LREB 315: LAW AND THE REGULATORY ENVIRONMENT OF BUSINESS I

Fall Semester, 2014

Catalog Description:

This course examines the role of the business firm from the dual perspectives of private and public law. The foundations of law and the judicial process are observed through selective study of the law of contracts, torts, and property. Further attention is given to the legal regulation affecting the firm with emphasis placed upon the Federal Constitution, statutes, and administrative agencies. Economic/legal/public policy issues are considered in the context of the antitrust laws, environmental regulation and employment relationships.

Course Overview:

This course seeks to enhance your understanding of law as it applies to the business environment. The class will broaden one's knowledge of contract law, the application of Constitutional principles for businesses and the powers/limitations of Federal and State governments to regulate business.

Course Objectives and Learning Outcomes:

1. The student will understand and differentiate private and public law.
2. The student will understand Constitutional Law, government's ability/limitations to regulate business and the application of the Constitution to businesses.
3. The student will understand special categories of law including torts, discrimination and labor law.
4. The student will understand the Uniform Commercial Code, the basis of a contract and defenses to contractual formation.
Required Materials:


Assignments and Grading:

- There are four assignments in which students can earn grade points in this class:

  Individually Article Research & Discussion/Courtroom Review 10%
  Group Project/Presentation 30%
  Midterm Exam 20%
  Final Exam 40%
  Total 100%

Individual Article Research and Discussion and Courtroom Review (10%):

- Select a current legal article or case that is relevant to the course. Current developments/new legal mandates are primarily obtained from the WSJ, Business Week, Fortune, New York Times, US News & World Report, Fast Company, BBC World Service, CCN World News, etc.
- Print a copy and highlight the important areas.
- Write a one to two page abstract/summary of the article. Your last paragraph should be what you learned from this article. Please print off two copies of your presentation and give me one copy before you present.
- You will be scheduled to discuss your article in the class.
- The format should be:
  - Assignment cover page
  - Abstract
  - Copy of the article with highlighted areas.
- Courtroom Review – Students will observe a courtroom proceeding and then write a two-three page description of the proceedings.

Midterm Exam (20%):

- The format will be multiple choice and short answer questions.
- Closed Book/Notes.

Final Exam (40%):

- The format will be multiple choice and / or short answer questions.
- Closed Book/Notes.
**Team Project/Presentation Assignment (30%):**

- Your project will be completed as a team assignment.
- An abstract/one-page summary of the project is at the beginning of the third week of class. Please turn in a hard-copy to the instructor.
- See Term Project Handout for further details.
- Your team's presentation date will be assigned.

**Grading Policy**

Letter grades are assigned as follows:

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<thead>
<tr>
<th>GRADE</th>
<th>NUMERICAL EQUIVALENT</th>
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<tbody>
<tr>
<td>A</td>
<td>92 or above</td>
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<tr>
<td>A-</td>
<td>90-91</td>
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<td>B+</td>
<td>88-89</td>
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<td>B</td>
<td>82-87</td>
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<td>B-</td>
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<td>C+</td>
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<td>C</td>
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<td>D+</td>
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<td>D</td>
<td>60-67</td>
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<td>F</td>
<td>59 or below</td>
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**Tentative Schedule and Assignments**

<table>
<thead>
<tr>
<th>Week of*</th>
<th>Topics</th>
<th>Assignment (Chapters)</th>
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<tbody>
<tr>
<td>8/25</td>
<td>Introduction/Legal Heritage and the Information Age</td>
<td>1</td>
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<tr>
<td>9/1</td>
<td>Court Systems and Jurisdiction; Judicial Alternative, and E-Dispute Resolution</td>
<td>2, 3</td>
</tr>
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<td>9/8</td>
<td>Ethics and Social Responsibility of Business; Constitutional Law for Business and E-Commerce</td>
<td>42, 4 Appendix A</td>
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<td>9/15</td>
<td>Intentional Torts and Negligence; Product and Strict Liability</td>
<td>5, 6</td>
</tr>
<tr>
<td>9/22</td>
<td>Product and Strict Liability</td>
<td>6 (continued)</td>
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<tr>
<td>9/29</td>
<td>Small Businesses, Entrepreneurs, and General Partnerships; Corporate Formation and Financing</td>
<td>34, 36</td>
</tr>
<tr>
<td>10/6</td>
<td>Agency Formation and Termination; Liabilities</td>
<td>29, 30, 35</td>
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Principles, Agents and Independent Contractors; Limited Partnerships and Special Partnerships

**No Classes on October 6 – 7.**
*Midterm Exam will take place during the week of October 13".  

10/13  Corporate Governance and the Sarbanes-Oxley Act; Limited Liability Companies and Limited Liability Partnerships

10/20  Nature of Traditional and E-Contracts

10/27  Agreement; Consideration and Promissory Estoppel

11/3  Capacity and Legality; Genuineness of Asset and Undue Influence, Presentations

11/10  Statute of Frauds and Equitable Exceptions; Warranties, Equal Opportunity in Employment, Presentations

11/17  Presentations

11/24  Presentations

12/1  Presentations

**Final Exam  (please consult the Final Exam Schedule)**

**Team Paper/Presentation**

This project will allow your team to work on research and writing skills while learning more about a relevant course topic in depth. Your team should choose a topic related to one or more of the course objectives presented during class. The paper should be neutral in its stance – for example, if you choose to write about the Constitutional nature of the death penalty, you should present all sides of the issue. Please cite at least 6 sources other than the textbook. Properly cite all sources used.

