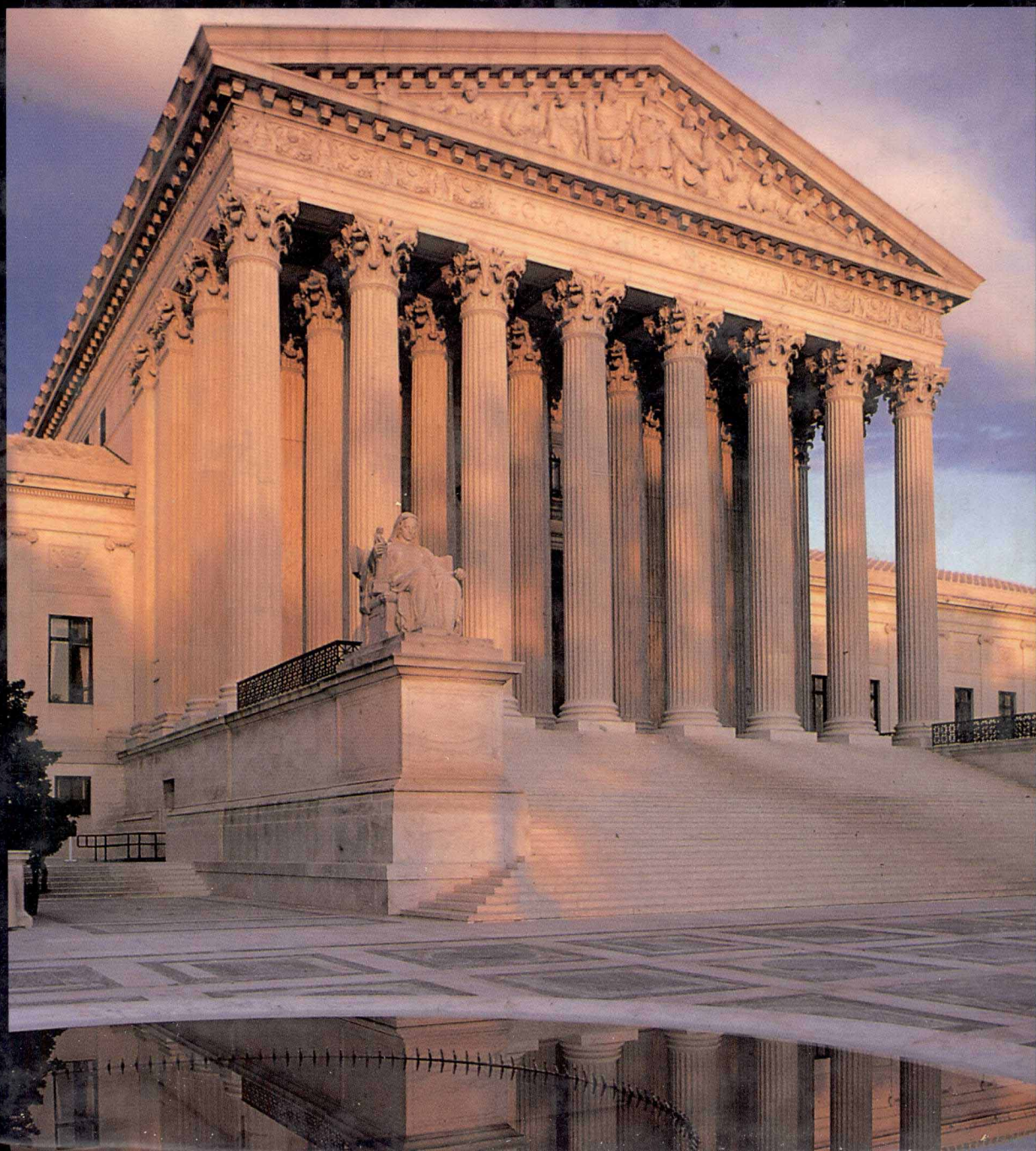
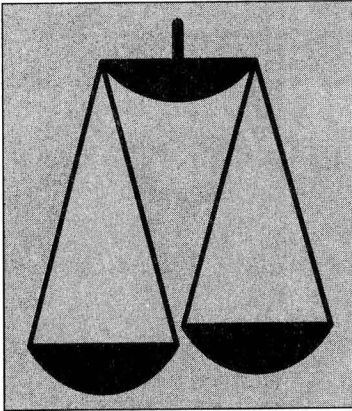


The Legal Environment of Business

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The Legal Environment of Business



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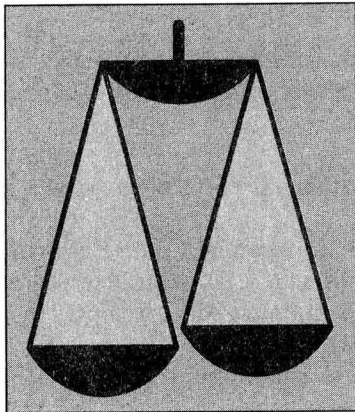
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Preface



The American legal scene has changed tremendously during the 1980s, and even more change is expected as we approach the 21st century. As a result, the effect of the legal environment in which business operates has changed and will change dramatically. **THE LEGAL ENVIRONMENT OF BUSINESS** was written with two goals in mind—to present to the student the breadth of the legal environment of business and to provide a legal foundation that can be used in his or her business or government career.

To accomplish these goals, we have presented materials that cover both the private and public regulation of business. Legal topics discussed in the first area include contracts, sales, secured transactions, negotiable instruments, property, agency, partnerships, and corporations. Legal topics covered in the second area—public regulation—are labor law, securities law, antitrust, consumer rights, and environmental law.

Although private and public regulations are easily divided in theory, in real life these two areas are often blended. Students need to understand both forms of law so that they are aware of their rights and recognize possible liabilities.

Total Learning/Teaching Package

This text constitutes what we believe to be a total learning/teaching package. The text contains numerous pedagogical aids and high-interest additions.

Case Selection and Presentation

Each chapter has five to eight cases to illustrate the application of the law to specific business problems. We have tried to create a balance between classic cases that are well recognized and recent cases that have changed the law significantly. Each case starts with the citation that includes the court, the date, the state reporter (if available), and the West reporter. The *Background and Facts* focuses on the setting in which the case arose and identifies the plaintiffs and defendants. The actual court case is presented in an edited manner. Finally, the *Decision and Remedy* clearly states who won the case and why. When appropriate we have a *Comment* section that presents additional material not available from the case itself or that notes future trends.

Features of Each Chapter

Each chapter has an example of one or more of the following special sections that are designed to instruct as well as to interest the student.

Quotations

Each chapter opens with a brief quotation that is appropriate to the chapter material.

Exhibits

Most chapters have at least one exhibit to illustrate important aspects of the law. Some exhibits are charts, such as the one setting out the federal court system; others focus on classifications or summaries; and others set out forms used in the legal or business world, such as the one presenting an example credit sale contract.

Legal Highlights

Nearly all chapters have legal highlights in which the student is presented with practical advice, such as how to check on a social security account, or with examples of how the law was applied in an unusual situation, such as the one on the cross-cultural conflict on the Texas Gulf Coast.

Facing A Legal Issue

Located at the end of each chapter is material entitled *Facing A Legal Issue*. In each discussion, we have attempted to present a factual situation which a business person could confront in his or her career. These situations concern problems that are collateral to the rest of the material contained within the chapter. They are an attempt to give students practical factual advice on how to apply the law.

Key Terms

Each chapter ends with a list of key terms first identified by bold-faced type in the text.

Questions and Case Problems

At the end of each chapter, five to ten *Questions and Case Problems* are set out. The questions are

a mix of hypotheticals and problems taken from actual cases for which full citations are given. Complete answers to all of the *Questions and Case Problems* are found in a separate booklet entitled *Answers to Questions and Case Problems*.

Appendices

So that this book can serve as a reference, we have included a full set of appendices. They are as follows:

- A The Constitution of the United States of America
- B The Uniform Commercial Code (Excerpts)
- C Restatement of Torts, Second (Excerpts)
- D The Sherman Antitrust Act (Excerpts)
- E Clayton Act (Excerpts)
- F The Federal Trade Commission Act (Excerpts)
- G National Labor Relations Act (Excerpts)
- H The Federal Civil Rights Laws (Excerpts)
- I The Uniform Partnership Act (Excerpts)
- J Spanish Equivalents for Important Legal Terms in English

Supplements

Study Guide

The *Study Guide* was written by Thomas Brierton of Northern Illinois University. Each chapter reinforces what the text has presented. The *Study Guide* consists of descriptions of general principles discussed in each chapter, chapter summaries in sentence outline form, and true-false, fill-in-the-blank, and multiple-choice questions to test students' comprehension.

