Arkansas CTE

Business Law II: Grades 10, 11, 12

Adopted 2004

Credit, Bankruptcy, and Commercial Paper

1.1 Define terminology

1. Prepare a list of terms with definitions 1.1.1

1.2 Examine the use of credit and the laws surrounding the debtor/creditor relationship

1. Identify the benefits and detriments of using credit 1.2.1
2. Explain how the factors of character, capacity, and capital affect the credit rating of an individual 1.2.2
3. Identify the various laws protecting debtors 1.2.3
4. Identify the various laws protecting creditors 1.2.4
5. Recognize names of the three major credit reporting businesses: Equifax, Experian, and TransUnion 1.2.5
6. Distinguish between a secured debt and unsecured debt 1.2.6
7. State the two methods by which a security interest may be perfected 1.2.7
8. Distinguish between an artisan's lien and a mechanic's lien 1.2.8

1.3 Examine bankruptcy relief

1. Identify the purposes of bankruptcy and who may file for it 1.3.1
2. Examine the procedures for various types of bankruptcy 1.3.2
3. List debts that cannot be discharged and assets exempt from seizure in satisfying creditor's claims 1.3.3

1.4 Explain types of commercial paper and the essential elements of negotiability

1. Describe the basic types of commercial paper and their uses 1.4.1
2. Describe how and when to use the various forms of commercial paper 1.4.2
3. Identify the requirements of negotiability 1.4.3
4. Identify the parties to a check and promissory note 1.4.4
5. Identify and use the various endorsements to achieve a chosen purpose 1.4.5

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Employment and Agency Law

2.1 Define terminology

1. Prepare a list of terms with definitions 2.1.1

2.2 Examine the nature of the employer/employee relationship

1. List contractual duties imposed by law on an employee in the employment relationship 2.2.1
2. List the basic duties imposed by law on the employer in the employment relationship 2.2.2
3. Identify federal laws that regulate employment conditions and employment opportunities 2.2.3
4. Describe different classifications of employment discrimination 2.2.4
5. Identify duties of the employer to injured employees 2.2.5
6. Identify duties of the employer to the employee in the event of unemployment 2.2.6
7. Describe the differences between an employer and independent contractor 2.2.7

2.3 Discuss the role of unions in the workforce

1. Explain how unions are established under the National Labor Relations Act 2.3.1
2. Explain the affect of right-to-work statutes 2.3.2
3. Define unfair labor practices by management or unions 2.3.3

2.4 Analyze the principal agent relationship in conducting business

1. Identify the purpose for which an agency is created 2.4.1
2. Discuss rights and responsibilities of all parties in an agency 2.4.2
3. Discuss the different ways in which an agency may be created 2.4.3
4. Identify the classifications of agents based on scope of authority 2.4.4
5. Distinguish between a general power of attorney and a limited power of attorney 2.4.5

Legal Forms of Business Organization

3.1 Define terminology

1. Prepare a list of terms with definitions 3.1.1

3.2 Examine the characteristics of sole proprietorships and partnerships

1. Discuss the creation and distinguishing features of proprietorships and partnerships 3.2.1
2. Compare and contrast the advantages and disadvantages of proprietorships and partnerships 3.2.2
3. Categorize various types of partnerships by extent of liability, and according to management authority 3.2.3

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4. Examine the various provisions found in an example of a typical partnership agreement 3.2.4

3.3 Examine the characteristics of a corporation

1. Discuss the incorporation process 3.3.1
2. Identify the different types and classifications of corporations (domestic, foreign, alien, public, private, publicly held, closely held nonprofit) 3.3.2
3. List the advantages and disadvantages of a corporation 3.3.3
4. Compare the types of stock that may be issued by a corporation 3.3.4
5. Describe the duties and functions of the board of directors and officers of a corporation 3.3.5
6. Identify the rights of shareholders 3.3.6
7. Identify the various methods of corporate expansion, and discuss negative aspects associated with each 3.3.7
8. Identify statutes and agencies that regulate corporations 3.3.8
9. Explain how the business judgment rule, the insider trading rule, and the corporate opportunity doctrine impose legal obligations of "good faith" upon officers and directors for their business conduct 3.3.9

Property Law and Insurance

4.1 Define terminology

1. Prepare a list of terms with definitions 4.1.1

4.2 Explain the rules of law that apply to personal property and bailments

1. Discuss tangible and intangible personal property, how property may be acquired, and the rights associated with ownership 4.2.1
2. Discuss the ownership of intellectual property by patent, copyright, and trademark registration 4.2.2
3. Describe a bailment, the various classifications of bailments, the purposes for which they may be created, and the various degrees of a bailee's liability for care of the bailed property 4.2.3
4. Distinguish between common, contract, and private carriers 4.2.4
5. List the various forms of co-ownership of property and the distinguishing characteristics of each 4.2.5

4.3 Explain the rules of law that apply to real property

1. List the rights associated with the ownership of real property 4.3.1
2. Discuss the various ways by which real property may be acquired 4.3.2
3. Explain the difference in conveyance by warranty deed as opposed to quit claim deed 4.3.3

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4. Explain the proper procedure for the transfer of title to real property 4.3.4
5. Describe and distinguish other's rights through licenses and easements 4.3.5

6. Explore the limitations of property use by restrictive covenants and zoning laws 4.3.6

4.4 Discuss the landlord/tenant relationship

1. Describe types of tenancies that may be created by leases (periodic tenancy, tenancy for years, tenancy at sufferance, tenancy at will) 4.4.1
2. Summarize the rights and duties of landlords and tenants 4.4.2

4.5 Explain the concept of risk and insurance

1. Explain the need for insurance 4.5.1
2. Discuss the contrast the different types of insurance 4.5.2
3. Discuss common policy provisions and considerations 4.5.3