



**SAM HOUSTON STATE UNIVERSITY**  
**COLLEGE OF BUSINESS ADMINISTRATION**  
**DEPARTMENT OF GENERAL BUSINESS AND FINANCE**  
**SYLLABUS – BUAD 3355.05 – BUSINESS LAW**  
**SPRING 2018**



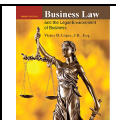
This course focuses on areas of modern commercial law as needed by business professionals in conducting business transactions in buying and selling goods and services. Common Law Contracts and negotiation strategies are presented. An examination of the Uniform Commercial Code includes Sales Law, Leasing, Commercial Paper - Negotiable Instruments, Commercial Storage and Distribution of Goods, and Transfer of Securities. Creditor's rights and U.S. Federal Bankruptcy Code are also covered. Credit 3 hours.

**SECTION(S):** BUAD 3355.05 8:00-9:20 AM TuTh SHB 306  
**PREREQUISITES:** None  
**INSTRUCTOR:** Robert (Chip) Matthews, J.D./Attorney at Law, M.Acctg./C.P.A.  
**OFFICE:** SHB 200-F  
**PHONE:** Office: 936-294-4632  
 Cell: 713-828-8803 (emergencies only)  
**EMAIL:** SHSU: rbm003@shsu.edu (best way to contact me)  
 Alternate: [rcmatt13@yahoo.com](mailto:rcmatt13@yahoo.com) (emergencies only)  
**HOURS:** Office: TuTh 9:30am-11:30pm, and We 10:00am-11:30 am and 12:30-3:30pm  
 Classes: TuTh 8:00am-9:20am and 12:30pm-3:20pm

- The most efficient and convenient means to ask questions or schedule an appointment is via email to my SHSU address. **I try to respond to all emails within 24 hours; if you have not received a response by 48 hours, please send a follow-up.** I check my voicemail less frequently, but if you call, I will call you back as soon as possible. Please remember to leave me your return phone number.
- This is a web-enhanced class. There may be a mix of in-class and web-based tests.
- **GRADING POLICY IS SUBJECT TO CHANGE AS CIRCUMSTANCES REQUIRE. CHANGES WILL BE ANNOUNCED IN CLASS AND/OR ON BLACKBOARD.**
- **I will communicate with you in class, via email, and via BlackBoard. You are responsible for knowing any and all information disseminated by any of those methods. Any information emailed to you or posted on BlackBoard will be considered as delivered as of the time that it is emailed or posted.**

#### REQUIRED TEXTS

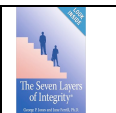
Lopez, Victor D. (2017), *Business Law and the Legal Environment of Business*, 3rd Edition, St. Paul, MN, USA: Textbook Media Press  
 ISBN-10 0-9969962-202/ISBN-13: 978-0-9969962-2-8



#### SUPPLEMENTAL READING

These are recommended, but not required.

Jones, George P., and J. Ferrill (2006), *The Seven Layers of Integrity*, Bloomington, IN, USA: Author House.  
 ISBN-10: 1420866842/ISBN-13: 978-1420866841



Strunk, William Jr., E.B. White, and R. Angell, *The Elements of Style 4th edition (August 2, 1999)*, Boston, MA, USA: Pearson.  
 ISBN-10: 020530902X/ISBN-13: 978-0205309023



Stowe, *Legal Environment Survival Handbook*, included on BlackBoard.

Students should be familiar with the *Wall Street Journal* or *Financial Times*, *Fortune* or *Business Week* or *Forbes*, and *Time* or *Newsweek* or *The Economist*.

**CAVEAT**

*The professor reserves the right to waive any of the policies and procedures in this syllabus in isolated cases, for what he believes to be good reason, based upon specific facts and circumstances. Waiver of a particular policy or procedure in one case does NOT mean or imply either:*

- *That other policies and procedures will be waived; or*
- *That the same policy or procedure will be waived in any other case or cases.*

**COURSE OBJECTIVES:**

Students will be expected to:

- Develop and recognize legal problems.
- Understand how to determine legal versus ethical issues and how the difference impacts decision-making.
- Recognize when federal and state laws impinge on personal and professional decision-making.
- Develop analytical thinking processes through application of legal concepts to resolve legal disputes.
- Have the ability to research current law, rules and regulations related to specific disputes.
- Articulate both verbally and in writing public policy implications of passed or proposed legislation.

**TOPICS COVERED:**

TOPIC	CHAPTER	TYPE	HOURS
<b>Learning fundamental principles, concepts, and theories</b>			
• History and Development of the Legal System	N/A	General Knowledge	1.5
• Ethics	Seven Levels	“	1.5
• Contracts – Nature and Terms	9	“	1.5
• Contracts – Agreement	10	“	1.5
• Contracts – Consideration	11	“	1.5
• Contracts – Capacity and Legality	12,14	“	1.5
• Contracts – Genuineness of Assent	13	“	1.5
• Contracts – Statute of Frauds	15	“	1.5
• Contracts – Third Party Rights	16	“	1.5
• Contracts – Performance and Discharge	17	“	1.5
• Contracts – Breach of Contract/Remedies	18	“	1.5
• Formation of Sales Contracts-UCC Article 2/2A	19	“	1.5
• Rights and Duties of Parties - Title, Risk and Insurable Interest	20	“	1.5
• Warranties and Product Liability	21	“	1.5
• Performance/Breach of Sales and Lease Contracts	22	“	1.5
• Function and Creation of Negotiable Instruments-UCC Article 3	23	“	1.5
• Transferability and Holder In Due Course	24	“	1.5
• Liability, Defenses and Discharge	25	“	1.5
• Checks and the Banking System		“	1.5
• Secured Transactions-UCC Article 9	26	“	1.5
• Bankruptcy/Liquidation/Reorganization	27	“	1.5
• Introduction to International Business Law		“	1.5
<b>Learning to apply course materials</b>			
• Group application projects		Application	3.5
<b>Acquiring skills working with others as a team</b>			
• Group application projects		“	3.5
<b>Learning to analyze and evaluate ideas critically</b>			
• Group application projects		“	3.5
			45.0

**Tentative and Preliminary Assignment and Examination Schedule Included as Attachment 1**

## GRADING POLICY

Minimum score for each grade is the lower of:		Grading will be based on the following:	
A	89.5 points, or class median plus 10 points	Exams	50 points
B	79.5 points, or class median	Participation/quizzes	25 points
C	69.5 points, or class median minus 10 points	Projects	25 points
D	59.5 points	TOTAL	100 points
F	Below 59.5 points		

Further information about each of these components is as follows:

**EXAMS (50%)** – 4 tests, highest 3 grades count. 3 open book, closed-notes exams (1/4 term, midterm, 3/4 term) plus comprehensive, cumulative, closed-book, closed-notes end of semester exam. If you miss a test, makeups are allowed only if you missed it because of a university sponsored function (varsity game, student organization convention, university representative at other events); otherwise, that is the test you drop.

**PARTICIPATION (25%)** – Quizzes, case recitals, and class discussion. 1) The first 5 minutes of class will be used not for a short quiz to review the previous class lesson. **Quizzes cannot be made up.** 2) Each chapter contains 4 to 5 hypothetical cases. These cases will be taught using the Socratic method of recitation, similar to law school. You will be expected to recite in class, alphabetically. You will be expected to discuss the case using the FIRE, “Facts – Issues – Resolution – Explanation,” method that will be taught in class. If I call on you and you are not prepared, you will receive a 2 point penalty to your overall participation grade. 3) If you are absent, your participation score will be zero for that date. I will not publish a schedule but will work through the class alphabetically. You are responsible for knowing where we are and being prepared. *EXAMPLE: If we cover Chapter 15 in class today, then the next class period we will have a quiz on Chapter 15 and students will recite cases from Chapter 15. Be ready for a quiz. If we are close to your name alphabetically, be ready to recite.*

**TEAM PROJECTS (25%)** – You will be assigned to a team in the first week of class and each team will complete and turn in four team projects during the semester – ethics, contracts, UCC, and negotiable instruments. These projects involve application of principles taught in class. Team projects will receive a base grade composed 10% of English grammar, 30% for factual analysis, and 60% for critical thinking, and individual team member scores may be adjusted up or down from the norm, based upon input from team members and my review of BlackBoard team work spaces. The fourth team project will be submitted as your final.

**EXTRA CREDIT** – For extra credit, or credit for an honors project if you participate in the Honors College, submit a research paper on a current legal issue. Topics can be from current legal controversies with prior approval. Paper must be 8-10 pages in length, including footnotes and references, double spaced, 11 or 12 point font and 1 inch margins, and will require you to cite at least 10 outside sources, including at least 3 news articles, at least 3 statutes, and at least 3 court decisions. Your paper must 1) thoroughly document the issue, including various options, 2) include the minimum number of references with proper citation both within the paper text and in an ending listing of references, 3) discuss various arguments in favor or opposed to each option, and 4) state your own conclusion and justify it. Extra credit will be tied to attendance, as follows.

If you have	Your bonus (added to final grade)
Zero absences, and complete the extra credit project satisfactorily	5 points
1 absence, and complete the extra credit project satisfactorily	3 points
2 absences, and complete the extra credit project satisfactorily	1 point
3 or more absences	No extra credit.

*EXAMPLE – Suppose you make 80, 75, 70, and 60 on your four tests, for an average of your three highest tests of 75 (80+75+70, divided by 3). You have 100% participation and average 88 on team projects, and you write a satisfactory paper for the extra credit assignment. Your course grade is*

*Exams*             $50\% \times 75 =$             *37.5 points, plus*

*Participation*     $25\% \times 100 =$             *25.0 points, plus*

*Projects*             $25\% \times 88 =$             *22.0 points,*

*for a total of 84.5 points, plus the 5 point bonus gives you 89.5, or an A for the course.*

**CAVEAT**

*The professor reserves the right to waive any of the policies and procedures in this syllabus in isolated cases, for what he believes to be good reason, based upon specific facts and circumstances. Waiver of a particular policy or procedure in one case does NOT mean or imply either:*

- That other policies and procedures will be waived; or*
- That the same policy or procedure will be waived in any other case or cases*

**CLASS RULES AND POLICIES**

You can find a more detailed description of university policies in the current SHSU catalog. In order to facilitate a positive classroom environment, please observe the following:

- University regulations prohibit smoking, food or drink in the classroom.
- Class will start promptly at the assigned time.

If you have concerns about this class, please come by to talk with me first. If you are not satisfied with our discussion, then I will gladly go with you to the next level of administration.

The following topics will be handled in accordance with the indicated policy numbers in the Student Policy Manual, which are incorporated herein by reference:

**Student Policy Manual**

<b>Policy Title</b>	<b>Policy Number</b>	<b>Year Revised</b>
Academic Grievance Procedures for Students	<a href="#">900823</a>	2006
Admission Standards for Undergraduate Students	<a href="#">840502</a>	2015
Class Attendance	<a href="#">800401</a>	2015
Students with Disabilities/Challenges	<a href="#">811006</a>	2014
Enrollment and Facilities Use Policy	<a href="#">030603</a>	Original
Graduating with Honors	<a href="#">030325</a>	Original
Posthumous Recognition of Students	<a href="#">830824</a>	2005
Academic Honesty and Procedures in Cases of Academic Dishonesty	<a href="#">810213</a>	2006
Reproducing of Hard Copy Student Academic Records from the Computer Data Bank	<a href="#">830823</a>	2005
Religious Holy Days and Student Absences on Such Days	<a href="#">861001</a>	2004
Student Educational Records	<a href="#">810806</a>	2008
Student Resignations	<a href="#">990407</a>	2007

**BASIC GUIDANCE**

*You should care enough about yourself to do what you need to do to make the best grade possible in this course; if you don't, then the least you can do is to care enough about your classmates not to interfere with their opportunity to do so.*

The following provisions amplify those policies.

**ATTENDANCE POLICY**

Attendance is expected as is stated in the latest Sam Houston State University catalog. The following specific provisions apply to this particular class only:

- Lateness Rule - Attend every class that you can, even if you are late. The intent is to encourage you to come to class. Frequent or repeated tardiness may result in penalty.
- Makeup Tests - There will be 3 or 4 tests during the semester, some or all of which may be unscheduled. Your lowest test score will be dropped as long as you pass the final. There will be no makeup tests.
- Excused Absences - There are no excused absences except for attendance at official university functions. You are either present or absent. If you advise in advance of days that you will be required to miss, I will make

- reasonable efforts to accommodate you, but there are no guarantees.
- Sign-in Sheet - Attendance will be taken via a sign-up sheet. It is not a seating chart. You may not sign in for another student who is not present. If you are late to a class, you may sign in after class.

### **ACADEMIC HONESTY**

Issues involving academic honesty will be addressed in accordance with paragraph 5.3, Chapter VI, of the Rules and Regulations, Board of Regents, The Texas State University System, and Sam Houston State University Student Guidelines published by the Office of Student Life.

### **RELIGIOUS HOLY DAYS**

Section 51.911(b) of the Texas Education Code requires that an institution of higher education excuse a student from attending classes or other required activities, including examinations, for the observance of a religious holy day, including travel for that purpose. Section 51.911 (a) (2) defines a religious holy day as: “a holy day observed by a religion whose places of worship are exempt from property taxation under Section 11.20....” A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to take an examination or complete an assignment from which the student is excused within a reasonable time after the absence. University policy 861001 provides the procedures to be followed by the student and instructor. A student desiring to absent himself/herself from a scheduled class in order to observe (a) religious holy day(s) shall present to each instructor involved a written statement concerning the religious holy day(s). The instructor will complete a form notifying the student of a reasonable timeframe in which the missed assignments and/or examinations are to be completed.

***My 30 years of experience in the business community has led me to believe that universities do a poor job of preparing students for the “real world” in the following areas:***

- ***Working together with others in a group***
- ***Verbal expression and presentations***
- ***Written expression***
- ***Thinking outside the box***
- ***Understanding and applying ethics***

***This course is specifically and intentionally designed to address each of those areas.***

## COURSE EXPECTATIONS

The table below clarifies the minimum responsibilities of, respectively, students and the instructor in this class. Failure to meet with these responsibilities will diminish students' educational experience, performance, and/or course grade.

STUDENT RESPONSIBILITIES	FACULTY RESPONSIBILITIES
1. Responsible for his/her own educational achievement.	1. Responsible for facilitating a classroom learning environment in which all students have an opportunity to achieve the course learning outcomes.
2. Responsible for coming to all class sessions fully prepared to participate in discussions and/or activities scheduled for the period, including reviewing all assigned readings, completing class preparation assignments, assigned homework, and/or other preparatory tasks assigned.	2. Responsible for ensuring that class preparation assignments, homework, etc., are relevant to the planned topic for the class and overall course objectives, and for communicating relevance to students if questioned.
3. Responsible for asking relevant questions about course concepts they do not understand, and if necessary, for arranging to meet with the instructor during office hours.	3. Responsible for responding appropriately and professionally to student inquiries about course concepts, and – if required – consulting privately with students during office hours.
4. Responsible for making instructor aware, as possible, of any special learning needs which the instructor should know in order to properly perform his/ her professional responsibilities. If a student requires special ADA accommodations, he/she is responsible for contacting appropriate persons to discuss needs.	4. Responsible for: (a) complying with all applicable laws, regulations and SHSU policies with regard to students with academic learning challenges, and (b) taking reasonable steps to assist or counsel students in general regarding means of maximizing their educational achievement in the class.
5. Responsible for understanding the performance standards established for the course, and for accepting that such standards will be applied equally to all students in the interest of professional fairness and equity.	5. Responsible for measuring student outcome achievement against performance standards appropriate to the level of the course, and for communicating these standards and expectations to students.
6. Responsible for compliance with SHSU policies regarding academic integrity, and for accepting the consequences of violations thereof.	6. Responsible for discussing the SHSU policy regarding academic honesty, cheating, and/or plagiarism, the reasons for the policy, and standard protocols for attributing the original work of others.
7. Responsible for submitting all assignments and completing all examinations in a timely manner, with the understanding that penalties will be assessed for late and/or overtime completion of work.	7. Responsible for timely grading of work submitted (objective=1 week), assessing penalties for late/overtime submissions, determining whether extensions are reasonably justified, and responding to student requests in timely manner (objective= 48 hours).

### **YOUR PROFESSOR**

Robert (Chip) Matthews is licensed in Texas as both an attorney and a CPA. He received B.A. (Math/Economics) and Master of Accounting degrees from Rice University, Houston, Texas, and a J.D. from the University of Houston Law Center, Houston, Texas. He has worked for two major international public accounting and consulting firms, been a senior analyst in utility and municipal finance with an engineering and construction management firm, manager of plans and budgets with a multi-national manufacturing company, and sole practitioner with his own accounting and law firms. He has most recently been vice-president and shareholder in the largest privately-held consultin firm in the areas of accounting, finance, and information technology the United States. His clients have primarily been in the energy, public utility, government, healthcare, financial institutions, real estate, and construction industries. He has taught accounting, law, and business administration at the university level. He is a retired Commander, U.S. Naval Reserve, and his leisure interests include sports, travel, and music.

### Attachment 1 – Tentative and Preliminary Class Schedule

***Warning: This schedule is tentative and changes can be expected. Changes will be announced verbally in class and may also be announced by e-mail and on BlackBoard.***

WK	DATE(S)	TUESDAY	THURSDAY
1	17-19 Jan		Course Introduction and History of Law Diagnostic Test
2	22-26 Jan	Ethics Team Assignments	CONTRACTS Chapter 9 – Contracts - Nature and Terms
3	29 Jan-02 Feb	Chapter 10 – Contracts – Agreement, Offer and Acceptance	Chapter 11 – Contracts – Consideration
4	05-09 Feb	Chapter 12 – Contracts – Capacity Chapter 14 – Contracts – Legality	ETHICS TEAM PROJECT DUE Chapter 13 – Contracts –Genuine Assent
5	12-16 Feb	Chapter 15 – Contracts – Statute of Frauds – Writing Requirement	Review/catch-up day
6	19-23 Feb	QUARTER-TERM EXAM – Chapters 10-15	Chapter 16 – Contracts – Third Party Rights
7	26 Feb-02 Mar	Chapter 17 – Contracts – Performance and Breach	Chapter 18 – Contracts – Remedies
8	05-09 Mar	UNIFORM COMMERCIAL CODE Chapter 19 – Formation of Sales and Lease Contracts/UCC Articles 2/2A	CONTRACTS TEAM PROJECT DUE Chapter 20 – Rights and Duties of Parties in Sales and Lease Contracts
	12-16 Mar	Spring Break	
9	19-23 Mar	Chapter 21 – Warranties	Chapter 22 – Remedies for Breach
10	26-30 Mar	Review/catch-up day	MID-TERM EXAM – Chapters 16-21 and review
11	02-06 Apr	Chapter 23 – UCC Article 3 – Negotiable Instruments	Chapter 24 – Transfer and Negotiation of Negotiable Instruments
12	09-13 Apr	Chapter 25 – Liability, Defenses and Discharge	UCC PROJECT DUE Checks and the Banking System
13	16-20 Apr	Review/catch-up day	3/4 TERM EXAM – Chapters 22-25 and review
14	23-27 Apr	Chapter 26 – UCC Article 9 – Secured Transactions	BANKRUPTCY Chapter 27 – Liquidation, Reorganization, and Adjustment of Debts
15	30 Apr-04 May	International Business Law	COMPREHENSIVE FULL-TERM EXAM
16	08 May	8:00-10:00 am NEGOTIABLE INSTRUMENTS PROJECT DUE	



## Attachment 2 – Student Acknowledgement and Information Sheet

The following information is requested by your professor to assist in the proper administration of this class. Answering the questionnaire is voluntary. Signing the acknowledgement is mandatory. In the following, “you” and other second person pronouns refer to the student, “I” and other first person pronouns refer to the professor.

Your name per University records	
You prefer to be called (indicate pronunciation fo-NET-ik-lee).	
Your contact telephone number	
During this semester, you are living	___ in the Huntsville area, or ___ approximately ___ miles away in
Your secondary email address	
Your emergency contact	Name _____ Telephone and area code _____
Your major/minor	
# of hours of academic work you have completed before this semester	
# of hours that you work per week	
What you want to get out of this course	
Please indicate any special needs or concerns	

You have been provided a copy of syllabus for Dr. Matthews’s BUAD 3355 class, you have read it and understand it, and you agree to abide by its provisions, including but not limited to the following:

1. Excessive absences will result in failure
2. Grades will be assigned in accordance with the grading policy
3. Class rules and policies will be followed.
4. Any and all information received from Dr. Matthews, including personal examples or questions, is given only to further instructional purposes, and does not constitute legal advice and should not be construed as or relied upon as legal advice.

Your signature below evidences your agreement with the above:

Signed \_\_\_\_\_ Date \_\_\_\_\_

BUAD3355\_Syllabus  
Revised: 1/17/18