

# Course Abstract

**Course ID and Name: BUS 202, Business Law II**

**Department: Accounting, Business, & Legal Studies**

Chairperson or Course Coordinator: Dr. Aslihan Cakmak

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**Prerequisites:** BUS-201

**Co-requisites:** None

**Course Description:**

Detailed study of the substantive law of commercial paper, agency and employment, security devices, bankruptcy, partnerships and corporations and real property. Decedents' estates, wills and trusts as well as insurance laws are surveyed. (In applicable areas the Uniform Commercial Code is covered as well as the common law principles.)

**Credits: 3**

*If you need accommodations due to a disability, contact Disability Services in Edison Hall Room 100, 732.906.2546.*

*To foster a productive learning environment, the College requires that all students adhere to the Code of Student Conduct which is published in the college catalog and website.*

**Learning Outcomes:**

**Upon successful completion of the course, students will be able to:**

1. Discuss the substantive law of commercial paper, agency, and employment, security devices and bankruptcy.
2. Discuss the substantive law of partnerships, corporations, and real property.
3. Enumerate the legal aspects of decedents' estates, wills, and trusts, as well as insurance law.

### **Course Content Areas:**

- Agency - Creation, operation, and termination of the principal-agent relationship, including express and apparent agencies. Distinctions between agency and employment. Rights and obligations of third parties. *Respondeat superior*.
- Negotiable Instruments – UCC Article 3 Definition and creation of instruments governed by article. Elements of negotiability. Creation and characteristics of holder in due course status. Primary versus secondary liability.
- Bank Deposits and Collections – UCC Article 4 Relationship with Article 3. Rights and obligations of banks. Endorsements and transfer or warranties.
- Partnerships - Creation, operation, winding-up and termination. Uniform partnership Act and New Jersey statutes. Agency aspects of partnership including express and apparent authority. Liability for partnership obligations. Fiduciary obligations. Limited partnerships.
- Corporations - Historical and modern statutory basis. Creation, operation, and termination. Certificate of incorporation and bylaws. Roles of promoters, incorporators, shareholders, directors, and officers. Liability for corporate obligations, including piercing of the corporate veil. Fiduciary obligations. Business judgment rule. Straight and cumulative voting. Dividends. Mergers, consolidations, and conglomerates.
- Secured Transactions – UCC Article 9 Pre UCC security methods. Documentation and filing requirements for attachment and perfection. UCC-1, 3, and 11 forms. Purchase money security interests. Retention, possession, and sale of collateral.
- Bankruptcy - Characteristics of Chapter 7, 11, and 13 bankruptcies. Voluntary versus involuntary petitions. Role of the trustee and rights of creditors. Fraudulent transfers and preferential payments. Debtor protection under the Uniform Consumer Credit Code, the Consumer Credit Protection Act, the Fair Credit Reporting Act, and the Fair Debt Credit Protection Act.
- Environmental - The role of federal and state statutes and agencies. The National Environmental Protection Act, the Comprehensive Environmental Response, Compensation, and Liability Act, the Clean Air Act, and the Clean Water Act. Use of zoning and eminent domain.
- Administrative Agencies - State and federal agencies and their scope of coverage. The Administrative Procedures Act. Agency structure and judicial review.
- Antitrust - Historical basis for current legislation. Types of violations. Roles of Federal Trade Commission and Department of Justice.

- Employment - Federal and state legislation prohibiting unfair labor practices. Discrimination prohibited by Title VII of the Civil Rights Law of 1964. Employee protection under wage and hour and safety laws. Employee right to organize.
- Accountant Liability - Sarbanes-Oxley and the 1933 and 1934 Securities Acts.
- Wills and Trusts - Formalities of the creation, amendment, and revocation of wills and trusts. Role of wills and trusts in estate planning. Duties of executors and trustees.
- Insurance - Types of coverage and the requirements for creation. Insurable interests. Multiple policies and coinsurance issues.
- International Transactions - Common law and civil law traditions. Treaties and compacts. Letters of Credit. The General Agreement on Tariff and Trade.