Technical Requirements: The paper should be a minimum of 10 pages, but not to exceed 15 pages. Please use 12 point font and double-spaced each line. Include a cover page with your names, course number and course name -also include a table of contents. NOTE: the 10 page requirement does NOT include the cover page, table of contents, bibliography, or any graphics. Use 1" margins on all four sides (top, bottom, left and right) and number all pages starting with the first written page immediately following the table of contents. Your team will also present the topic to the class. Team presentations will consist of 20 minutes presentations (plus 5 minutes for Q&A). PowerPoint is recommended.
Each project must discuss the relevant facts, the applicable law(s), a court's decision and rationale (if relevant), and the students' analysis of all parties involved. You should include a brief summary from your point of view, and, cite portions of relevant statues, regulations or cases that support your point.

**Possible Topics**

- Copyright Law.
- Uniform Commercial Code ("UCC") and Contract Law.
- Constitutional Law as it relates to State Taxation.
- Agency Formation and Termination.
- Liabilities of principals, Agents and Independent Contractors.
- Sales and Lease Warranties.
- Creation of Negotiable Instruments.
- Creditor's and Debtor's Rights.
- Personal Property and Bailment.
- Accountant's Liability.
- Wills, Trusts, and Elder Law.
- International and World Trade Law.
- Privacy as a constitutional right. Is there really an inherent right to privacy? What does the right entail?
- The Enron scandal and legal/financial impacts. There are numerous other firms that have participated in various accounting frauds and other scandals (ie. You can present a paper on WorldCom, Global Crossing, Tyco, etc. and applicable laws) or Sarbanes-Oxley Act: [http://www.ffhsj.com/cmemos/020802Sarbanes.htm](http://www.ffhsj.com/cmemos/020802Sarbanes.htm)
- The state of the Bill of Rights –i.e. What does it mean to have freedom of speech, a freedom of assembly ...etc. Are there limitations or are these freedoms all encompassing?
- Firestone's tire recall (i.e. Tort of Strict Liability). Where does the liability rest regarding Firestone-Bridgestone and Ford?
- Constitutional Equality and Preferential Treatment (i.e. Discrimination Law/Employment Law).
- Defense or Condemnation of Capital Punishment.
- Dissolution of Marriage and Marriage Law in Illinois (or another state).
- Estate Law/Power of Attorney and forms that students should be familiar with in Illinois.
- Eminent Domain.
- Family Law.
- Land-Lord Tenant Law and Land Use Regulation.
- Any other legal/course related topic the team chooses (and which is approved by the instructor)

Please confirm your topic with the instructor before proceeding. The paper is due the same day as the presentation.
Your term project will be evaluated based upon:

- The paper’s content 40%
- The visual content (charts) 5%
- The quality of sources 5%
- The presentation 50% Good Luck!

Quinlan School of Business Policies

Attendance

Falling behind is probably the most common cause of poor performance. Therefore, students are expected to attend class and participate. Students are responsible for any assignments or requirements missed during an absence.

Make-Up Examinations

Loyola University academic policy provides that tests or examinations may be given during the semester or summer sessions as often as deemed advisable by the instructor. Because Quinlan faculty believe examinations represent a critical component of student learning, required examinations should be taken during the regularly scheduled class period. Make-up examinations are discouraged. Exceptions may be granted only by the faculty member or department chair, and only for unavoidable circumstances (illness verified by a signed physician's note, participation in intercollegiate athletic events, subpoenas, jury duty, military service, bereavement, or religious observance). A make-up final examination may be scheduled only with the permission of the appropriate Quinlan Assistant or Associate Dean.

If a make-up examination must be given, it is the responsibility of the faculty member to prepare, schedule, and proctor the exam. The only regular exception is for a student athlete, who may use the testing services of the Athletics Department to complete a make-up examination. For a student with a documented special testing need, please consult University policy concerning use of the testing center in Sullivan Center at Lake Shore Campus.

Academic Integrity

All members of the Quinlan School shall refrain from academic dishonesty and misconduct in all forms, including plagiarism, cheating, misrepresentation, fabrication, and falsehood. Plagiarism or cheating on the part of the student in individual or group academic work or in examination behavior will result minimally in the instructor assigning the grade of “F” for the assignment or examination. In addition, all instances of academic dishonesty must be reported to the chairperson of the department involved.

For further information about expectations for academic integrity and sanctions for violations, consult the complete Quinlan School of Business Honor Code and Statement of Academic Integrity on the Quinlan website: