



## DEPARTMENT OF BUSINESS AND OFFICE ADMINISTRATION

### COURSE OUTLINE – WINTER 2016

#### LR 3010 A3 – LEGAL RELATIONS – 3(3-0-0) 45 HOURS

<b>Instructor</b>	Robert Pearce, LL.B. Gareth Pugh, B.Sc., J.D.	<b>Phone</b>	Work Office: (780) 532-7771
<b>Office</b>	KMSC Law LLP	<b>E-mail</b>	<a href="mailto:robert@kmsc.ca">robert@kmsc.ca</a> <a href="mailto:gareth@kmsc.ca">gareth@kmsc.ca</a>
<b>Office Hours</b>	By Appointment		

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#### PREREQUISITE

None

#### REQUIRED TEXT/RESOURCE MATERIALS:

Duplessis, Enman, O'Byrne and King, *Canadian Business and the Law*, 5<sup>th</sup> Edition, 2014, Nelson Education Ltd.

#### CALENDAR DESCRIPTION:

A synoptic view of the Canadian legal system, with emphasis on underlying considerations of social policy. While considering the nature, sources, philosophy, and policy objectives of the law, selected topics from the fields of tort and contract will be analyzed.

#### CREDIT/CONTACT HOURS:

This is a 3 credit course, consisting of 3 lecture hours per week.

If you need to contact the course instructors, please do so by emailing them at the addresses provided above or by phoning them at (780) 532-7771 during business hours.

#### DELIVERY MODE(S):

Using the course textbook and the GPRC Moodle learning site students read, take quizzes in addition to a midterm and a final exam.

**COURSE OBJECTIVE:** In this course, we will cover the basic principles of business law in Canada. This course is delivered from the perspective that the law plays an integral part in business decision making. It offers ideas, resources and tools for protecting business assets, resolving legal conflicts, and complying with the law. Some of the main areas touched upon

include: the Canadian legal system, contract law, forms of business organization, property law and torts.

### **COURSE OUTCOME:**

By the end of this course, students will be able to:

- recognize, interpret, and evaluate the fundamental legal concepts, legislation, and legal issues important to Canadian business, to better manage risk;
- Analyze and apply legal concepts to specific legal business problems and suggest appropriate legal remedies;
- Assess real-life legal problems in order to formulate creative solutions;
- Value law as a “real life” practical subject, not as a matter of theory or history.

### **CLASS PARTICIPATION:**

Students are strongly encouraged to review the assigned chapter readings with study questions and scenarios to follow prior to each class. Students should be prepared to discuss the assigned material and contribute to class discussions each week. Ten percent (10%) of student’s overall grade will be based on their class participation and attendance, at the instructor’s discretion.

### **EXAMINATIONS:**

You will be tested on your understanding of and ability to apply the concepts presented in class and in the readings. Textbook materials, class discussions, videos or any materials distributed in handouts may all be used for the quizzes or exams. The final exam WILL cover material from the start of the course. More detail on the exams will be provided as the term progresses.

### **STATEMENT ON PLAGIARISM AND CHEATING:**

Cheating and plagiarism will not be tolerated and there will be penalties. For a more precise definition of plagiarism and its consequences, refer to the Student Conduct section of the College Admission Guide at <http://www.gprc.ab.ca/programs/calendar/> or the College Policy on Student Misconduct: Plagiarism and Cheating at [www.gprc.ab.ca/about/administration/policies/\\*\\*](http://www.gprc.ab.ca/about/administration/policies/**)

\*\*Note: all Academic and Administrative policies are available on the same page.

### **TRANSFERABILITY:**

Athabasca University: LGST 369 (3)

Canadian University College: BUAD 345 (3)

Concordia University College of Alberta: BUS 2xx (3)

DeVry Institute of Technology - Calgary: LAWS 315 (3)

King's University College, The: BUSI 369 (3)

MacEwan University: LEGL 210 (3)

University of Alberta: B LAW 301 (3) OR AUMGT 320 (3)

University of Calgary: BSEN 395 (3)

University of Lethbridge, The: MGT 3010 (3)

\*\* Grade of D or D+ may not be acceptable for transfer to other post-secondary institutions.

Students are cautioned that it is their responsibility to contact the receiving institutions to ensure transferability

### **GRADING CRITERIA:**

Every effort will be made to ensure that the final grade you receive reflects your effort and achievement as accurately as possible.

Participation Grade		10%
January 19, 2016	1st Quiz	15%
February 9, 2016	Mid-term Exam	25%
March 15, 2016	2nd Quiz	15%
TBA	Final Exam	35%

### **Examination Absence Policy**

Absences for a Quiz or the Midterm Exam will only be allowed in exceptional circumstances and at the discretion of the instructors. For illness, a satisfactory doctor's note must be provided. Students must request to be excused from a Quiz or the Midterm as soon as possible prior to the date of the Quiz or Midterm. If the absence is allowed by the instructors, the student's Final Exam will be worth 35% plus the weight of the missed Quiz or Midterm. If a student misses a Quiz or the Midterm without the prior approval of the instructors or if a doctor's note is not provided, they will receive 0% on that Quiz or Midterm. This policy will be strictly enforced.

In addition, you will be expected to complete reading assignments outside of class time, (e.g. chapter-end questions for discussion).

### **GRADING CRITERIA:**

Please note that Universities will not accept your course for transfer credit IF your grade is less than C-. This means DO NOT GET LESS THAN "C-" IF YOU ARE PLANNING TO TRANSFER TO UNIVERSITY.

## Business Administration and Commerce Department

### Grading Conversion Chart

Alpha Grade	4-point Equivalent	Percentage Guidelines	Designation
A+	4.0	90 – 100	EXCELLENT
A	4.0	85 – 89	
A–	3.7	80 – 84	FIRST CLASS STANDING
B+	3.3	77 – 79	
B	3.0	73 – 76	GOOD
B–	2.7	70 – 72	
C+	2.3	67 – 69	SATISFACTORY
C	2.0	63 – 66	
C–	1.7	60 – 62	
D+	1.3	55 – 59	POOR
D	1.0	50 – 54	MINIMAL PASS
F	0.0	0 – 49	FAILURE
WF	0.0	0	FAIL, withdrawal after the deadline

### COURSE SCHEDULE

<u>Date</u>	<u>Topic</u>	<u>Lecturer</u>
Jan 7	Course Introduction	G. Pugh/R. Pearce
Jan 7	<b>Chapter 1 - Knowledge of Law as a Business Asset</b> <ul style="list-style-type: none"> <li>• Law in the Business Environment</li> <li>• Law in Business Ethics</li> </ul>	R. Pearce
	<b>Chapter 2 - The Canadian Legal System</b> <ul style="list-style-type: none"> <li>• Canadian Constitution</li> <li>• Branches of Government (Legislative, Executive and Judicial)</li> <li>• System of Courts</li> <li>• Sources of Law</li> <li>• Public and Private Law</li> </ul>	

- Common Law and Civil Law
- Administrative Law and Business

Jan 12,14

**Chapter 3 - Managing Legal Risks**

G. Pugh

- Legal Risk Management Plan
- Identifying Legal Risks
- Evaluating Legal Risks
- Interacting with the Legal Environment
- Managing Legal Services

**Chapter 4 - Dispute Resolution**

- Alternative Dispute Resolution
  - Negotiation
  - Mediation
  - Arbitration
  - Litigation
- Stages of a Lawsuit
  - Pleadings
  - Discovery
  - Trial
  - Enforcement
- Appeals
- Costs

Jan 19

**QUIZ (15%)**

**Chapter 5 - Introduction to Contracts**

R. Pearce

- Objective Standard Test
- Bargaining Power
- Business Relationships

Jan 21

**Chapter 6 - Forming Contractual Relationships**

R. Pearce

- The Four Contractual Requirements
  - Intention to Contract
  - Offer
  - Acceptance
  - Consideration
- Invitation to Treat
- Termination of Offer
  - Revocation
  - Lapse
  - Rejection
  - Counter-offer
  - Death or Insanity
- Variation of Contracts

- Promise Under Seal
- Promissory Estoppel
- Partial Payment of Debt

Jan 26, 28

**Chapter 7 - Terms of a Contract**

R. Pearce

- The Contents of a Contract (Express and Implied Terms)
- The Parole Evidence Rule
- Conditional Agreements
- Limitation of Liability Clause
- Exemption or Exclusion Clause
- Liquidated Damages Clause

Feb 2, 4

**Chapter 8 - Non-Enforcement of Contracts**

G. Pugh

- Legal Capacity
- Duress
- Undue Influence
- Unconscionability
- Misrepresentation
- Mistake
- Illegality
- Writing Requirement

**Chapter 9 – Termination and Enforcement of Contracts**

- Termination through Performance, Agreement or Frustration
- Assignment of Contract
- Privity of Contract
- Breach of Contract
- Conditions and Warranties
- Misrepresentation and Mistakes
- Remedies for Breach of Contract and Entitlement
  - Expectation Damages
  - Punitive Damages
  - Pecuniary and Non-Pecuniary Damages
  - Remoteness
  - Duty to Mitigate
  - Equitable Remedies
    - Specific Performance
    - Injunction
    - Rescission
    - Restitution

Feb 9

**MIDTERM EXAM (25%)**

G. Pugh

Feb 16, 18 NO CLASSES (WINTER BREAK)

Feb 23, 25 **Chapter 13 – The Agency Relationship** R. Pearce

- The Nature of Agency
- Creation of Agency Relationship
- Agency by Estoppel
- Duties of the Agent
- Duties of the Principle
- Liability
- Termination of Agency Agreements

#### **Chapter 14 – Business Forms and Arrangements**

- Sole Proprietorship
- Partnerships
  - Partnership Agreement
    - General Partnerships
    - Limited Partnerships
    - Risk and Liability in General Partnerships
- Corporations
  - Shareholders, Directors and Officers
- Franchises
- Joint Ventures
- Product Licensing

Mar 1, 3 **Chapter 15 - Corporate Form: Organizational matters** R. Pearce

- Internal and External Stakeholders
- Pre-Incorporation Issues
- Share Structure
- Corporate Name
- Organizing the Corporation
- Financing the Corporation
- Securities Legislation

#### **Chapter 16 – The Corporate Form: Operational Matters**

- Corporate Liability
- Duties of Directors and Officers
- Fiduciary Duty
- Liability of Directors and Officers
- Shareholder Liability
- Oppression
- Shareholders Agreements
- Termination of the Corporation

Mar 8, 10

**Chapter 20 – The Employment Relationship**

G. Pugh

- Independent Contractors vs. Employees
- Risks in Hiring
- Human Rights Requirements
- Defences to Discrimination
- Duty to Accommodate
- Offer of Employment
- Terms and conditions
- Workplace Discrimination
- Drug and Alcohol Testing
- Workplace Privacy
- The Union Context

**Chapter 21 – Terminating the Employment Relationship**

- Ending the Employment Relationship
- Dismissals for Just Cause
  - Serious Misconduct
  - Habitual Neglect of Duty
  - Incompetence
  - Conduct Incompatible
  - Wilfull Disobedience
- Reasonable Notice
- Constructive Dismissal
- Wrongful Dismissal Suit
- Damages
- Duty to Mitigate
- Termination Settlements

Mar 15

**QUIZ (15%)**

R. Pearce

Mar 15, 17

**Chapter 19 - Real Property**

- Fixtures
- Interests in Land
- Limits on Ownership
  - Restrictive Covenants
- Registration of Ownership
- Purchasing Transaction and Agreement
- Mortgages
  - Remedies for Mortgage Default
- Real Estate Lease
- Risk Management

Mar 22, 24

**Chapter 17 - Personal Property**

R. Pearce

- Tangible and Intangible Property

- Possession
- Sale of Goods
- Bailment
- Liability of Bailees and Bailors
- Types of Bailment
  - Storage
  - Lease
  - Repairs
  - Transportation
  - Lodging
- Risk Management

Mar 29, 31

**Chapter 10 – Introduction to Tort Law**

G. Pugh

- Defining Tort Law
- Tort Law and Criminal Law
- Burden of Proof
- Liability
- Purpose of Damages
- Punitive Damages
- Aggravated Damages

**Chapter 11 – The Tort of Negligence**

- Duty of Care
- Standard of Care
  - Reasonable Care (Objective Standard Test)
  - Reasonable Foreseeability
- Causation
- Remoteness
- Contributory Negligence
- Involuntary Assumption of Risk
- Negligent Misrepresentation

April 5

**Chapter 12 – Other Torts**

G. Pugh

- Occupiers Liability
- Nuisance
- Trespass
- Torts involving customers
- Defamation of Character
- Interference with Contractual Relations
- Injurious Falsehood or Product Defamation

**FINAL EXAM DATE, TIME AND LOCATION TO BE ANNOUNCED.**