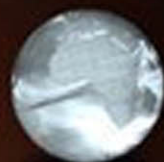


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Henry R. Cheeseman

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GLOBAL EDITION

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Professor Emeritus of Business Law

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Students and Professors



University of Chicago

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BRIEF CONTENTS

PREFACE	27
Part I LEGAL, ETHICAL, AND DIGITAL ENVIRONMENT	33
1 Legal Heritage and the Digital Age	34
2 Constitutional Law for Business and E-Commerce	51
3 Courts and Jurisdiction	72
4 Judicial, Alternative, Administrative, and E-Dispute Resolution	93
5 Intentional Torts and Negligence	117
6 Criminal Law and Cyber Crimes	137
7 Intellectual Property and Cyber Piracy	162
8 Ethics and Social Responsibility of Business	186
Part II CONTRACTS AND E-COMMERCE	201
9 Nature of Traditional and E-Contracts	202
10 Agreement and Consideration	215
11 Capacity and Legality	233
12 Genuineness of Assent and Statute of Frauds	249
13 Third-Party Rights and Discharge	267
14 Breach of Contract and Remedies	284
15 Digital Law and E-Commerce	302
Part III SALES AND LEASE CONTRACTS AND PRODUCT LIABILITY	317
16 Formation of Sales and Lease Contracts	318
17 Title to Goods and Risk of Loss	332
18 Remedies for Breach of Sales and Lease Contracts	344
19 Warranties and Product Liability	358
Part IV NEGOTIABLE INSTRUMENTS, BANKING, AND ELECTRONIC FINANCIAL TRANSACTIONS	379
20 Creation and Transfer of Negotiable Instruments	380
21 Holder in Due Course and Liability of Parties	398
22 Banking System and Electronic Financial Transactions	410
Part V CREDIT, SECURED TRANSACTIONS, AND BANKRUPTCY	427
23 Credit, Real Property Financing, and Secured Transactions	428
24 Bankruptcy and Reorganization	448
Part VI BUSINESS ORGANIZATIONS, CORPORATE GOVERNANCE, AND INVESTOR PROTECTION	469
25 Agency Law	470
26 Small Business, Entrepreneurship, and Partnerships	489
27 Corporate Formation and Financing	509
28 Corporate Governance and Sarbanes-Oxley Act	529
29 Corporate Acquisitions and Multinational Corporations	547
30 Limited Liability Companies and Limited Liability Partnerships	563
31 Franchise and Special Forms of Business	580
32 Investor Protection, E-Securities, and Wall Street Reform	595
Part VII GOVERNMENT REGULATION AND EMPLOYMENT LAW	619
33 Antitrust Law and Unfair Trade Practices	620
34 Consumer Safety and Environmental Protection	638
35 Labor, Worker Protection, and Immigration Laws	660
36 Equal Opportunity in Employment	679
Part VIII PROPERTY, INSURANCE, AND ESTATES	701
37 Personal Property, Bailment, and Insurance	702
38 Real Property, Landlord-Tenant Law, and Land Use Regulation	721
39 Family Law, Wills, and Trusts	744
Part IX ACCOUNTING PROFESSION	767
40 Accountants' Duties and Liability	768
Part X GLOBAL ENVIRONMENT	785
41 International and World Trade Law	786
Appendix THE CONSTITUTION OF THE UNITED STATES OF AMERICA	809
CASE INDEX	817
SUBJECT INDEX	821

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CONTENTS

PREFACE	27
---------	----

Part I LEGAL, ETHICAL, AND DIGITAL ENVIRONMENT 33

1 LEGAL HERITAGE AND THE DIGITAL AGE 34

Introduction to Legal Heritage and The Digital Age	35
What Is Law?	35
Definition of <i>Law</i>	35
Functions of the Law	36
Fairness of the Law	36
Flexibility of the Law	37
Landmark U.S. Supreme Court Case · <i>Brown v. Board of Education</i>	37
Schools of Jurisprudential Thought	38
Natural Law School	38
Historical School	38
Analytical School	38
Sociological School	38
Command School	39
Critical Legal Studies School	39
Law and Economics School	39
Global Law · <i>Command School of Jurisprudence of Cuba</i>	40
History of American Law	40
English Common Law	41
Landmark Law · <i>Adoption of English Common Law in America</i>	41
Global Law · <i>Civil Law System of France and Germany</i>	42
Sources of Law in the United States	42
Constitutions	42
Treaties	42
Federal Statutes	43
Contemporary Environment · <i>How a Bill Becomes Law</i>	43
State Statutes	44
Ordinances	44
Executive Orders	44
Regulations and Orders of Administrative Agencies	44
Judicial Decisions	45
Priority of Law in the United States	46
Digital Law · <i>Law in the Digital Age</i>	46
Critical Legal Thinking	46
Defining <i>Critical Legal Thinking</i>	46
Socratic Method	47
IRAC Method	47
U.S. Supreme Court Case	47
Case 1.1 · U.S. Supreme Court Case · <i>Voting Rights Act</i> · <i>Shelby County, Texas v. Holder</i>	48
Key Terms and Concepts	49
Critical Legal Thinking Cases	49
Ethics Cases	49
Notes	50

2 CONSTITUTIONAL LAW FOR BUSINESS AND E-COMMERCE 51

Introduction to Constitutional Law for Business and E-Commerce	52
Constitution of the United States of America	52
Federalism and Delegated Powers	53

Doctrine of Separation of Powers	53
Checks and Balances	53
Supremacy Clause	54
Case 2.1 · U.S. Supreme Court Case · <i>Supremacy Clause</i> · <i>Mutual Pharmaceutical Company, Inc. v. Bartlett</i>	55
Commerce Clause	55
Commerce with Native Americans	56
Foreign Commerce	56
Interstate Commerce	57
Landmark U.S. Supreme Court Case · <i>Heart of Atlanta Motel v. United States</i>	57
State Police Power	58
Dormant Commerce Clause	58
E-Commerce and the Constitution	58
Digital Law · <i>E-Commerce and the Commerce Clause</i>	59
Bill of Rights and other Amendments to the U.S. Constitution	59
Freedom of Speech	60
Fully Protected Speech	60
Case 2.2 · U.S. Supreme Court Case · <i>Free Speech and Violent Video Games</i> · <i>Brown, Governor of California v. Entertainment Merchants Association</i>	60
Limited Protected Speech	61
Unprotected Speech	62
Case 2.3 · U.S. Supreme Court Case · <i>Free Speech</i> · <i>Snyder v. Phelps</i>	63
Freedom of Religion	63
Establishment Clause	64
Free Exercise Clause	64
Equal Protection	64
Standards of Review	65
Case 2.4 · U.S. Supreme Court Case · <i>Equality</i> · <i>United States v. Windsor</i>	65
Due Process	66
Substantive Due Process	67
Procedural Due Process	67
Privileges and Immunities	68
Global Law · <i>Human Rights Violations in Syria</i>	68
Key Terms and Concepts	69
Critical Legal Thinking Cases	69
Ethics Cases	70
Notes	70

3 COURTS AND JURISDICTION 72

Introduction to Courts and Jurisdiction	73
State Court Systems	73
Limited-Jurisdiction Trial Courts	73
General-Jurisdiction Trial Courts	73
Intermediate Appellate Courts	74
Highest State Court	74
Business Environment · <i>Delaware Courts Specialize in Business Disputes</i>	77
Federal Court System	77
Special Federal Courts	77
Contemporary Environment · <i>Foreign Intelligence Surveillance Court (FISA Court)</i>	78
U.S. District Courts	78
U.S. Courts of Appeals	78
Supreme Court of the United States	79
Contemporary Environment · <i>Process of Choosing a U.S. Supreme Court Justice</i>	80

Jurisdiction of the U.S. Supreme Court 80
 Decisions of the U.S. Supreme Court 80
 Contemporary Environment · *“I’ll Take You to the U.S. Supreme Court!”* 82
Jurisdiction of Federal Courts 82
 Federal Question 82
 Diversity of Citizenship 83
 Case 3.1 · U.S. Supreme Court Case · *Diversity of Citizenship* ·
 Hertz Corporation v. Friend 84
 Jurisdiction of State Courts 84
Standing to Sue, Jurisdiction, and Venue 85
 Standing to Sue 85
In Personam Jurisdiction 85
 Case 3.2 · Federal Court Case · *Service of Process* ·
 Facebook, Inc. v. Banana Ads LLC 85
 Long-Arm Statute 86
 Landmark U.S. Supreme Court Case · *International Shoe Company v. State of Washington* 86
In Rem Jurisdiction 87
Quasi In Rem Jurisdiction 87
 Venue 88
 Forum-Selection and Choice-of-Law Clauses 88
Jurisdiction in Cyberspace 88
 Case 3.3 · Federal Court Case · *Jurisdiction over an Internet Seller* · Chanel, Inc. v. Banks 89
 Global Law · *Judicial System of Japan* 90
Key Terms and Concepts 90
Critical Legal Thinking Cases 91
Ethics Cases 92
Notes 92

4 JUDICIAL, ALTERNATIVE, ADMINISTRATIVE, AND E-DISPUTE RESOLUTION. 93

Introduction to Judicial, Alternative, Administrative, and E-Dispute Resolution. 94
Pretrial Litigation Process 94
Pleadings 94
 Complaint and Summons 95
 Answer 95
 Cross-Complaint and Reply 96
 Intervention and Consolidation 96
 Class Action 96
 Case 4.1 · U.S. Supreme Court Case · *Class Action Lawsuit* ·
 Wal-Mart Stores, Inc. v. Dukes 97
 Statute of Limitations 98
Discovery 98
 Deposition 98
 Interrogatories 98
 Production of Documents 98
 Physical or Mental Examination 99
 Case 4.2 · State Court Case · *Discovery* ·
 Averyt v. Wal-Mart Stores, Inc. 99
Pretrial Motions 100
 Motion for Judgment on the Pleadings 100
 Motion for Summary Judgment 100
 Case 4.3 · State Court Case · *Summary Judgment* ·
 Murphy v. McDonald’s Restaurants of Ohio 101
Settlement Conference 101
 Contemporary Environment · *Cost-Benefit Analysis of a Lawsuit* 102
Trial 102
 Jury Selection 103
 Opening Statements 103
 The Plaintiff’s Case 103
 The Defendant’s Case 103
 Rebuttal and Rejoinder 103

Closing Arguments 103
 Jury Instructions, Deliberation, and Verdict 104
 Entry of Judgment 104
E-Courts 104
Appeal 105
 Case 4.4 · U.S. Supreme Court Case · *Appeal* ·
 Cavazos, Acting Warden v. Smith 105
 Global Law · *Indian Legal System* 106
Alternative Dispute Resolution 107
 Negotiation 107
 Arbitration 107
 Landmark Law · *Federal Arbitration Act* 108
 Arbitration Procedure 108
 Mediation 108
 Case 4.5 · U.S. Supreme Court Case · *Arbitration* ·
 Nitro-Lift Technologies, L.L.C. v. Howard 109
 Critical Legal Thinking Case · *Class Action Waiver* ·
 AT&T Mobility LLC v. Concepcion 110
E-Dispute Resolution 110
Administrative Law 111
 Cabinet-Level Departments 111
 Federal Administrative Agencies 112
 Landmark Law · *Administrative Procedure Act* 112
 Administrative Law Judge 112
 Delegation of Powers 112
 State and Local Administrative Agencies 112
 Judicial Review of Administrative Agency Actions 113
 Global Law · *Solving Tribal Disputes, Mali, West Africa* 113
Key Terms and Concepts 114
Critical Legal Thinking Cases 114
Ethics Cases 115
Notes 116

5 INTENTIONAL TORTS AND NEGLIGENCE. 117

Introduction to Intentional Torts and Negligence 118
Intentional Torts 118
 Assault 118
 Battery 118
 False Imprisonment 119
 Shoplifting and Merchant Protection Statutes 119
 Case 5.1 · State Court Case · *False Imprisonment* · Wal-Mart
 Stores, Inc. v. Cockrell 119
 Misappropriation of the Right to Publicity 120
 Invasion of the Right to Privacy 120
 Defamation of Character 121
 Disparagement 121
 Intentional Misrepresentation (Fraud) 121
 Intentional Infliction of Emotional Distress 122
 Malicious Prosecution 122
Unintentional Torts (Negligence) 123
 1. Duty of Care 123
 2. Breach of the Duty of Care 124
 Ethics · *Ouch! McDonald’s Coffee Is Too Hot!* 124
 3. Injury to Plaintiff 125
 4. Actual Cause 125
 Case 5.2 · State Court Case · *Negligence* ·
 Carter v. Indianapolis Power & Light Company
 and Indiana Bell Telephone Company, Inc. 126
 5. Proximate Cause 126
 Critical Legal Thinking Case · *Proximate Cause* ·
 Palsgraf v. The Long Island Railroad Company 127
 Case 5.3 · Federal Court Case · *Duty of Care* ·
 James v. Meow Media, Inc. 128
Special Negligence Doctrines 128
 Professional Malpractice 128

Negligent Infliction of Emotional Distress	129
Negligence <i>Per Se</i>	129
<i>Res Ipsa Loquitur</i>	129
Attractive Nuisance Doctrine	130
Case 5.4 • State Court Case • Negligence •	
Choate v. Indiana Harbor Belt Railroad Company	130
Good Samaritan Laws	131
Defenses Against Negligence	132
Superseding or Intervening Event	132
Assumption of the Risk	132
Case 5.5 • State Court Case • Assumption of the Risk •	
Lilya v. The Greater Gulf State Fair, Inc.	132
Contributory and Comparative Negligence	133
Strict Liability	134
Key Terms and Concepts	134
Critical Legal Thinking Cases	134
Ethics Cases	136
Notes	136
6 CRIMINAL LAW AND CYBER CRIMES	137
Introduction to Criminal Law and Cyber Crimes	138
Definition of a Crime	138
Penal Codes and Regulatory Statutes	138
Parties to a Criminal Action	139
Classification of Crimes	139
Intent Crimes	140
Nonintent Crimes	141
Contemporary Environment • Criminal Acts as	
the Basis for Tort Actions	141
Criminal Procedure	141
Arrest	141
Indictment or Information	142
Arrest	143
Plea Bargain	144
Criminal Trial	144
Common Crimes	144
Murder	144
Case 6.1 • State Court Case • Murder • State of Ohio v. Wilson	145
Robbery	146
Burglary	146
Larceny	146
Theft	147
Receiving Stolen Property	147
Arson	147
Business and White-Collar Crimes	147
Forgery	147
Embezzlement	148
Bribery	148
Extortion	148
Criminal Fraud	148
Mail Fraud and Wire Fraud	149
Money Laundering	149
Racketeer Influenced and Corrupt Organizations Act (RICO)	149
Criminal Conspiracy	150
Business Environment • Corporate Criminal Liability	150
Cyber Crimes	151
Information Infrastructure Protection Act (IIP Act)	151
Digital Law • Internet and Identity Theft	151
Counterfeit Access Device and Computer Fraud	
and Abuse Act (CFAA)	152
Case 6.2 • Federal Court Case • Computer Crimes •	
United States v. Barrington	152
Fourth Amendment Protection Against Unreasonable	
Search and Seizure	153
Exclusionary Rule	153
Case 6.3 • U.S. Supreme Court Case • Search • Maryland v. King	153
Searches of Business Premises	154
Critical Legal Thinking Case • Exclusionary Rule • Arizona v. Gant	154
Fifth Amendment Privilege Against Self-Incrimination	155
Miranda Rights	155
Attorney–Client Privilege and Other Privileges	156
Immunity from Prosecution	157
Other Constitutional Protections	157
Fifth Amendment Protection Against Double Jeopardy	157
Sixth Amendment Right to a Public Jury Trial	157
Eighth Amendment Protection Against Cruel and	
Unusual Punishment	158
Global Law • Iran Imposes More Death Sentences than Any	
Other Country	158
Key Terms and Concepts	158
Critical Legal Thinking Cases	159
Ethics Cases	160
Notes	161
7 INTELLECTUAL PROPERTY AND	
CYBER PIRACY	162
Introduction to Intellectual Property and Cyber Piracy	163
Intellectual Property	163
Trade Secret	164
Reverse Engineering	164
Civil Trade Secret Law: Misappropriation of a Trade Secret	164
Criminal Trade Secret Law: Economic Espionage Act	165
Ethics • Coca-Cola Employee Tries to Sell Trade Secrets	
to Pepsi-Cola	165
Patent	165
U.S. Court of Appeals for the Federal Circuit	166
Patent Application	166
Subject Matter That Can Be Patented	166
Requirements for Obtaining a Patent	167
Case 7.1 • U.S. Supreme Court Case • Patent • Association for	
Molecular Pathology v. Myriad Genetics, Inc.	168
Patent Period	168
Provisional Patent Application	169
Patent Infringement	169
Design Patent	169
Contemporary Environment • Leahy-Smith America	
Invents Act (AIA)	170
Copyright	170
Tangible Writing	171
Registration of Copyrights	171
Copyright Period	171
Civil Copyright Law: Copyright Infringement	172
Critical Legal Thinking Case • Cyber Piracy • BMG Music v. Gonzalez	173
Fair Use Doctrine	173
Case 7.2 • U.S. Supreme Court Case • Copyright •	
Kirtsaeng v. John Wiley & Sons, Inc.	174
Criminal Copyright Law: No Electronic Theft Act	174
Digital Law • Digital Millennium Copyright Act	175
Trademark	175
Registration of a Mark	175
Types of Marks	176
Distinctiveness or Secondary Meaning	178
Trademark Infringement	178
Case 7.3 • Federal Court Case • Trademark Infringement • Intel	
Corporation v. Intelsys Software, LLC	178
Generic Names	179
Diluting, Blurring, or Tarnishing Trademarks	181
Case 7.4 • Federal Court Case • Dilution of a Trademark • V Secret	
Catalogue, Inc. and Victoria's Secret Stores,	
Inc. v. Moseley	182
Key Terms and Concepts	182
Global Law • International Protection of Intellectual Property	183
Critical Legal Thinking Cases	184
Ethics Cases	185
Notes	185

8 ETHICS AND SOCIAL RESPONSIBILITY OF BUSINESS 186

Introduction to Ethics and Social Responsibility of Business	187
Ethics and the Law	187
Case 8.1 · U.S. Supreme Court Case · <i>Business Ethics</i> · Wal-Mart Stores, Inc. v. Samara Brothers, Inc.	188
Business Ethics	188
Ethical Fundamentalism	188
Critical Legal Thinking Case · <i>Whistleblower Statute</i> · United States ex. rel. Estate of George Coutu v. Bayer Corporation	189
Utilitarianism	189
Kantian Ethics	190
Rawls's Social Justice Theory	190
Ethical Relativism	191
Ethics · <i>Bernie Madoff Steals Billions of Dollars in Fraudulent Investment Scheme</i>	191
Social Responsibility of Business	192
Maximize Profits	192
Ethics · <i>Is the Outsourcing of U.S. Jobs to Foreign Countries Ethical?</i>	193
Moral Minimum	194
Stakeholder Interest	194
Corporate Citizenship	194
Ethics · <i>Sarbanes-Oxley Act Requires Public Companies to Adopt Codes of Ethics</i>	194
Case 8.2 · Supreme Court Case · <i>Humanitarian Violations</i> · <i>Kiobel v. Royal Dutch Petroleum Company</i>	196
Global Law · <i>Conducting Business in Algeria</i>	197
Key Terms and Concepts	198
Critical Legal Thinking Cases	198
Ethics Cases	198
Notes	200

Part II CONTRACTS AND E-COMMERCE 201

9 NATURE OF TRADITIONAL AND E-CONTRACTS 202

Introduction to Nature of Traditional and E-Contracts	203
Definition of a Contract	203
Parties to a Contract	203
Elements of a Contract	204
Defenses to the Enforcement of a Contract	204
Sources of Contract Law	204
Common Law of Contracts	204
Uniform Commercial Code (UCC)	204
The Restatement of the Law of Contracts	205
Objective Theory of Contracts	205
Case 9.1 · Federal Court Case · <i>Contract</i> · Facebook, Inc. v. Winklevoss	205
E-Commerce	206
Digital Law · <i>Electronic Contracts and Licenses</i>	207
Classifications of Contracts	207
Bilateral and Unilateral Contracts	207
Formal and Informal Contracts	208
Valid, Void, Voidable, and Unenforceable Contracts	208
Executed and Executory Contracts	209
Express and Implied Contracts	209
Express Contract	209
Implied-in-Fact Contract	209
Case 9.2 · Federal Court Case · <i>Implied-in-Fact Contract</i> · Wrench LLC v. Taco Bell Corporation	209
Implied-in-Law Contract (Quasi-Contract)	210

Equity	211
Critical Legal Thinking Case · <i>Equity</i> · Romasanta v. Mitton	212
Global Law · <i>International Contract Law in India</i>	212
Key Terms and Concepts	213
Critical Legal Thinking Cases	213
Ethics Cases	214
Notes	214

10 AGREEMENT AND CONSIDERATION . . . 215

Introduction to Agreement and Consideration	216
Agreement	216
Offer	216
Express Terms	217
Implied Terms	217
Communication of an Offer	217
Case 10.1 · Federal Court Case · <i>Contract</i> · Marder v. Lopez	218
Special Offers	218
Advertisements	218
Rewards	219
Auctions	219
Termination of an Offer	220
Revocation of an Offer by the Offeror	220
Rejection of an Offer by the Offeree	220
Counteroffer by the Offeree	220
Case 10.2 · State Court Case · <i>Counteroffer</i> · Ehlen v. Melvin	221
Business Environment · <i>Option Contract</i>	221
Termination of an Offer by Operation of Law	222
Acceptance	223
Who Can Accept an Offer?	223
Unequivocal Acceptance	223
Mirror Image Rule	223
Time of Acceptance	224
Mode of Acceptance	224
Consideration	225
Requirements of Consideration	225
Gift Promise	225
Case 10.3 · State Court Case · <i>Gifts and Gift Promises</i> · Cooper v. Smith	226
Promises That Lack Consideration	226
Illegal Consideration	227
Illusory Promise	227
Preexisting Duty	227
Past Consideration	227
Business Environment · <i>Special Business Contracts</i>	228
Settlement of Claims	228
Equity: Promissory Estoppel	228
Global Law · <i>Contract Law of China</i>	229
Key Terms and Concepts	230
Critical Legal Thinking Cases	230
Ethics Cases	231
Notes	232

11 CAPACITY AND LEGALITY 233

Introduction to Capacity and Legality	234
Minors	234
Infancy Doctrine	234
Disaffirmance	234
Duties of Restoration and Restitution	235
Ratification	235
Parents' Liability for Their Children's Contracts	236
Necessaries of Life	236
Contemporary Environment · <i>Special Types of Minors' Contracts</i>	236
Mentally Incompetent Persons	236
Adjudged Insane	237
Insane But Not Adjudged Insane	237