Instructor's Manual with Test Bank

The *Instructor's Manual* was written by Lou Ann Simpson of Drake University. Each chapter includes a chapter overview, case comments, and discussion questions and teaching suggestions. The *Test Bank* has been prepared by Larry D. Strate of the University of Nevada at Las Vegas. Each

chapter of the *Test Bank* has a minimum of 15 true-false questions and 35 multiple-choice questions with many chapters having more items.

The *Test Bank* is available on WESTEST, which offers computerized testing for IBM-PC and compatible microcomputers or the Apple II family of microcomputers. WESTEST allows instructors to create new tests, modify existing tests, change the questions from West's original *Test Bank*, and print tests in a variety of formats. Instructors can add questions of their own to the *Test Bank*. Instructors should contact their West sales representative to inquire about acquiring WESTEST.

Educational Legal Software

LEGAL CLERK—A Software Package For Research And Learning is new to this edition and is the highly acclaimed West Publishing LEGAL CLERK Research Software System. LEGAL CLERK is a user-friendly, interactive software package that simultaneously introduces students to the rudiments of computer-aided legal research and reinforces the underlying concepts of business law. LEGAL CLERK provides a valuable learning tool to help your school meet AACSB recommendations for using microcomputers in business law courses.

LEGAL CLERK enables students with access to IBM-PC and compatible personal computers to retrieve specific cases found in THE LEGAL ENVIRONMENT OF BUSINESS for extensive study. To provide instructors with maximum flexibility, LEGAL CLERK covers three major subject areas of business law and legal environment—UCC Article 2 Sales; Government Regulation and the Legal Environment of Business; and Contracts. Instructors may select one or all three versions for their classes. Cases appearing in LEGAL CLERK are clearly identified in the text with a computer logo. The logos are color coded to help users easily identify which version of LEGAL CLERK contains specific cases.



Uniform Commercial Code Article 2 Sales—Version 1.0



Government Regulation and The Legal Environment of Business—Version 1.0



Contracts—Version 1.0

A site license for all three versions of LEGAL CLERK is free to qualified adopters. Each version is accompanied by an *Instructor's Resource Guide* and, for student purchase, a *Student User's Guide*.

West's Book of Forms

West's Book of Legal Forms by Robert McNutt, California State University of Northridge, is also available for student purchase. It provides 40 samples of often-used business forms.

Transparency Acetates

The supplements package contains a set of approximately 40 transparency acetates.

Acknowledgments

Many people are involved in the production of a new textbook. The initial impetus for THE LEGAL ENVIRONMENT OF BUSINESS came from Clyde Perlee, Jr., who has been a strong supporter of this project. We acknowledge the guidance, insightful critiques, and suggestions provided by Roger LeRoy Miller. A hearty thanks to Denise Simon, our executive editor, who kept the project moving in a timely manner, and Robert Jucha, our development editor, who coordinated all the reviews and provided expert analysis. We thank Rose Gruenhagen and Eric Hollowell who helped to proofread this project.

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As careful as we have attempted to be, there are, no doubt, errors in this text for which we take full responsibility. We welcome comments from all users of the text, for it is by incorporating such comments that we can make this text even better in future editions.

Mary Jane Dundas
Herbert M. Bohlman
Gaylord A. Jentz

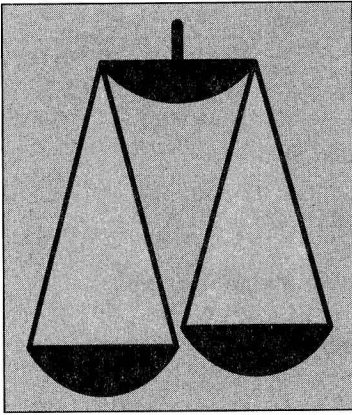
DEDICATION

M.J.D. dedicates this book to her parents, R.J. and Maria A. Dundas, and her sisters Jean and Marilyn, and their families.

H.M.B. dedicates this book to his wife, Mimi, and his children, Bill, Patti, Mike, and Laura.

