

*Essentials
of Business Law
&
the Regulatory
Environment*



DWORKIN
BARNES
RICHARDS

ESSENTIALS OF BUSINESS LAW AND THE REGULATORY ENVIRONMENT

P R E F A C E

This, the first edition of *Essentials of Business Law and the Regulatory Environment*, represents both a continuation and a beginning of a business law tradition. All three authors—Terry Morehead Dworkin, A. James Barnes, and Eric L. Richards—are colleagues at Indiana University and recently completed their fifth edition of *Law for Business*. Professor Barnes also is a co-author of *Business Law and the Regulatory Environment*, while Professor Richards authored *Law for Global Business*. By drawing upon this extensive text-writing experience, the authors have continued the quality presentation that has distinguished the Irwin Legal Studies in Business Series.

Simultaneously, this book is a new beginning. The authors recognized the need for a simpler and shorter text that concisely communicates the business law concepts essential for business students. This created a new chemistry that triggered fresh ideas. The result is a book that provides its readers with the tools for understanding the principles underlying the legal environment of business. It goes beyond identifying the current legal rules and regulations affecting business by offering insights into new developments and trends that will greatly affect future transactions. The result is a clear, easy-to-read text that facilitates an understanding of the complexities confronting business people in a dynamic environment.

NEW MATERIALS AND FEATURES

In order to provide the reader with insight into new developments and trends, the authors have discussed current and prospective changes in the law and included up-to-date topics and cases. These features include:

- Incorporation of Revised Article 3 (Negotiable Instruments)—and the related amendments to Articles 1 and 4—of the Uniform Commercial Code that are designed to clarify the law of negotiable instruments, bring it in better harmony with current business practice, and acknowledge recent technological developments.
- Environmental laws, including the Clean Air Act Amendments, that impose potentially significant constraints on how and where many businesses can operate.
- Specially denoted “International Business Perspective” features in a number of chapters in recognition of the global environment in which U.S. businesses compete.
- Several important changes in the employment law area, such as:
 1. The Americans with Disabilities Act and the Family and Medical Leave Act, which expand the duties of employers.
 2. Coverage of emerging privacy rights.
 3. Coverage of recent developments on “whistleblowing.”

PEDAGOGY

To assist in the comprehension of the complex topics discussed in a business law course, a number of pedagogical devices have been employed:

- Each chapter begins with a high-interest case or hypothetical, followed by a number of questions designed to introduce the reader to the fundamental issues raised in the chapter.
- Concept Summaries are inserted throughout each chapter to provide immediate reinforcement of important or difficult topics.
- Numerous flowcharts, outlines, and illustrations are used to facilitate student understanding of key concepts.

CASES

The textual material is further reinforced through the use of high-interest and easy-to-understand cases that have been decided by state and federal courts. They were selected to teach something about business practices as well as the law. Although the cases are brief, they include enough facts and discussion to make understandable both the practical business situations and the underlying legal issues. Each case is placed immediately after the textual point it illustrates.

EMPHASIS ON ETHICS

Chapter 3, Business Ethics and Corporate Social Responsibility, establishes the foundation for student understanding, discussion, and debate of the ethical issues confronting business managers. This material is reinforced by the insertion throughout the text of brief Ethical Implications sections. These comments, questions, and cases permit the students to more fully appreciate the wide range and complexity of the ethical dilemmas facing businesspersons today.

SUPPLEMENTS PACKAGE

Instructor's Manual

The Instructor's Manual, prepared by the authors, contains discussions of major chapter topics. Notes are included for all cases within each chapter, as well as "Points for Discussion" which pose ideas for potential classroom discussion. Additional cases are included at the end of each chapter discussion, which can be used to further illustrate topics covered in that chapter. Each is on a single page for easy reproduction for students. Answers to all Questions and Problem Cases in the text appear in the manual, as well as references throughout the manual as to appropriate places to discuss each end-of-chapter problem case. The answer key for the student study guide is again provided at the end of the Instructor's Manual, as is a set of transparency masters.

Test Bank

The Test Bank was prepared with the help of Craig Dworkin. It contains true-false, multiple choice, and short essay questions with answers and a difficulty rating for each.

- Computest 4** A computerized version of the Test Bank is available and allows you to generate random tests and add your own questions.
- Student Study Guide and Workbook** Prepared by Frona Powell, the Study Guide gives students additional practice in reviewing the major concepts in each chapter and preparing for exams. It includes chapter outlines, learning objectives, learning hints, true-false, multiple choice, and short essay questions.