Case 11.1 · State Court Case · *Mental Capacity* ·
 Campbell v. Carr 237
Intoxicated Persons **238**
Legality **238**
 Contracts Contrary to Statutes 239
 Usury Laws 239
 Contracts to Commit Crimes 239
 Gambling Statutes 239
 Effect of Illegality 239
 Ethics · *Illegal Gambling Contract* 240
 Contracts Contrary to Public Policy 240
 Critical Legal Thinking Case · *Murder and Life Insurance* ·
 Flood v. Fidelity & Guaranty Life Insurance Company 241
Special Business Contracts and Licensing Statutes **241**
 Contract in Restraint of Trade 241
 Licensing Statute 242
 Case 11.2 · District of Columbia Court Case · *Licensing Statute* ·
 Sturza v. United Arab Emirates 242
 Exculpatory Clause 243
 Case 11.3 · Federal Court Case · *Release Contract* ·
 Lin v. Spring Mountain Adventures, Inc. 244
 Business Environment · *Covenants Not to Compete* 244
Unconscionable Contracts **245**
 Elements of Unconscionability 245
 Case 11.4 · State Court Case · *Unconscionable Contract* ·
 Stoll v. Xiong 246
Key Terms and Concepts **246**
Critical Legal Thinking Cases **247**
Ethics Cases **248**

12 GENUINENESS OF ASSENT AND STATUTE OF FRAUDS 249

Introduction to Genuineness of Assent and Statute of Frauds **250**
Mistake **250**
 Unilateral Mistake 250
 Mutual Mistake of a Material Fact 251
 Mutual Mistake of Value 251
Fraud **251**
 Elements of Fraud 251
 1. Misrepresentation of a Material Fact 251
 2. Intent to Deceive 252
 3. Reliance on the Misrepresentation 252
 4. Injury to the Innocent Party 252
 Fraud in the Inception 252
 Fraud in the Inducement 252
 Fraud by Concealment 253
 Silence as Misrepresentation 253
 Misrepresentation of Law 253
 Innocent Misrepresentation 253
 Case 12.1 · State Court Case · *Fraud* · Krysa v. Payne 254
Duress **254**
Equitable Doctrine: Undue Influence **255**
Statute Of Frauds **255**
 Writing Requirement 255
 Contracts Involving Interests in Real Property 256
 Equitable Exception: Part Performance 257
 Critical Legal Thinking Case · *Doctrine of Part Performance* ·
 Sutton v. Warner 257
 One-Year Rule 257
 Ethics · *Bonus Lost Because of the Statute of Frauds* 258
 Guaranty Contract 258
 Case 12.2 · State Court Case · *Guaranty Contract* · Page v. Gulf
 Coast Motors 259
 Agents' Contracts 260
 Promises Made in Consideration of Marriage 260

UCC Statutes of Fraud 260
Formality of the Writing **260**
 Required Signature 260
 Integration of Several Writings 261
 Interpreting Contract Words and Terms 261
Parol Evidence Rule **261**
 Merger, or Integration, Clause 262
 Exceptions to the Parol Evidence Rule 262
 Case 12.3 · State Court Case · *Parol Evidence Rule* · Yarde
 Metals, Inc. v. New England Patriots Limited Partnership 262
Equitable Doctrine: Promissory Estoppel **263**
 Global Law · *Contra Proferentem in the United Kingdom* 263
Key Terms and Concepts **264**
Critical Legal Thinking Cases **264**
Ethics Cases **265**
Notes **266**

13 THIRD-PARTY RIGHTS AND DISCHARGE 267

Introduction to Third-Party Rights and Discharge **268**
Assignment of a Right **268**
 Form of Assignment 268
 Personal Service Contract 269
 Assignment of a Future Right 269
 Contract Where an Assignment Would Materially
 Alter the Risk 269
 Assignment of a Legal Action 269
 Effect of an Assignment of a Right 270
 Notice of Assignment 270
 Anti-Assignment Clause 270
 Approval Clause 270
 Successive Assignments 271
Delegation of a Duty **272**
 Duties That Can and Cannot Be Delegated 272
 Effect of Delegation of Duties 273
 Anti-Delegation Clause 273
 Assignment and Delegation 273
Third-Party Beneficiary **273**
 Intended Beneficiary 273
 Donee Beneficiary 274
 Creditor Beneficiary 274
 Incidental Beneficiary 275
 Case 13.1 · Federal Court Case · *Third-Party Beneficiary* ·
 Does I-XI, Workers in China, Bangladesh, Indonesia,
 Swaziland, and Nicaragua v. Wal-Mart Stores, Inc. 276
Covenants **276**
Conditions **277**
 Condition Precedent 277
 Condition Precedent Based on Satisfaction 277
 Business Environment · *“Time Is of the Essence”*
 Contract 278
 Condition Subsequent 278
 Concurrent Conditions 278
 Implied Condition 279
Discharge of Performance **279**
 Discharge by Agreement 279
 Discharge by Impossibility 280
 Force Majeure Clause 280
Statute of Limitations **280**
 Global Law · *Negotiation of Contracts*
 in Foreign Countries 281
Key Terms and Concepts **281**
Critical Legal Thinking Cases **282**
Ethics Cases **283**
Notes **283**

14 BREACH OF CONTRACT AND REMEDIES 284

Introduction to Breach of Contract and Remedies	285
Performance and Breach	285
Complete Performance	285
Substantial Performance: Minor Breach	286
Inferior Performance: Material Breach	286
Case 14.1 · State Court Case · <i>Breach of Contract</i> · Turner Broadcasting System, Inc. v. McDavid	287
Anticipatory Breach	288
Monetary Damages	288
Compensatory Damages	288
Sale of a Good	289
Construction Contract	289
Employment Contract	289
Consequential Damages	290
Disclaimer of Consequential Damages	290
Nominal Damages	290
Mitigation of Damages	291
Liquidated Damages	291
Penalty	292
Critical Legal Thinking Case · <i>Liquidated Damages</i> · Uzan v. 845 UN Limited Partnership	292
Rescission and Restitution	293
Equitable Remedies	293
Specific Performance	294
Case 14.2 · State Court Case · <i>Specific Performance</i> · Alba v. Kaufmann	294
Reformation	295
Injunction	295
Arbitration of Contract Disputes	296
Case 14.3 · Federal Court Case · <i>Arbitration of a Contract Dispute</i> · Mance v. Mercedes-Benz USA	296
Torts Associated With Contracts	297
Intentional Interference with Contractual Relations	297
Breach of the Implied Covenant of Good Faith and Fair Dealing	297
Case 14.4 · State Court Case · <i>Bad Faith Tort</i> · Mitchell v. Fortis Insurance Company	298
Key Terms and Concepts	299
Critical Legal Thinking Cases	299
Ethics Cases	300
Notes	301

15 DIGITAL LAW AND E-COMMERCE 302

Introduction to Digital Law and E-Commerce	303
Internet	303
World Wide Web	303
Email Contracts	304
Digital Law · <i>Regulation of Email Spam</i>	304
Case 15.1 · Federal Court Case · <i>Email Spam</i> · Facebook, Inc. v. Porembski	305
Internet Service Provider (ISP)	305
E-Commerce and Web Contracts	305
Case 15.2 · State Court Case · <i>Web Contract</i> · Hubbert v. Dell Corporation	306
Digital Law · <i>E-SIGN Act: Statute of Frauds and Electronic Contracts</i>	306
Digital Law · <i>E-SIGN Act: E-Signatures and Electronic Contracts</i>	307
Counteroffers Ineffectual Against Electronic Agent	307
E-Licensing of Software and Information Rights	308
Digital Law · <i>Uniform Computer Information Transactions Act (UCITA)</i>	308

License	308
E-License	309
Licensing Agreement	309
Privacy in Cyberspace	309
Electronic Communications Privacy Act	310
Exceptions	310
Domain Names	310
Registration of Domain Names	310
Domain Name Extensions	310
Digital Law · <i>New Top-Level Domain Names</i>	311
Country Domain Names	312
Cybersquatting on Domain Names	312
Digital Law · <i>Anticybersquatting Consumer Protection Act</i>	313
Case 15.3 · National Arbitration Forum · <i>Domain Name</i> · New York Yankees Partnership d/b/a The New York Yankees Baseball Club	313
Global Law · <i>Internet in Foreign Countries</i>	314
Key Terms and Concepts	314
Critical Legal Thinking Cases	315
Ethics Cases	316
Notes	316

Part III SALES AND LEASE CONTRACTS AND PRODUCT LIABILITY 317

16 FORMATION OF SALES AND LEASE CONTRACTS 318

Introduction to Formation of Sales and Lease Contracts	319
Uniform Commercial Code	319
Landmark Law · <i>Uniform Commercial Code (UCC)</i>	320
Article 2 (Sales)	320
What Is a Sale?	320
What Are Goods?	320
Goods Versus Services	321
Case 16.1 · State Court Case · <i>Good or Service</i> · Brandt v. Boston Scientific Corporation and Sarah Bush Lincoln Health Center	321
Who Is a Merchant?	322
Article 2A (Leases)	322
Definition of <i>Lease</i>	322
Finance Lease	323
Formation of Sales and Lease Contracts: Offer	323
Open Terms	323
Contemporary Environment · <i>UCC Firm Offer Rule</i>	324
Consideration	325
Formation of Sales and Lease Contracts: Acceptance	325
Method and Manner of Acceptance	325
Contemporary Environment · <i>UCC Permits Additional Terms</i>	325
Accommodation Shipment	326
Business Environment · <i>UCC "Battle of the Forms"</i>	326
UCC Statute of Frauds	326
Exceptions to the UCC Statute of Frauds	327
Business Environment · <i>UCC Written Confirmation Rule</i>	327
When Written Modification Is Required	327
Parol Evidence Rule	328
Electronic Sales and Lease Contracts	329
Global Law · <i>Letters of Credit in Bangladesh</i>	329
Key Terms and Concepts	330
Critical Legal Thinking Cases	330
Ethics Cases	331

17 TITLE TO GOODS AND RISK OF LOSS . . . 332

Introduction to Title to Goods and Risk of Loss 333
Identification of Goods and Passage of Title. 333
 Identification of Goods 333
 Passage of Title to Goods 334
 Shipment and Destination Contracts 334
 Delivery of Goods Without Moving Them 334
 Business Environment · *Commonly Used Shipping Terms*. 335
Risk of Loss Where There Is No Breach of the Sales Contract. 335
 Carrier Cases: Movement of Goods 336
 Noncarrier Cases: No Movement of Goods 336
 Goods in the Possession of a Bailee. 337
Risk of Loss Where There Is a Breach of the Sales Contract 337
 Seller in Breach of a Sales Contract. 337
 Buyer in Breach of a Sales Contract 337
Risk of Loss in Conditional Sales 337
 Sale on Approval 337
 Global Law · *United Nations Convention on Contracts for the International Sale of Goods (CISG)* 338
 Sale or Return 338
 Consignment. 339
Risk of Loss in Lease Contracts. 339
 Business Environment · *Insuring Goods Against Risk of Loss* 339
Sale of Goods by Nonowners 340
 Stolen Goods. 340
 Fraudulently Obtained Goods. 340
 Entrustment Rule 340
 Case 17.1 · State Court Case · *Entrustment Rule* · Lindholm v. Brant 341
Key Terms and Concepts 342
Critical Legal Thinking Cases 342
Ethics Cases. 343

18 REMEDIES FOR BREACH OF SALES AND LEASE CONTRACTS 344

Introduction to Remedies for Breach of Sales and Lease Contracts 345
Seller and Lessor Performance. 345
 Place of Delivery 345
 Perfect Tender Rule 346
 Contemporary Environment · *Seller's and Lessor's Right to Cure* . 346
 Installment Contracts 347
 Destruction of Goods 347
 Ethics · *UCC Imposes Duties of Good Faith and Reasonableness*. 347
Buyer and Lessee Performance 347
 Right of Inspection 348
 Acceptance. 348
 Payment. 348
 Revocation of Acceptance 348
Seller and Lessor Remedies. 349
 Right to Withhold Delivery 349
 Right to Stop Delivery of Goods in Transit 349
 Right to Reclaim Goods 349
 Right to Dispose of Goods 349
 Unfinished Goods 350
 Right to Recover the Purchase Price or Rent 350
 Right to Recover Damages for Breach of Contract. 350
 Right to Cancel a Contract 350
 Business Environment · *Lost Volume Seller* 351
Buyer and Lessee Remedies 351
 Right to Reject Nonconforming Goods or Improperly Tendered Goods 351
 Right to Recover Goods from an Insolvent Seller or Lessor. . . 352

Right to Obtain Specific Performance 352
 Contemporary Environment · *Buyer's and Lessee's Right to Cover* 352
 Right to Replevy Goods 353
 Right to Cancel a Contract 353
 Right to Recover Damages for Nondelivery or Repudiation 353
 Right to Recover Damages for Accepted Nonconforming Goods 353
Additional Performance Issues. 354
 Assurance of Performance 354
 Statute of Limitations 354
 Agreements Affecting Remedies 355
 Liquidated Damages 355
 Ethics · *UCC Doctrine of Unconscionability* 355
Key Terms and Concepts 355
Critical Legal Thinking Cases 356
Ethics Case 357

19 WARRANTIES AND PRODUCT LIABILITY 358

Introduction to Warranties and Product Liability 359
Express Warranty 359
 Creation of an Express Warranty. 359
 Statement of Opinion 360
 Damages Recoverable for Breach of Warranty 360
Implied Warranties 360
 Implied Warranty of Merchantability 360
 Ethics · *Implied Warranty of Merchantability*. 361
 Implied Warranty of Fitness for a Particular Purpose 362
Warranty Disclaimers 363
 Conspicuous Display of Disclaimer. 363
 Case 19.1 · State Court Case · *Warranty Disclaimer* · Roberts v. Lanigan Auto Sales 364
 Magnuson-Moss Warranty Act. 364
Product Liability 365
Negligence 365
Strict Liability 365
 Liability Without Fault 366
 All in the Chain of Distribution Are Liable 366
 Parties Who Can Recover for Strict Liability 366
 Damages Recoverable for Strict Liability 367
Product Defects 368
 Defect in Manufacture. 368
 Case 19.2 · State Court Case · *Defect in Manufacture* · Shoshone Coca-Cola Bottling Company v. Dolinski. 368
 Defect in Design 369
 Critical Legal Thinking Case · *Strict Liability* · Domingue v. Cameco Industries, Inc. 369
 Crashworthiness Doctrine. 370
 Failure to Warn 370
 Case 19.3 · State Court Case · *Failure to Warn* · Patch v. Hillerich & Bradsby Company 371
 Defect in Packaging. 371
 Other Defects 371
 Defenses to Product Liability 372
 Case 19.4 · Federal Court Case · *Generally Known Danger* · Thompson v. Sunbeam Products, Inc. 373
 Statute of Limitations and Statute of Repose 373
 Plaintiff Partially at Fault 374
Key Terms and Concepts 375
Critical Legal Thinking Cases 375
Ethics Cases. 377
Notes 377

Part IV NEGOTIABLE INSTRUMENTS, BANKING, AND ELECTRONIC FINANCIAL TRANSACTIONS . . . 379

20 CREATION AND TRANSFER OF NEGOTIABLE INSTRUMENTS 380

Introduction to the Creation and Transfer of Negotiable Instruments	381
Negotiable Instruments	381
Article 3 of the UCC	381
Functions of Negotiable Instruments	381
Types of Negotiable Instruments	382
Draft	382
Check	382
Promissory Note	383
Certificate of Deposit	384
Requirements of a Negotiable Instrument	385
Be in Writing	385
Be Signed by the Maker or the Drawer	385
Be an Unconditional Promise or Order to Pay	385
State a Fixed Amount of Money	386
Not Require Any Undertaking in Addition to the Payment of Money	387
Be Payable on Demand or at a Definite Time	387
Be Payable to Order or to Bearer	387
Case 20.1 • Federal Court Case • <i>Negotiable Instrument</i> • Las Vegas Sands, LLC, dba Venetian Resort Hotel Casino v. Nehme	388
Prepayment and Acceleration Clauses	388
Nonnegotiable Contract	389
Transfer of a Negotiable Instrument by Negotiation	389
Negotiating Order Paper or Bearer Paper	389
Contemporary Environment • <i>Converting Order and Bearer Paper</i>	390
Case 20.2 • State Court Case • <i>Bearer Paper</i> • Gerber & Gerber, P.C. v. Regions Bank	390
Transfer of a Negotiable Instrument by Indorsement	391
Types of Indorsements	391
Blank Indorsement	391
Special Indorsement	392
Qualified Indorsement	393
Restrictive Indorsement	393
Misspelled or Wrong Name	394
Multiple Payees or Indorsees	394
Global Law • <i>Negotiable Instruments Payable in Foreign Currency</i>	395
Key Terms and Concepts	395
Critical Legal Thinking Cases	396
Ethics Cases	397

21 HOLDER IN DUE COURSE AND LIABILITY OF PARTIES 398

Introduction to Holder in Due Course and Liability of Parties	399
Holder in Due Course (HDC)	399
Requirements for HDC Status	399
Taking for Value	399
Taking in Good Faith	400
Taking Without Notice of Defect	400
Taking Where There Is No Evidence of Forgery, Alteration, or Irregularity	401
Contemporary Environment • <i>Shelter Principle</i>	401
Signature Liability	401
Primary Liability	401

Secondary Liability	402
Agent's Signature	402
Liability of Unqualified and Qualified Indorsers	402
Liability of an Accommodation Party	402
Forged Indorsements	403
Ethics • <i>Imposter Rule</i>	403
Ethics • <i>Fictitious Payee Rule</i>	403
Warranty Liability	404
Transfer Warranties	404
Presentment Warranties	404
Defenses Against Payment of Negotiable Instruments	405
Universal (Real) Defenses	405
Personal Defenses	405
Case 21.1 • Federal Court Case • <i>Holder in Due Course</i> • Bank of Colorado v. Berwick	406
Contemporary Environment • <i>FTC Rule Limits HDC Status for Negotiable Instruments Arising from Consumer Transactions</i>	407
Discharge of Liability	408
Key Terms and Concepts	408
Critical Legal Thinking Cases	408
Ethics Case	409

22 BANKING SYSTEM AND ELECTRONIC FINANCIAL TRANSACTIONS 410

Introduction to the Banking System and Electronic Financial Transactions	411
The Bank–Customer Relationship	411
Uniform Commercial Code Governs Checks and Banking	411
Ordinary Checks	412
Parties to a Check	412
Special Types of Checks	412
Certified Checks	413
Cashier's Checks	413
Honoring Checks	413
Stale Checks	414
Incomplete Checks	414
Postdated Checks	414
Stop–Payment Orders	414
Overdrafts	414
Wrongful Dishonor	415
Ethics • <i>Federal Currency Reporting Law</i>	415
Forged Signatures and Altered Checks	415
Forged Signature of the Drawer	415
Altered Checks	416
One–Year Rule	416
Series of Forgeries	416
Case 22.1 • State Court Case • <i>Series of Forgeries of Checks</i> • Spacemakers of America, Inc. v. SunTrust Bank	417
The Collection Process	418
Federal Reserve System	418
Bank Payment Rules	418
Deferred Posting	419
Settlement	419
Contemporary Environment • <i>FDIC Insurance of Bank Deposits</i>	419
Electronic Banking and E–Money	420
Automated Teller Machine	420
Debit Cards	420
Digital Law • <i>Consumer Electronic Funds Transfers</i>	421
Direct Deposit and Withdrawal	421
Online Banking	421
Digital Law • <i>Commercial Electronic Wire Transfers</i>	422
Bank Reform	422
Landmark Law • <i>Dodd–Frank Wall Street Reform and Consumer Protection Act</i>	422
Global Law • <i>Hiding Money in Offshore Banks</i>	423

Key Terms and Concepts 423
Critical Legal Thinking Cases 424
Ethics Cases 425
Notes 425

**Part V CREDIT, SECURED TRANSACTIONS,
 AND BANKRUPTCY 427**

**23 CREDIT, REAL PROPERTY FINANCING,
 AND SECURED TRANSACTIONS 428**

**Introduction to Credit, Real Property Financing,
 and Secured Transactions 429**
Unsecured and Secured Credit 429
 Unsecured Credit 429
 Secured Credit 430
Real Property Financing 430
 Mortgage 430
 Note and Deed of Trust 431
 Recording Statute 431
 Foreclosure Sale 432
 **Case 23.1 · State Court Case · Mortgages and
 Liens · Old Republic National Title Insurance
 Company v. Fifth Third Bank 432**
 Deficiency Judgment 433
 Antideficiency Statutes 433
 Right of Redemption 433
 Business Environment · *Construction Liens on Real Property* 434
Secured Transactions in Personal Property 435
 Revised Article 9—Secured Transactions 435
 Secured Transaction 435
 Two-Party Secured Transaction 436
 Three-Party Secured Transaction 436
 Personal Property Subject to a Security Agreement 437
 Security Agreement 437
 The Floating Lien Concept 438
Perfecting a Security Interest in Personal Property 438
 Perfection by Filing a Financing Statement 439
 **Case 23.2 · State Court Case · Filing a Financing
 Statement · Pankratz Implement Company v.
 Citizens National Bank 439**
 Perfection by Possession of Collateral 440
 Perfection by a Purchase Money Security Interest in Consumer
 Goods 440
 Termination Statement 441
 Priority of Claims 441
 Buyers in the Ordinary Course of Business 441
 Digital Law · *Electronic Financing Statements and Records* 442
 Default and Remedies 442
 Business Environment · *Artisan’s Liens on Personal Property* 443
Surety and Guaranty Arrangements 443
 Surety Arrangement 443
 Guaranty Arrangement 444
Collection Remedies 444
Key Terms And Concepts 445
Critical Legal Thinking Cases 446
Ethics Cases 447

**24 BANKRUPTCY AND
 REORGANIZATION 448**

Introduction to Bankruptcy and Reorganization 449
Bankruptcy Law 449
 Types of Bankruptcy 449
 Landmark Law · *Bankruptcy Abuse Prevention and Consumer
 Protection Act of 2005* 450

Bankruptcy Courts 450
Bankruptcy Procedure 450
 Prepetition and Postpetition Counseling 450
 Filing a Bankruptcy Petition 451
 Attorney Certification 451
 Order for Relief 451
 Meeting of the Creditors 452
 Proof of Claim and Proof of Interest 452
 Bankruptcy Trustee 452
 Automatic Stay 452
 Discharge of Debts 452
 Reaffirmation Agreement 453
Bankruptcy Estate 453
 Ethics · *Fraudulent Transfer of Property Prior to Bankruptcy* 454
 Case 24.1 · Federal Court Case · *Bankruptcy ·
 Fraud · In Re Hoang* 454
 Exempt Property 455
 State Exemptions 455
 Homestead Exemption 456
 Ethics · *Abusive Homestead Exemptions* 456
Chapter 7—Liquidation 456
 Qualifications for Chapter 7 Bankruptcy 456
 Statutory Distribution of Property 457
 Chapter 7 Discharge 458
 Acts That Bar Discharge 459
 Contemporary Environment · *Discharge of Student Loans in
 Bankruptcy* 459
**Chapter 13 —Adjustment of Debts of
 an Individual with Regular Income 459**
 Filing a Chapter 13 Petition 460
 Limitations on Who Can File for Chapter 13
 Bankruptcy 460
 Property of a Chapter 13 Estate 460
 Chapter 13 Plan of Payment 460
 Confirmation of a Chapter 13 Plan of Payment 461
 Chapter 13 Discharge 461
 Contemporary Environment · *Helping Families Save
 Their Home Act of 2009* 461
Chapter 11 —Reorganization 462
 Debtor-in-Possession 462
 Creditors’ Committees 462
 Automatic Stay in Chapter 11 462
 Executory Contracts and Unexpired Leases in Chapter 11 463
 Discharge of Debts 463
 Chapter 11 Plan of Reorganization 464
 Confirmation of a Chapter 11 Plan of Reorganization 464
 Business Environment · *General Motors Bankruptcy* 465
 Small Business Bankruptcy 465
Key Terms and Concepts 466
Critical Legal Thinking Cases 467
Ethics Cases 468
Notes 468

**Part VI BUSINESS ORGANIZATIONS,
 CORPORATE GOVERNANCE,
 AND INVESTOR PROTECTION 469**

25 AGENCY LAW 470

Introduction to Agency Law 471
Employment and Agency Relationships 471
 Principal–Agent Relationship 471
 Employer–Employee Relationship 472
 Critical Legal Thinking Case · *Scope of Employment · Massey v.
 Starbucks Corporation* 472
 Principal–Independent Contractor Relationship 473

Formation of an Agency **473**
 Express Agency 473
 Contemporary Environment · *Power of Attorney* 474
 Implied Agency 474
 Agency by Ratification 474
 Apparent Agency 474
Principal's Duties **475**
 Contingency Fee 476
Agent's Duties **476**
 Duty to Perform 476
 Duty to Notify 476
 Duty to Account 477
 Ethics · *Agent's Duty of Loyalty* 477
Tort Liability of Principals and Agents **477**
 Negligence 478
 Case 25.1 · State Court Case · *Scope of Employment* · *Matthews v. Food Lion, LLC* 478
 Frolic and Detour 479
 Coming and Going Rule 479
 Dual-Purpose Mission 479
 Intentional Tort 480
 Case 25.2 · State Court Case · *Employee's Intentional Tort* · *Burlarley v. Wal-Mart Stores, Inc.* 480
 Misrepresentation 481
Contract Liability of Principals and Agents **482**
 Fully Disclosed Agency 482
 Partially Disclosed Agency 482
 Undisclosed Agency 483
Independent Contractor **484**
 Factors for Determining Independent Contractor Status 484
 Liability for an Independent Contractor's Torts 485
 Liability for an Independent Contractor's Contracts 485
Termination of an Agency **485**
 Termination of an Agency by an Act of the Parties 485
 Termination of an Agency by an Unusual Change in Circumstances 486
 Termination of an Agency by Impossibility of Performance 486
 Termination of an Agency by Operation of Law 486
 Wrongful Termination 487
Key Terms and Concepts **487**
Critical Legal Thinking Cases **487**
Ethics Cases **488**

26 SMALL BUSINESS, ENTREPRENEURSHIP, AND PARTNERSHIPS **489**

Introduction to Small Business, Entrepreneurship, and Partnerships **490**
Entrepreneurship **490**
 Entrepreneurial Forms of Conducting Business 490
Sole Proprietorship **491**
 Creation of a Sole Proprietorship 491
 Business Environment · *"d.b.a." Trade Name* 491
 Personal Liability of a Sole Proprietor 491
 Case 26.1 · State Court Case · *Sole Proprietorship* · *Bank of America, N.A. v. Barr* 492
 Taxation of a Sole Proprietorship 493
General Partnership **493**
 Uniform Partnership Act (UPA) 493
 Formation of a General Partnership 494
 Name of the General Partnership 494
 General Partnership Agreement 495
 Taxation of General Partnerships 495
 Right to Participate in Management 495
 Right to Share in Profits 495

Other Rights of General Partners 496
 Duty of Loyalty 496
 Duty of Care 497
 Duty to Inform 497
 Duty of Obedience 497
 Right to an Accounting 497
Liability of General Partners of a General Partnership **498**
 Tort Liability of General Partners 498
 Contract Liability of General Partners 498
 Liability of Incoming Partners 499
 Liability of Outgoing Partners 499
Limited Partnership **499**
 Revised Uniform Limited Partnership Act 500
 General Partners and Limited Partners 500
 Certificate of Limited Partnership 501
 Defective Formation 501
 Limited Partnership Agreement 501
 Share of Profits and Losses 501
Liability of General and Limited Partners of a Limited Partnership **502**
 Management of a Limited Partnership 502
Limited Liability Limited Partnership **503**
 Liability of General and Limited Partners of an LLLP 503
 Management of an LLLP 503
Dissolution of General and Limited Partnerships **504**
 Dissolution of a Partnership 504
 Winding Up of the Partnership 504
 Notice of Dissolution 505
 Distribution of Assets 505
 Continuation of a Partnership After Dissolution 505
 Business Environment · *Right of Survivorship of General Partners* 506
Key Terms and Concepts **506**
Critical Legal Thinking Cases **507**
Ethics Cases **508**

27 CORPORATE FORMATION AND FINANCING **509**

Introduction to Corporate Formation and Financing **510**
Nature of a Corporation **510**
 The Corporation as a Legal "Person" 511
 Limited Liability of Shareholders 511
 Case 27.1 · State Court Case · *Shareholder's Limited Liability* · *Menendez v. O'Niell* 512
 Corporate Powers 512
Classifications of Corporations **513**
 Private Corporations 513
 Not-for-Profit Corporations 513
 Government-Owned Corporations 514
 Domestic, Foreign, and Alien Corporations 514
Incorporation Procedure **514**
 Selecting a State for Incorporating a Corporation 515
 Selecting a Corporate Name 515
 Digital Law · *Choosing a Domain Name for a Corporation* 515
 Promoters and Incorporators 516
 Articles of Incorporation 516
 Purpose of a Corporation 517
 Registered Agent 518
 Business Environment · *Close Corporation Election* 518
 Corporate Bylaws 518
 Organizational Meeting of the Board of Directors 519
 Corporate Seal 521
 Business Environment · *S Corporation Election for Federal Tax Purposes* 521

Financing the Corporation: Equity Securities	521
Common Stock	521
Preferred Stock	522
Redeemable Preferred Stock	523
Authorized, Issued, and Outstanding Shares	523
Financing the Corporation: Debt Securities	524
Types of Debt Instruments	524
Indenture Agreement	525
Business Environment · <i>Delaware Corporation Law</i>	525
Dissolution and Termination of Corporations	525
Dissolution	526
Winding Up, Liquidation, and Termination	526
Key Terms and Concepts	526
Critical Legal Thinking Cases	527
Ethics Cases	528
Note	528
28 CORPORATE GOVERNANCE AND SARBANES-OXLEY ACT	529
Introduction to Corporate Governance and Sarbanes-Oxley Act	530
Shareholders	530
Shareholders' Meetings	530
Proxies	531
Voting Requirements	531
Straight (Noncumulative) Voting	532
Cumulative Voting	532
Supramajority Voting Requirement	532
Voting Arrangements	533
Restrictions on the Sale of Shares	533
Preemptive Rights	533
Dividends	534
Derivative Lawsuits	534
Piercing the Corporate Veil	534
Case 28.1 · Federal Court Case · <i>Piercing the Corporate Veil</i> · Northeast Iowa Ethanol, LLC v. Drizin	535
Board of Directors	536
Resolutions of the Board of Directors	536
Digital Law · <i>Corporate E-Communications</i>	537
Selecting Directors	537
Term of Office	537
Meetings of the Board of Directors	538
Business Environment · <i>Sarbanes-Oxley Act Imposes Duties on Audit Committee</i>	538
Corporate Officers	539
Agency Authority of Officers	539
Duty of Obedience	540
Duty of Care	540
The Business Judgment Rule	540
Duty of Loyalty	541
Case 28.2 · State Court Case · <i>Fiduciary Duties of Corporate Directors and Officers</i> · McPadden v. Sidhu	542
Sarbanes-Oxley Act	543
Ethics · <i>Sarbanes-Oxley Act Improves Corporate Governance</i>	543
Global Law · <i>Bribes Paid by U.S. Companies in Foreign Countries</i>	544
Key Terms and Concepts	544
Critical Legal Thinking Cases	545
Ethics Cases	546
Notes	546
29 CORPORATE ACQUISITIONS AND MULTINATIONAL CORPORATIONS	547
Introduction to Corporate Acquisitions and Multinational Corporations	548
Proxy Solicitation and Proxy Contests	548
Federal Proxy Rules	548
Antifraud Provision	549
Proxy Contest	549
Shareholder Resolution	549
Ethics · <i>Coca-Cola Says "No" to a Shareholder Resolution</i>	550
Mergers and Acquisitions	551
Merger	551
Share Exchange	551
Required Approvals for a Merger or Share Exchange	551
Short-Form Merger	552
Sale or Lease of Assets	552
Dissenting Shareholder Appraisal Rights	552
Case 29.1 · State Court Case · <i>Dissenting Shareholder Appraisal Rights</i> · Global GT LP v. Golden Telecom, Inc.	553
Tender Offer	553
Williams Act	554
Tender Offer Rules	554
Antifraud Provision	555
Fighting a Tender Offer	555
Business Judgment Rule	556
Global Law · <i>Foreign Acquisitions of U.S. Companies</i>	556
State Antitakeover Statutes	557
Business Environment · <i>Delaware Antitakeover Statute</i>	557
Multinational Corporations	557
International Branch Office	557
International Subsidiary Corporation	558
Global Law · <i>Accountability and Multinational Corporations</i>	559
Key Terms and Concepts	560
Critical Legal Thinking Cases	560
Ethics Cases	561
Notes	562
30 LIMITED LIABILITY COMPANIES AND LIMITED LIABILITY PARTNERSHIPS	563
Introduction to Limited Liability Companies and Limited Liability Partnerships	564
Limited Liability Company (LLC)	564
Uniform Limited Liability Company Act	564
Taxation of LLCs	565
Powers of an LLC	565
Formation of an LLC	565
Articles of Organization	565
Certificate of Interest	566
Duration of an LLC	566
Capital Contribution to an LLC	567
Operating Agreement	567
Conversion of an Existing Business to an LLC	567
Dividing an LLC's Profits and Losses	567
Distributional Interest	568
Limited Liability of Members of an LLC	568
Liability of an LLC	568
Members' Limited Liability	568
Case 30.1 · State Court Case · <i>Limited Liability Company</i> · Siva v. 1138 LLC	569
Liability of Managers	570

Liability of Tortfeasors	570
Management of an LLC	570
Member-Managed LLC	571
Manager-Managed LLC	571
Compensation and Reimbursement	571
Agency Authority to Bind an LLC to Contracts	572
Fiduciary Duties of Members of an LLC	572
Duty of Loyalty	572
Duty of Care	573
No Fiduciary Duty Owed	573
Business Environment · <i>Advantages of Operating a Business as an LLC</i>	573
Dissolution of an LLC	574
Payment of Distributional Interest	574
Notice of Disassociation	574
Continuation of an LLC	575
Winding up an LLC's Business	575
Limited Liability Partnership (LLP)	575
Articles of Limited Liability Partnership	575
Taxation of LLPs	575
Limited Liability of Partners	576
Business Environment · <i>Accounting Firms Operate as LLPs</i>	576
Key Terms and Concepts	577
Critical Legal Thinking Cases	577
Ethics Cases	578

31 FRANCHISE AND SPECIAL FORMS OF BUSINESS 580

Introduction to Franchise and Special Forms of Business	581
Franchise	581
Types of Franchises	581
Franchise Disclosure Laws	583
FTC Franchise Rule	583
Disclosure of Sales or Earnings Projections Based on Actual Data	583
Disclosure of Sales or Earnings Projections Based on Hypothetical Data	583
FTC Franchise Notice	583
State Disclosure Laws	584
Franchise Agreement	584
Business Environment · <i>McDonald's Franchise</i>	584
Liability of Franchisor and Franchisee	586
Case 31.1 · State Court Case · <i>Franchise Liability</i> · Rainey v. Domino's Pizza, LLC	586
Case 31.2 · State Court Case · <i>Franchisor Liability</i> · Martin v. McDonald's Corporation	587
Apparent Agency	588
Critical Legal Thinking Case · <i>Apparent Agency</i> · Holiday Inns, Inc. v. Shelburne	588
Termination of a Franchise	589
Breach of the Franchise Agreement	589
Licensing	590
Joint Venture	590
Joint Venture Partnership	590
Joint Venture Corporation	591
Strategic Alliance	592
Global Law · <i>International Franchising</i>	592
Key Terms and Concepts	592
Critical Legal Thinking Cases	593
Ethics Cases	594
Notes	594

32 INVESTOR PROTECTION, E-SECURITIES, AND WALL STREET REFORM 595

Introduction to Investor Protection, E-Securities, and Wall Street Reform	596
Securities Law	596
Landmark Law · <i>Federal Securities Laws</i>	597
Securities and Exchange Commission (SEC)	597
Reporting Companies	597
Definition of Security	598
Initial Public Offering: Securities Act of 1933	599
Registration Statement	599
Prospectus	599
Business Environment · <i>Facebook's IPO</i>	600
Limitations on Activities	601
Sale of Unregistered Securities	601
Regulation A Offering	602
Small Company Offering Registration (SCOR)	602
Contemporary Environment · <i>JOBS Act: Emerging Growth Company (EGC)</i>	602
Well-Known Seasoned Issuer	603
Civil Liability: Section 11 of the Securities Act of 1933	603
Civil Liability: Section 12 of the Securities Act of 1933	604
SEC Actions: Securities Act of 1933	604
Criminal Liability: Section 24 of the Securities Act of 1933	604
E-Securities Transactions	604
E-Securities Exchanges	605
Edgar	605
E-Public Offerings	605
Digital Law · <i>JOBS Act: Crowd Funding and Funding Portals</i>	606
Exempt Securities	606
Exempt Transactions	606
Nonissuer Exemption	607
Intrastate Offering Exemption	607
Private Placement Exemption	607
Small Offering Exemption	608
Restricted Securities	608
Sarbanes-Oxley Act	608
Ethics · <i>Sarbanes-Oxley Act Erects Institutional Wall</i>	609
Trading in Securities: Securities Exchange Act of 1934	609
Section 10(b) and Rule 10b-5	609
Civil Liability: Section 10(b) of the Securities Exchange Act of 1934	610
SEC Actions: Securities Exchange Act of 1934	610
Criminal Liability: Section 32 of the Securities Exchange Act of 1934	610
Insider Trading	610
Tipper-Tippee Liability	611
Case 32.1 · Federal Court Case · <i>Insider Trading and Tipping</i> · United States v. Bhagat	611
Misappropriation Theory	612
Aiders and Abettors	612
Ethics · <i>Stop Trading on Congressional Knowledge Act (STOCKS Act)</i>	613
Short-Swing Profits	613
Section 16(b)	613
SEC Section 16 Rules	613
Dodd-Frank Wall Street Reform and Consumer Protection Act	614
State "Blue-Sky" Laws	615
Key Terms and Concepts	615
Critical Legal Thinking Cases	616
Ethics Cases	617
Notes	617

Part VII GOVERNMENT REGULATION AND EMPLOYMENT LAW 619

33 ANTITRUST LAW AND UNFAIR TRADE PRACTICES 620

Introduction to Antitrust Law and Unfair Trade Practices 621
Trade Practices 621
Federal Antitrust Law 621
 Landmark Law · *Federal Antitrust Statutes* 621
 Government Actions 622
 Private Actions 622
 Effect of a Government Judgment 622
Section 1 of the Sherman Act: Restraints of Trade 623
 Business Environment · *Rule of Reason and Per Se Rule* 623
 Horizontal Restraints of Trade 624
 Price Fixing 624
 Division of Markets 624
 Group Boycotts 624
 Other Horizontal Agreements 625
 Vertical Restraints of Trade 625
 Resale Price Maintenance 625
 Nonprice Vertical Restraints 626
 Case 33.1 · U.S. Supreme Court Case · *Contract, Combination, or Conspiracy* · American Needle, Inc. v. National Football League 626
 Unilateral Refusal to Deal 627
 Conscious Parallelism 627
Noerr Doctrine 627
Section 2 of the Sherman Act: Monopolization 627
 Attempts and Conspiracies to Monopolize 629
 Defenses to Monopolization 629
Section 7 of the Clayton Act: Mergers 629
 Horizontal Merger 630
 Vertical Merger 631
 Market Extension Merger 631
 Conglomerate Merger 631
 Defenses to Section 7 Actions 631
 Premerger Notification 632
Section 3 of the Clayton Act: Tying Arrangements 632
Section 2 of the Clayton Act: Price Discrimination 632
 Price Discrimination 633
 Defenses to Price Discrimination 633
Federal Trade Commission Act 634
Exemptions from Antitrust Law 634
State Antitrust Laws 634
 Global Law · *European Union Antitrust Law* 635
Key Terms and Concepts 635
Critical Legal Thinking Cases 636
Ethics Case 637
Notes 637

34 CONSUMER SAFETY AND ENVIRONMENTAL PROTECTION 638

Introduction to Consumer Safety and Environmental Protection 639
Food Safety 639
 Case 34.1 · Federal Court Case · *Adulterated Food* · United States v. LaGrou Distribution Systems, Incorporated 640
Food, Drugs, and Cosmetics Safety 641
 Landmark Law · *Food, Drug, and Cosmetic Act* 641
 Regulation of Food 641
 Food Labeling 641
 Ethics · *Restaurants Required to Disclose Calories of Food Items* 642

Global Law · *Food Processing and Safety in Ireland* 642
 Regulation of Drugs 643
 Regulation of Cosmetics 643
 Regulation of Medicinal Devices 643
Product and Automobile Safety 643
Medical and Health Care Protection 643
 Landmark Law · *Health Care Reform Act of 2010* 644
Unfair and Deceptive Practices 644
 False and Deceptive Advertising 644
 Contemporary Environment · *Do-Not-Call Registry* 645
Consumer Financial Protection 645
 Bureau of Consumer Financial Protection 645
 Truth-in-Lending Act 646
 Consumer Financial Protection Statutes 646
 Business Environment · *Dodd-Frank Wall Street Reform and Consumer Protection Act* 647
 Ethics · *Credit CARD Act of 2009* 648
Environmental Protection 648
 Environmental Protection Agency 648
 Environmental Impact Statement 649
Air Pollution 649
 National Ambient Air Quality Standards 649
Water Pollution 650
 Point Sources of Water Pollution 650
 Case 34.2 · U.S. Supreme Court Case · *Water Pollution* · Decker, Oregon State Forester v. Northwest Environmental Defense Center 650
 Thermal Pollution 651
 Wetlands 651
 Safe Drinking Water Act 651
 Ocean Pollution 651
 Ethics · *BP Oil Spill in the Gulf of Mexico* 652
Toxic Substances and Hazardous Wastes 652
 Toxic Substances Control 652
 Insecticides, Fungicides, and Rodenticides 653
 Hazardous Waste 653
 Landmark Law · *Superfund* 653
 Nuclear Waste 654
Endangered Species 654
 Critical Legal Thinking Case · *Endangered Species* · Tennessee Valley Authority v. Hill, Secretary of the Interior 655
State Environmental Protection Laws 655
 Global Law · *International Environmental Protection* 656
Key Terms and Concepts 656
Critical Legal Thinking Cases 657
Ethics Cases 658
Notes 658

35 LABOR, WORKER PROTECTION, AND IMMIGRATION LAWS 660

Introduction to Labor, Worker Protection, and Immigration Laws 661
Workers' Compensation 661
 Workers' Compensation Insurance 662
 Employment-Related Injury 662
 Exclusive Remedy 662
 Case 35.1 · State Court Case · *Workers' Compensation* · Kelley v. Coca-Cola Enterprises, Inc. 662
Occupational Safety 663
 Specific Duty Standards 663
 General Duty Standard 663
Fair Labor Standards Act 664
 Child Labor 664
 Minimum Wage 664

Overtime Pay 664
 Case 35.2 · U.S. Supreme Court Case · *Fair Labor Standards Act* · *IBP, Inc. v. Alvarez* 665
 Exemptions from Minimum Wage and Overtime Pay Requirements 665
Family and Medical Leave Act 666
Labor Law 666
 Landmark Law · *Federal Labor Law Statutes* 667
 National Labor Relations Board (NLRB) 667
 Organizing a Union 667
 Types of Union Elections 668
 Union Solicitation on Company Property 668
 Illegal Interference with an Election 668
 Case 35.3 · Federal Court Case · *Unfair Labor Practice* · National Labor Relations Board v. Starbucks Corporation 669
Collective Bargaining 669
 Union Security Agreements 670
 Business Environment · *State Right-to-Work Laws* 670
Strikes and Picketing 671
 Illegal Strikes 671
 Crossover and Replacement Workers 671
 Picketing 671
 Secondary Boycott Picketing 672
 Critical Legal Thinking Case · *Labor Union Picketing* · *Sheet Metal Workers' International Association, Local 15, AFL-CIO v. National Labor Relations Board* 672
 Internal Union Affairs 673
 Business Environment · *Worker Adjustment and Retraining Notification (WARN) Act* 673
Immigration Law and Employment 673
 H-1B Foreign Guest Worker Visa 674
 EB-1 Extraordinary Ability Visa 674
 Undocumented Workers 674
Cobra and Erisa 675
Government Programs 675
 Unemployment Compensation 675
 Social Security 675
Key Terms and Concepts 676
Critical Legal Thinking Cases 677
Ethics Cases 678
Notes 678

36 EQUAL OPPORTUNITY IN EMPLOYMENT 679

Introduction to Equal Opportunity in Employment 680
Equal Employment Opportunity Commission (EEOC) 680
 Complaint Process 680
 Lilly Ledbetter Fair Pay Act of 2009 681
Title VII of the Civil Rights Act of 1964 681
 Landmark Law · *Title VII of the Civil Rights Act of 1964* 681
 Scope of Coverage of Title VII 682
 Disparate-Treatment Discrimination 682
 Disparate-Impact Discrimination 682
 Remedies for Violations of Title VII 683
Race and Color Discrimination 683
 Race Discrimination 683
 Color Discrimination 683
 Landmark Law · *Civil Rights Act of 1866* 684
National Origin Discrimination 684
 Contemporary Environment · *English-Only Rules in the Workplace* 684
Gender Discrimination 685
 Gender Discrimination 685
 Pregnancy Discrimination 685

Harassment 686
 Classification of Harasser 686
 Racial and National Origin Harassment 687
 Sexual Harassment 687
 Critical Legal Thinking Case · *Sexual Harassment* · *Pennsylvania State Police v. Suders* 688
 Digital Law · *Offensive Electronic Communications* · *Constitute Sexual Harassment* 688
Religious Discrimination 689
Defenses to a Title VII Action 689
 Bona Fide Occupational Qualification (BFOQ) 690
Equal Pay Act 691
 Criteria That Justify a Differential in Wages 691
Age Discrimination 691
Physically Challenged Person Discrimination 692
 Landmark Law · *Americans with Disabilities Act* 692
 Qualified Individual with a Disability 693
 Limits on Employer Questions 693
 Reasonable Accommodation 693
 Undue Hardship 694
 Uncovered Conditions 694
Genetic Information Discrimination 694
 Genetic Information Nondiscrimination Act (GINA) 695
Protection from Retaliation 695
 Case 36.1 · U.S. Supreme Court Case · *Employer Retaliation* · *Thompson v. North American Stainless, LP* 695
Affirmative Action 696
 Affirmative Action Plan 696
 Reverse Discrimination 696
 Contemporary Environment · *Veterans and Military Personnel Employment Protections* 696
Key Terms and Concepts 697
Critical Legal Thinking Cases 697
Ethics Cases 698
Notes 699

Part VIII PROPERTY, INSURANCE, AND ESTATES 701

37 PERSONAL PROPERTY, BAILMENT, AND INSURANCE 702

Introduction to Personal Property, Bailment, and Insurance 703
Personal Property 703
Ownership of Personal Property 703
 Purchase 703
 Gift 704
 Other Methods of Acquiring Ownership of Personal Property 704
Mislaid, Lost, and Abandoned Personal Property 705
 Mislaid Property 705
 Lost Property 706
 Abandoned Property 706
 Case 37.1 · State Court Case · *Mislaid or Abandoned Property* · *Grande v. Jennings* 706
 Ethics · *Estray Statutes Promote Honesty in Finders* 707
Bailment 707
 Elements Necessary to Create a Bailment 708
 Case 37.2 · State Court Case · *Bailment* · *Ziva Jewelry, Inc. v. Car Wash Headquarters, Inc.* 708
 Ordinary Bailments 709
 Duration and Termination of Bailments 710
 Special Bailments 710
 Warehouse Company 710

Common Carrier 711
Case 37.3 · Federal Court Case · Common
Carrier Shipment · Rykard v. FedEx Ground
Package System, Inc. 712
 Innkeeper 713
Insurance 713
 Insurable Interest 714
 Insurance Policy 714
 Duties of Insured and Insurer 714
 Common Clauses in Insurance Policies 715
Ethics · Insurance Fraud 715
Types of Insurance 716
 Life Insurance 716
 Health and Disability Insurance 716
 Automobile, Vehicle, and Vessel Insurance 716
Contemporary Environment · No-Fault Automobile
Liability Insurance 717
 Homeowners' and Renters' Insurance 717
Business Environment · Special Forms of Business Insurance 718
Key Terms and Concepts 718
Critical Legal Thinking Cases 719
Ethics Cases 720
Notes 720

Landlord–Tenant Law 734
 Lease 734
 Tenancy for Years 735
 Periodic Tenancy 735
 Tenancy at Will 735
 Tenancy at Sufferance 736
 Landlord's Duties to a Tenant 736
 Implied Warranty of Habitability 736
 Tenant's Duties to a Landlord 737
 Transfer of Leased Property by Landlords 737
 Assignment of a Lease by a Tenant 737
 Sublease by a Tenant 737
Government Regulation of Real Property 738
 Zoning 738
 Rent Control 739
 Antidiscrimination Laws 739
 Eminent Domain 740
Critical Legal Thinking Case · Eminent Domain · Kelo v. City
of New London, Connecticut 740
Key Terms and Concepts 741
Critical Legal Thinking Cases 742
Ethics Case 743
Notes 743

38 REAL PROPERTY, LANDLORD–TENANT LAW, AND LAND USE REGULATION . . . 721

Introduction to Real Property, Landlord–Tenant Law, and Land Use Regulation 722
Real Property 722
 Land and Buildings 722
 Subsurface Rights 722
 Plant Life and Vegetation 723
 Fixtures 723
Contemporary Environment · Air Rights 723
Estates in Land 723
 Fee Simple Absolute (or Fee Simple) 723
 Fee Simple Defeasible (or Qualified Fee) 724
 Life Estate 724
Concurrent Ownership 724
 Joint Tenancy 725
 Tenancy in Common 725
Case 38.1 · State Court Case · Concurrent
Ownership · Reicherter v. McCauley 725
 Tenancy by the Entirety 726
 Community Property 726
 Condominium 727
 Cooperative 727
Future Interests 727
 Reversion 727
 Remainder 728
Transfer of Ownership of Real Property 728
 Sale of Real Estate 728
 Deeds 728
 Recording Statute 729
 Quiet Title Action 730
 Marketable Title 730
 Adverse Possession 730
Case 38.2 · State Court Case · Adverse
Possession · Whelan v. Loun 731
Easements 731
 Easement 731
 Creating an Easement 732
Case 38.3 · State Court Case · Easement ·
The Willows, LLC v. Bogy 733
 License 733
 Profit-à-Prendre 733

39 FAMILY LAW, WILLS, AND TRUSTS . . . 744

Introduction to Family Law, Wills, and Trusts 745
Marriage 745
 Engagement 745
 Marriage Requirements 746
 Common Law Marriage 746
Contemporary Environment · Same-Sex Marriage 746
Termination of a Marriage 747
 Annulment 747
 Divorce 747
 Divorce Proceedings 747
 Settlement Agreement 748
Contemporary Environment · Prenuptial Agreement 748
Division of Assets upon Divorce or Annulment 749
 Separate Property 749
 Marital Property 750
 Division of Debts 751
Spousal and Child Support 751
 Spousal Support 751
 Child Support 751
 Child Custody 752
Will 753
 Requirements for Making a Will 753
 Attestation by Witnesses 753
 Amending and Revoking Wills 755
 Joint and Mutual Wills 755
 Special Types of Wills 755
 Simultaneous Deaths 755
 Probate 755
 Testamentary Gifts 756
 Lineal Descendants 756
 Ademption 757
 Abatement 757
Intestate Succession 758
Irrevocable Trusts 759
 Beneficiaries 760
Inter Vivos Trust 760
 Testamentary Trust 760
Living Trust 761
 Benefits of a Living Trust 761
 Funding and Operation of a Living Trust 761
 Beneficiaries 761

Undue Influence	762
Case 39.1 · State Court Case · <i>Undue Influence</i> · In re Estate of Haviland	762
Living Will and Health Care Directive	763
Living Will	763
Health Care Directive	763
Critical Legal Thinking Case · <i>Assisted Suicide</i> · Gonzales, Attorney General of the United States v. Oregon	764
Key Terms and Concepts	764
Critical Legal Thinking Cases	765
Ethics Case	766
Notes	766

Part IX ACCOUNTING PROFESSION . . . 767

40 ACCOUNTANTS' DUTIES

AND LIABILITY	768
Introduction to Accountants' Duties and Liability	769
Public Accounting	769
Limited Liability Partnership (LLP)	769
Accounting Standards and Principles	770
Generally Accepted Accounting Principles (GAAPs)	770
Generally Accepted Auditing Standards (GAASs)	770
Audit	771
Auditor's Opinions	771
Disclaimer of Opinion	771
Accountants' Liability to Their Clients	771
Liability to Clients: Breach of Contract	771
Liability to Clients: Fraud	772
Liability to Clients: Accounting Malpractice (Negligence)	772
Accountants' Liability to Third Parties	772
Liability to Third Parties: <i>Ultramares</i> Doctrine	772
Case 40.1 · State Court Decision · <i>Ultramares Doctrine</i> · Credit Alliance Corporation v. Arthur Andersen & Company	773
Liability to Third Parties: Section 552 of the <i>Restatement (Second) of Torts</i>	774
Liability to Third Parties: Foreseeability Standard	774
Case 40.2 · Federal Court Case · <i>Accountants' Liability to a Third Party</i> · Johnson Bank v. George Korbakes & Company, LLP	774
Critical Legal Thinking Case · <i>Accountants' Liability</i> · Grant Thornton, LLP v. Prospect High Income Fund	775
Liability to Third Parties: Fraud	776
Liability to Third Parties: Breach of Contract	776
Securities Law Violations	776
Section 11(a) of the Securities Act of 1933	776
Section 10(b) of the Securities Exchange Act of 1934	777
Section 18(a) of the Securities Exchange Act of 1934	777
Private Securities Litigation Reform Act of 1995	777
Ethics · <i>Accountants' Duty to Report a Client's Illegal Activity</i>	778
Criminal Liability of Accountants	778
Criminal Liability: Section 24 of the Securities Act of 1933	778
Criminal Liability: Section 32(a) of the Securities Exchange Act of 1934	778
Criminal Liability: Tax Preparation	779
Criminal Liability: Racketeer Influenced and Corrupt Organizations Act (RICO)	779
Criminal Liability: State Securities Laws	779
Sarbanes-Oxley Act	779
Public Company Accounting Oversight Board (PCAOB)	780
Public Accounting Firms Must Register with the PCAOB	780
Audit and Nonaudit Services	780

Audit Report Sign-Off	780
Certain Employment Prohibited	780
Audit Committee	780
Accountants' Privilege and Work Papers	781
Accountant–Client Privilege	781
Accountants' Work Papers	781
Key Terms and Concepts	782
Critical Legal Thinking Cases	782
Ethics Cases	783
Notes	784

Part X GLOBAL ENVIRONMENT 785

41 INTERNATIONAL AND

WORLD TRADE LAW	786
Introduction to International and World Trade Law	787
The United States and Foreign Affairs	787
Foreign Commerce Clause	787
Treaty Clause	788
United Nations	789
General Assembly	789
Security Council	789
Secretariat	789
United Nations Agencies	790
International Court of Justice	790
European Union (EU)	790
Global Law · <i>International Monetary Fund (IMF)</i>	791
Global Law · <i>United Nations Children's Fund (UNICEF)</i>	792
EU Administration	792
Global Law · <i>World Bank</i>	793
Euro	794
North American Free Trade Agreement (NAFTA)	794
Association of Southeast Asian Nations (ASEAN)	796
Other Regional Organizations	798
Organization of the Petroleum Exporting Countries (OPEC)	798
Dominican Republic–Central America Free Trade Agreement (DR-CAFTA)	798
Other Regional Economic Organizations	799
World Trade Organization (WTO)	799
WTO Dispute Resolution	800
National Courts and International Dispute Resolution	800
Judicial Procedure	800
Act of State Doctrine	801
Case 41.1 · Federal Court Case · <i>Act of State Doctrine</i> · Glen v. Club Mediterranee, S.A.	801
Doctrine of Sovereign Immunity	802
Exceptions to the FSLA	802
International Religious Laws	803
Global Law · <i>Jewish Law and the Torah</i>	803
Global Law · <i>Islamic Law and the Qur'an</i>	804
Global Law · <i>Christian and Canon Law</i>	804
Global Law · <i>Hindu Law—Dharmasastra</i>	805
Key Terms and Concepts	805
Critical Legal Thinking Cases	806
Ethics Case	807
Notes	807

Appendix THE CONSTITUTION OF THE UNITED STATES OF AMERICA . . 809

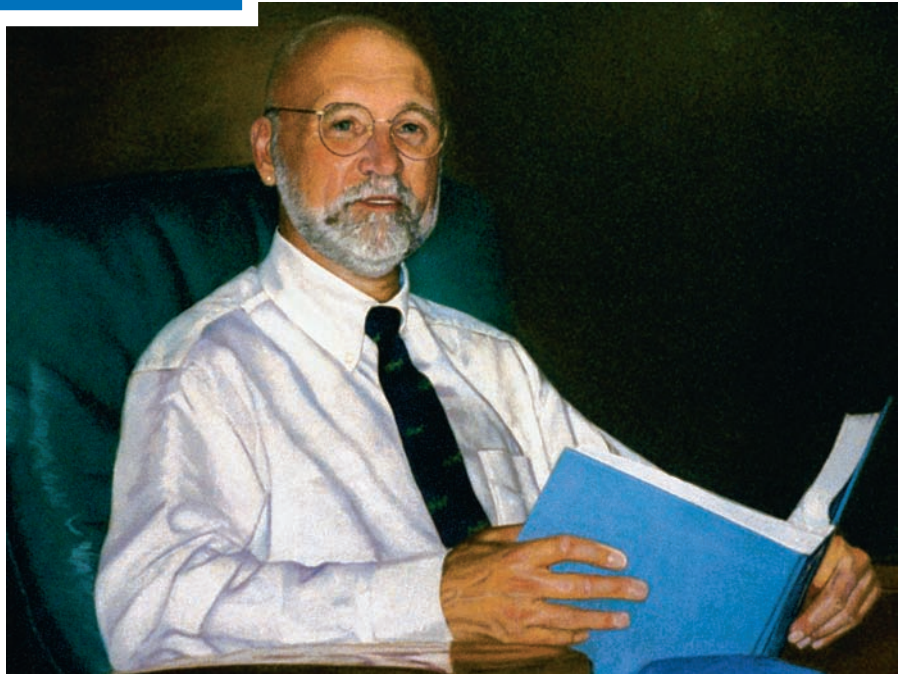
CASE INDEX 817

SUBJECT INDEX 821

ABOUT THE AUTHOR

Henry R. Cheeseman is professor emeritus of the Marshall School of Business of the University of Southern California (USC), Los Angeles, California.

Professor Cheeseman earned a bachelor's degree in finance from Marquette University, both a master's in business administration (MBA) and a master's in business taxation (MBT) from the University of Southern California, a juris doctor (JD) degree from the University of California at Los Angeles (UCLA) School of Law, a master's degree with an emphasis on law and economics from the University of Chicago, and a master's in law (LLM) degree in financial institutions law from Boston University.



Professor Cheeseman was director of the Legal Studies in Business Program at the University of Southern California. Professor Cheeseman taught business law, legal environment, and ethics courses in both the Master of Business Administration (MBA) and undergraduate programs of the Marshall School of Business of the University of Southern California. At the MBA level, he developed and taught courses on corporate governance, securities regulation, mergers and acquisitions, and bankruptcy law. At the undergraduate level, he taught courses on business law, the legal environment of business, ethics, business organizations, cyber law, and intellectual property.

Professor Cheeseman received the Golden Apple Teaching Award on many occasions by being voted by the students as the best professor at the Marshall School of Business of the University of Southern California. He was named a fellow of the Center for Excellence in Teaching at the University of Southern California by the dean of the Marshall School of Business. The USC's Torch and Tassel Chapter of the Mortar Board, a national senior honor society, tapped Professor Cheeseman for recognition of his leadership, commitment, and excellence in teaching.

Professor Cheeseman writes leading business law and legal environment textbooks that are published by Pearson Education, Inc. These include *Business Law: Legal Environment, Online Commerce, Business Ethics, and International Issues*; *Contemporary Business Law*; and *The Legal Environment of Business and Online Commerce*. Professor Cheeseman has also co-authored a textbook entitled *Contemporary Employment Law*.

Professor Cheeseman is an avid traveler and amateur photographer. A majority of the interior photographs for this book were taken by Professor Cheeseman.

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PREFACE

NEW TO THE EIGHTH EDITION

This edition of *Contemporary Business Law* is a significant revision of Professor Cheeseman's business law and legal environment textbook that includes many new cases, statutes, and features.

New U.S. Supreme Court Cases

More than 12 new U.S. Supreme Court cases, including:

- *Shelby County, Texas v. Holder* (Voting Rights Act)
- *United States v. Windsor* (federal Defense of Marriage Act violates equal protection clause)
- *Maryland v. King* (taking DNA of person at time of booking is reasonable search)
- *Kiobel v. Royal Dutch Petroleum Company* (Alien Tort Statute does not permit lawsuit in federal court for alleged crimes against humanity committed in another country)
- *Thompson v. North American Stainless, LP* (employer retaliation violates Title VII)
- *Mutual Pharmaceutical Company, Inc. v. Bartlett* (federal drug labeling law preempts state law)
- *Brown v. Entertainment Merchants Association* (state law regulating violent video games violates free speech)
- *Walmart Stores, Inc. v. Dukes* (certification of a class denied)
- *Snyder v. Phelps* (picketing near veteran's funeral is protected free speech)
- *Association for Molecular Pathology v. Myriad Genetics, Inc.* (naturally occurring segments of DNA is a product of nature and is not patentable)

New State and Federal Court Cases

More than 40 new state and federal court cases, including:

- *The Facebook, Inc. v. Winklevoss* (settlement agreement reached by founders of Facebook is enforced)
- *United States v. Barrington* (undergraduate student convicted of computer crimes for changing students' grades on university's internet grading system)
- *Hubbert v. Dell Corporation* (content reached by hyperlinks in licensing agreement is part of the contract)
- *National Labor Relations Board v. Starbucks Corporation* (Starbucks Corporation engaged in unfair labor practices)
- *Does I–XI, Workers in China, Bangladesh, Indonesia, Swaziland, and Nicaragua v. Walmart Stores, Inc.* (foreign

workers not intended beneficiaries of Wal-Mart's contracts with foreign suppliers)

- *Chanel, Inc. v. Banks* (Internet seller found subject to personal jurisdiction)
- *McPadden v. Sidhu* (directors of Delaware corporation not liable for negligence because of liability waiver in corporate documents)
- *V Secret Catalogue, Inc. and Victoria's Secret Stores, Inc. v. Moseley* (tarnishment of a senior mark by a junior mark)
- *Las Vegas Sands, LLC v. Nehme* (casino marker is a negotiable instrument)
- *Mitchell v. Fortas Insurance Company* (bad faith tort committed by insurance company)
- *Rainey v. Domino's Pizza, LLC* (franchisor not liable for an accident caused by franchisee's delivery person)
- *Intel Corporation v. Intelsys Software LLC* (trademark infringement found)
- *Stoll v. Xiong* (unconscionable contract not enforced)
- *Mance v. Mercedes-Benz USA* (arbitration clause in automobile purchase contract enforced)
- *Menendez v. O'Neill* (sole shareholder of corporation not liable for corporation's liabilities)
- *In re Estate of Haviland* (undue influence on elderly man in preparing estate documents)
- *Yarde Metals, Inc. v. New England Patriots Limited Partnership* (parol evidence not admitted to change terms of a ticketholder's contract)

New Statutes

Coverage of recent federal statutes, including:

- Jumpstart Our Business Startups Act (JOBS Act) of 2012
- Stop Trading on Congressional Knowledge Act (STOCKS Act) of 2012
- Leahy-Smith America Invents Act (AIA) of 2011
- Helping Families Save Their Homes Act of 2009

New Feature: "Critical Legal Thinking"

More than 15 new "Critical Legal Thinking Cases" have been introduced to this edition to prompt students to consider the policy implications of covered subject matters. These include:

- Campaign Financing Law (*Citizens United v. Federal Election Committee*)
- Class Action Waivers (*AT&T Mobility LLC v. Concepcion*)

- Sexual Harassment (*Pennsylvania State Police v. Suders*)
- Exclusionary Rule (*Arizona v. Gant*)
- Cyber Piracy (*BMG Music v. Gonzalez*)
- Strict Liability (*Domingue v. Cameco Industries, Inc.*)
- Eminent Domain (*Kelo v. City of New London, Connecticut*)
- Assisted Suicide (*Gonzales, Attorney General of the United States v. Oregon*)

More than seventy-five new “Critical Legal Thinking Questions” have been placed in the margins.

New Special Features on Ethics, Digital Law, Contemporary Environment, Business Environment, and Global Law

More than 20 new special features, including:

- Facebook’s IPO
- Foreign Intelligence Surveillance Court (FISA Court)
- Crowd Funding and Funding Portals
- Emerging Growth Company (EGC)
- Is Outsourcing of U.S. Jobs Ethical?
- Delaware Corporation Law
- Veterans and Military Personnel Employment Protections

- United Nations Children’s Fund (UNICEF)
- Law in the Digital Age
- E-Commerce and the Commerce Clause
- International Protection of Intellectual Property

SUPPLEMENTS THAT ACCOMPANY THE EIGHTH EDITION

For Instructors

We offer a variety of supplements to meet the unique teaching needs of each instructor. Electronic versions of the supplements that accompany this text are available for download at our Instructor Resource Center (www.pearsonglobaleditions.com/Cheeseman) and include the following:

- Instructor’s Manual
- Test Item File
- TestGen
- PowerPoint Presentation

To the Students

Contemporary students have different needs than previous generations. Having been exposed to the electronic world for your entire lives, you think, learn, and process information in different ways than prior generations. This new eighth edition of *Contemporary Business Law* and its electronic supplements have been designed especially for your needs.

Many of you may be apprehensive about taking a law course because it may seem daunting or different from studying many of your other courses. But it is not. As you embark on your study of the law, you will know that this course presents the “real world,” that is, real legal disputes involving real people like yourselves. The course also offers you an opportunity to develop your critical thinking skills that will serve you in addressing legal and other issues that you may encounter. And lastly, learning the subject matter of this course will help you make more informed and confident decisions in your business and personal life.

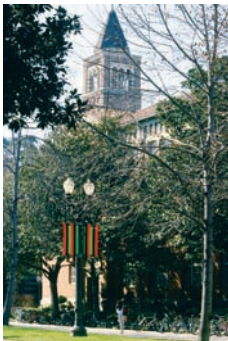
Each semester, as I stand in front of a new group of students in my business law and legal environment classes, I am struck by the thought that I draw as much from them as they do from me. Their youth, enthusiasm, and questions—and even the doubts a few of them hold about the relevance of law to their futures—fuel my teaching. They don’t know that every time they open their minds to look at an issue from a new perspective or critically question something, I have gotten a wonderful reward for the work I do.

I remind myself of this every time I sit down to work on writing and revising *Contemporary Business Law*, as well. My goal is to present business law, the legal environment, business ethics, and digital law in a way that will spur students to ask questions, to go beyond rote memorization.

Business law is an evolving outgrowth of its environment, and the legal environment keeps changing. This new eighth edition of *Contemporary Business Law* emphasizes coverage of online law and e-commerce as key parts of the legal environment. In addition, this book covers social, ethical, and global issues that are important to the study of business law.

It is my wish that my commitment to these goals shines through in this labor of love, and I hope you have as much pleasure in using it as I have had in creating it for you.

Henry Cheeseman



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