inc v. Valiga</i> , p. 1059; <i>Coyle v. Schwartz</i> , p. 1067; Problems 1 & 8 pp. 1069-70
5/01/14	Management of Corporations	Ch. 43, pp. 1071-1103	Brief <i>Grimes v. Donald</i> , p. 1076; <i>Brehm v. Eisner</i> , p. 1082; <i>Guth v. Loft</i> , p. 1093; <i>U.S. v. Jensen</i> , p. 1099
5/08/14	Shareholders' Rights and Liabilities; Final review	Ch. 44, pp. 1107-14; 1119-35	Brief <i>Reynolds Health Care Services, Inc. v. HMNH</i> , p. 1110; <i>Dodge v. Ford Motor</i> , p. 1122; <i>Zapata Corp. v. Maldonado</i> , p. 1126; <i>Brodie v. Jordan</i> , p. 1130
5/15/14	<b>FINAL EXAM</b>		