G.A.J. dedicates this book to his wife, JoAnn, and his children, Kathy, Gary, Lori, and Rory.

Contents In Brief



Part I **Introduction to Law 1**

- 1 Introduction to Law and Its Sources 3**
- 2 The Judicial System and Litigation 25**
- 3 The Constitution and the Regulation of Business 49**
- 4 Administrative Agencies and the Regulation of Business 73**
- 5 Alternative Dispute Resolution Procedures 101**
- 6 Legislative and Executive Process 127**
- 7 Ethics and Corporate Social Responsibility 151**
- 8 White Collar Criminal Law 167**

Part II **Business and Private Law 189**

- 9 Contracts and Sales Law 191**
- 10 Commercial Paper and Secured Transactions 223**
- 11 Rights of Consumers, Debtors, and Creditors 255**
- 12 Torts and Product Liability 283**
- 13 Consumer Protection 313**
- 14 Property Law and Computer Law 339**
- 15 Agency and Employment Law 267**

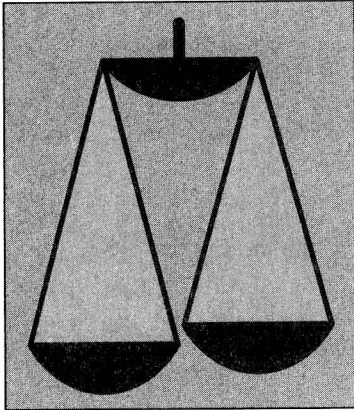
Part III
Business Formation 393

- 16 Business Enterprises: Sole Proprietorships and Partnerships 395**
- 17 Corporate Law and Franchising Law 419**

Part IV
Business and Government Regulation 447

- 18 Securities Regulation 449**
- 19 Antitrust Law: Statutes and Exemptions 473**
- 20 Antitrust Law: Enforcement and Trends 493**
- 21 Legislative Control over Labor and Labor Relations 517**
- 22 Employment Law and Equal Opportunity 539**
- 23 Environmental Law 563**
- 24 International Business Law 585**

Contents



Part I Introduction to Law 1

| | | |
|----------|--|----------|
| 1 | Introduction to Law and Its Sources | 3 |
| | Introduction | 4 |
| | Definition of Law | 4 |
| | Schools of Legal Philosophy | 4 |
| | The Natural Law School | 4 |
| | The Historical and Sociological Schools | 4 |
| | The Analytical School | 5 |
| | The Legal Realists | 5 |
| | The Economic School | 5 |
| | Sources of American Law | 6 |
| | Constitutions | 6 |
| | Statutes and Ordinances | 7 |
| | Common Law | 7 |
| | <i>Stare Decisis</i> | 7 |
| | Sources of Commercial Law | 8 |
| | The Law Merchant | 8 |
| | LEGAL HIGHLIGHT: A Paddling Precedent | 9 |
| | Codification of Commercial Law | 10 |
| | Uniform Commercial Code | 10 |
| | Classification of Law | 10 |
| | Substantive Law Versus Procedural Law | 10 |
| | Public Law Versus Private Law | 11 |
| | Civil Law Versus Criminal Law | 12 |
| | Courts of Law Versus Courts of Equity | 12 |
| | Courts of Law: Remedies at Law | 12 |
| | Courts of Equity: Equitable Remedies | 12 |
| | Merging of the Two Court Systems | 13 |
| | Distinctions | 13 |
| | Specific Types of Equitable Remedies | 13 |
| | LEGAL HIGHLIGHT: Equitable Maxims | 14 |
| | Administrative Agency Regulations | 14 |
| | Locating Case Law | 15 |
| | Appellate Court Decisions | 15 |
| | Legal Research by Computers | 17 |
| | Analyzing Case Law: A Supreme Court Case | 17 |
| | Traditional Versus Environmental Approach to the Law | 22 |
| | FACING A LEGAL ISSUE: How to Find an Attorney | 23 |
| | Summary | 23 |
| | Key Terms | 24 |
| | Questions and Case Problems | 24 |

| | |
|--|----|
| Introduction | 26 |
| Jurisdiction | 26 |
| Jurisdiction over the Person and Property | 26 |
| Subject-Matter Jurisdiction | 27 |
| Venue | 27 |
| Court Systems in the United States | 27 |
| A Typical State Court System | 27 |
| The Federal Court System | 28 |
| Jurisdiction of Federal Courts | 30 |
| LEGAL HIGHLIGHT: Another Level of Appeals Court? | 32 |
| Which Cases Reach the Supreme Court? | 32 |
| LEGAL HIGHLIGHT: The Friday Conference | 33 |
| Concurrent Versus Exclusive Jurisdiction | 33 |
| Writ of <i>Certiorari</i> | 33 |
| Judicial Review | 34 |
| Judicial Procedures: Following a Case Through the Courts | 36 |
| Procedure | 36 |
| A Sample Case | 36 |
| LEGAL HIGHLIGHT: Singing the Courthouse Blues | 40 |
| LEGAL HIGHLIGHT: The Legacy | 44 |
| The Judiciary | 44 |
| State Judicial Selection Procedures | 45 |
| Federal Judicial Selection Procedures | 45 |
| United States Magistrates | 45 |
| FACING A LEGAL ISSUE: Using a Small Claims Court | 46 |
| Summary | 46 |
| Key Terms | 47 |
| Questions and Case Problems | 47 |

| | |
|---|----|
| Introduction | 50 |
| Articles of the Constitution | 50 |
| The Supremacy Clause | 50 |
| Separation of Powers | 50 |
| LEGAL HIGHLIGHT: A Funny Thing Happened on the Way to | |
| Amend the Articles of Confederation | 52 |
| The Commerce Clause | 53 |
| The Taxing Power | 56 |
| The Spending Power | 56 |
| Bill of Rights and the Other Amendments | 56 |
| LEGAL HIGHLIGHT: The Rising Sun | 57 |
| Delegated Powers | 57 |
| Bill of Rights in a Business Context | 57 |
| LEGAL HIGHLIGHT: Twenty-Six of 5,000 Proposed | |
| Amendments | 58 |
| Business and the First Amendment | 58 |
| Freedom of Religion | 62 |
| Search and Seizure | 63 |

| | |
|---|----|
| Self-Incrimination | 65 |
| Due Process | 68 |
| Equal Protection | 68 |
| FACING A LEGAL ISSUE: Stopping Employee Theft | 69 |
| Summary | 69 |
| Key Terms | 70 |
| Questions and Case Problems | 70 |

| | |
|---|-----|
| Introduction | 74 |
| Areas of Regulation | 74 |
| Economic Regulation | 74 |
| Public Welfare | 74 |
| Features of Administrative Agencies | 74 |
| Criticisms | 77 |
| Delegation of Power to Administrative Agencies | 77 |
| Line Agencies, Independent Agencies, Government Agencies and Quasi-Official Agencies | 78 |
| Enabling Legislation | 78 |
| Administrative Procedure Act | 81 |
| Three Areas of Power | 81 |
| LEGAL HIGHLIGHT: “Governmentese” and Plain English | 83 |
| Limitations on Administrative Agencies’ Powers | 90 |
| Major Constitutional Limitations | 90 |
| Congressional Statutes | 93 |
| Judicial Review | 96 |
| Deregulation | 96 |
| FACING LEGAL ISSUE: Administrative Law: Facing Zoning Problems | 98 |
| Summary | 98 |
| Key Terms | 99 |
| Questions and Case Problems | 100 |

5 Alternative Dispute Resolution Procedures 101

| | |
|--|-----|
| Introduction | 102 |
| Advocates of Alternative Dispute Resolution Procedures | 102 |
| Comparisons Between Alternative Dispute Resolution Procedures and the Judicial System | 102 |
| Financial Costs | 104 |
| Time Costs | 104 |
| Privacy Factor | 105 |
| Formality | 105 |
| Selection of the Decision Maker | 105 |
| Choice of Forum | 106 |
| Alternative Dispute Resolution Procedures | 106 |
| Negotiation | 106 |
| LEGAL HIGHLIGHT: Code of Ethics for Arbitrators | 107 |

| | |
|--|-----|
| Arbitration | 107 |
| Conciliation | 118 |
| Mediation | 119 |
| Fact Finding | 119 |
| Mini-Trial | 119 |
| LEGAL HIGHLIGHT: Cross-Cultural Conflict on the Texas Gulf Coast | 120 |
| LEGAL HIGHLIGHT: Asbestos Claims Facility | 122 |
| Private Judge | 123 |
| FACING A LEGAL ISSUE: Arbitration of Disputes Involving “Lemons” | 124 |
| Summary | 124 |
| Key Terms | 125 |
| Questions and Case Problems | 125 |

6 Legislative and Executive Process 127

| | |
|---|-----|
| Introduction | 128 |
| The Legislature | 128 |
| Specific Powers and Limitations | 128 |
| Committees: How Congress Does Its Work | 128 |
| LEGAL HIGHLIGHT: Congressional Record | 129 |
| How a Bill Moves Through Congress | 129 |
| Preparation of a Bill | 130 |
| Introduction of the Bill | 130 |
| LEGAL HIGHLIGHT: Where to Obtain Bills and Committee Reports and How to Reach Your Congressperson | 131 |
| Legislative Veto | 132 |
| Lobbyists | 135 |
| Regulation of the Lobbyists’ Activities | 135 |
| Presidential Lobby | 135 |
| Political Action Committees | 135 |
| LEGAL HIGHLIGHT: Golden Fleece Award | 136 |
| Legislative Immunity | 137 |
| The Executive Branch | 138 |
| Specific Powers | 138 |
| LEGAL HIGHLIGHT: One Vote | 139 |
| Informal Power | 139 |
| Executive Orders | 139 |
| Limitations of Power | 140 |
| Executive Privilege | 142 |
| Executive Immunity | 144 |
| Foreign Policy | 147 |
| Congressional Inquiry of a Pending Agency Case | 147 |
| FACING A LEGAL ISSUE: Haunting the Legislative Hallways | 148 |
| Summary | 148 |
| Key Terms | 149 |
| Questions and Case Problems | 149 |

| | | |
|----------|---|------------|
| 7 | Ethics and Corporate Social Responsibility | 151 |
| | Introduction | 152 |
| | What Constitutes Ethical Conduct | 152 |
| | Why Do Ethical Issues Arise? | 153 |
| | Changing Standards of Ethical Behavior | 154 |
| | To Whom Are Business Ethics Owed? | 154 |
| | Shareholders and Ethics | 154 |
| | Employees and Ethics | 157 |
| | Customers and Ethics | 157 |
| | LEGAL HIGHLIGHT: It Takes Guts | 158 |
| | Suppliers and Ethics | 160 |
| | The Community and Ethics | 160 |
| | LEGAL HIGHLIGHT: Have You Gotten Our Letter Yet? | 161 |
| | Legal Ethics | 162 |
| | LEGAL HIGHLIGHT: Supplier As “Customer” | 163 |
| | FACING A LEGAL ISSUE: When Should You Blow the Whistle? | 164 |
| | Summary | 164 |
| | Key Terms | 165 |
| | Questions and Case Problems | 165 |
| 8 | White-Collar Criminal Law | 167 |
| | Introduction | 168 |
| | Classification of Crimes | 168 |
| | LEGAL HIGHLIGHT: White-Collar Crime | 169 |
| | Criminal Statutory Law | 169 |
| | Constitutional Safeguards | 171 |
| | Criminal Procedure | 172 |
| | Basic Elements of Criminal Responsibility | 172 |
| | LEGAL HIGHLIGHT: Film Recovery Systems, Inc. | 173 |
| | Categories of Criminal Intent | 173 |
| | Crimes Affecting Business | 174 |
| | LEGAL HIGHLIGHT: Ford | 175 |
| | Offenses Against Property | 175 |
| | LEGAL HIGHLIGHT: E. F. Hutton & Co. | 178 |
| | White-Collar Crime | 178 |
| | LEGAL HIGHLIGHT: Criminal Schemes | 179 |
| | LEGAL HIGHLIGHT: Equity Funding | 182 |
| | FACING A LEGAL ISSUE: Bad Checks | 186 |
| | Summary | 186 |
| | Key Terms | 187 |
| | Questions and Case Problems | 187 |

Part II

Business and Private Law 189

| | | |
|----------|--------------------------------|------------|
| 9 | Contracts and Sales Law | 191 |
| | Introduction | 192 |
| | Evolution of Contract Law | 192 |

| | |
|---|-----|
| Contract Terms | 192 |
| Terms Used with Contracts | 193 |
| LEGAL HIGHLIGHT: The Tow Truck and the Implied-In-Fact Contract | 194 |
| Elements of a Contract | 195 |
| Requirements of the Offer | 195 |
| Termination of the Offer | 198 |
| Acceptance | 201 |
| Genuineness of Mutual Assent | 204 |
| Consideration | 205 |
| Contractual Capacity | 207 |
| LEGAL HIGHLIGHT: Opera, Dinner, and Court? | 208 |
| LEGAL HIGHLIGHT: “Blue” Sabbath | 211 |
| Legality | 211 |
| Writing | 211 |
| Other Contractual Problems | 214 |
| Third-Party Rights | 214 |
| Remedies and Damages | 214 |
| Discharge | 215 |
| FACING A LEGAL ISSUE: Making Sure You Are Insured | 218 |
| Summary | 218 |
| Key Terms | 219 |
| Questions and Case Problems | 220 |

10 Commercial Paper and Secured Transactions 223

| | |
|--|-----|
| Introduction | 224 |
| Functions of Commercial Paper | 224 |
| A Substitute for Money | 224 |
| A Credit Device | 224 |
| Parties to Commercial Paper | 224 |
| Makers and Payees | 225 |
| Drawers, Drawees, and Payees | 225 |
| Indorsers and Indorsees | 226 |
| Bearers | 227 |
| Holders and Holders in Due Course | 227 |
| Types of Commercial Paper | 231 |
| Promises to Pay | 231 |
| Orders to Pay | 232 |
| Requirements for a Negotiable Instrument | 232 |
| In Writing | 232 |
| Signed by the Maker or the Drawer | 232 |
| Unconditional Promise or Order to Pay | 233 |
| To Pay a Specific Sum of Money | 233 |
| Payable on Demand or at a Definite Time | 233 |
| Payable to Order or to Bearer | 233 |
| Assignment or Negotiation | 233 |
| Assignment | 234 |
| Negotiation | 234 |
| Defenses | 236 |

| | |
|--|------------|
| Real Defenses | 236 |
| Personal Defenses | 237 |
| Federal Limitations on Holder-in-Due-Course Rights | 237 |
| Indorsements | 238 |
| Categories | 238 |
| Signature Liability of Makers, Acceptors, and Drawers | 239 |
| Discharge | 240 |
| Checks and the Banking System | 240 |
| The Bank-Customer Relationship | 240 |
| Duties of the Bank | 240 |
| Customer Duties | 244 |
| Electronic Funds Transfer Systems | 244 |
| A Bank's Liability in EFTs | 244 |
| Secured Transactions | 244 |
| LEGAL HIGHLIGHT: Consumers, Paper, and Electronic Banking | 245 |
| Creating a Security Interest | 245 |
| Perfection | 246 |
| Default | 247 |
| LEGAL HIGHLIGHT: A Tale of Woe! | 248 |
| Termination | 250 |
| FACING A LEGAL ISSUE: The Problem of Postdating a Check | 251 |
| Summary | 251 |
| Key Terms | 252 |
| Questions and Case Problems | 252 |
| 11 Rights of Consumers, Debtors, and Creditors | 255 |
| Introduction | 256 |
| Consumer Credit Protection Act | 256 |
| Consumer Credit Cost Disclosure: Truth-in-Lending Act | 256 |
| Other Provisions of the CCPA | 257 |
| LEGAL HIGHLIGHT: Earth Calling Computer, Earth Calling Computer, Do You Read Me? | 263 |
| LEGAL HIGHLIGHT: Gossip, Gossip, Gossip | 265 |
| LEGAL HIGHLIGHT: Women and the Credit Revolution | 266 |
| Other Consumer-Oriented Laws | 268 |
| Uniform Consumer Credit Code | 268 |
| Real Estate Settlement Procedures Act | 268 |
| State Usury Laws | 269 |
| Creditors' Rights | 269 |
| Writ of Execution | 269 |
| Attachment | 269 |
| Garnishment | 270 |
| Mortgage Foreclosure on Real Property | 271 |
| Protection for the Debtor | 272 |
| Bankruptcies and Reorganizations | 273 |
| Goals of Bankruptcy | 273 |
| The Bankruptcy Reform Acts of 1978, 1984, and 1986 | 273 |