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CONTENTS IN BRIEF

<hr/>		CHAPTER 9	
PART I		Creating a Contract: Acceptances	132
Introduction to the Law and the		CHAPTER 10	
American Legal System	3	Consideration	144
CHAPTER 1		CHAPTER 11	
Law and Its Sources	5	Capacity	158
CHAPTER 2		CHAPTER 12	
Dispute Settlement	22	Assent and Illegality	169
CHAPTER 3		CHAPTER 13	
Business Ethics and Corporate Social		The Form and Meaning of Contracts	186
Responsibility	44	CHAPTER 14	
		Third Parties' Contract Rights	200
		CHAPTER 15	
		Performance and Remedies	211
<hr/>		CHAPTER 16	
PART II		Sales Contracts	227
Torts and Crimes	63	CHAPTER 17	
CHAPTER 4		Warranties and Product Liability	257
White-Collar and Business Crimes	65		
CHAPTER 5			
Intentional Torts	77		
CHAPTER 6			
Negligence and Strict Liability	90		
		<hr/>	
<hr/>		PART IV	
PART III		Employment Law and Business	
Contracts	103	Organizations	281
CHAPTER 7		CHAPTER 18	
The Nature and Origins of Contracts	105	Employment Law	283
CHAPTER 8		CHAPTER 19	
Creating a Contract: Offers	118	Agency	301
		CHAPTER 20	
		Partnerships	321
		CHAPTER 21	
		Corporations	341

<hr/>		CHAPTER 28	
PART V		Securities Regulation	529
Commercial Transactions		CHAPTER 29	
and Property	363	Consumer Protection Laws	547
CHAPTER 22		CHAPTER 30	
Negotiable Instruments; Negotiation;		Environmental Regulation	561
Holder in Due Course	365		
CHAPTER 23			
Liabilities of Parties; Checks	404	APPENDIXES	A-1
CHAPTER 24		A Constitution of the United States	A-2
Secured Transactions	434	B Uniform Commercial Code	B-1
CHAPTER 25		C Glossary of Spanish-English Terms	C-1
Bankruptcy	456		
CHAPTER 26			
Property	479		
		GLOSSARY OF LEGAL TERMS AND	
		DEFINITIONS	G-1
PART VI			
Government Regulation	509		
CHAPTER 27		INDEX	I-1
The Antitrust Laws	511		

C O N T E N T S

PART I		Means of Dispute Settlement	23
Introduction to the Law and the American Legal System	3	<i>Negotiation</i>	23
		<i>Alternative Dispute Resolution</i>	23
		<i>The Courts</i>	26
		<i>Jurisdiction</i>	26
CHAPTER 1		State Courts	27
Law and Its Sources	5	<i>Inferior Courts</i>	27
Introduction	6	<i>Trial Courts</i>	27
<i>Law in Business</i>	6	<i>Appeals Courts</i>	28
The Nature of Law	6	Federal Courts	29
<i>The Legal System</i>	6	<i>District Court</i>	30
<i>A Definition</i>	6	<i>Special Courts</i>	30
<i>A Limited Meaning</i>	7	<i>Court of Appeals</i>	30
<i>Functions of Law</i>	7	<i>The Supreme Court</i>	31
Classifications of Law	8	The Adversary System	31
<i>Substantive and Procedural Law</i>	8	<i>The Function of the Judge</i>	32
<i>Criminal and Civil Law</i>	9	<i>Advantages and Disadvantages</i>	32
The American Legal System	10	Procedure	32
<i>Checks and Balances</i>	10	<i>The Functions of Procedure</i>	32
<i>Constitutional Powers</i>	11	<i>Pleadings</i>	32
<i>Constitutional Limitations</i>	11	<i>Discovery</i>	37
<i>Fifty-One Legal Systems</i>	12	<i>The Trial</i>	38
Sources of Law	12	Appellate Procedure	40
<i>Constitutions</i>	12	<i>Basis for Appeal</i>	40
<i>Treaties</i>	12	<i>The Appeal</i>	40
<i>Statutes</i>	12	<i>Results of Appeal</i>	41
<i>Administrative Rules and Decisions</i>	13	Court Problems and Proposed Solutions	42
<i>Executive Orders</i>	14	<i>Some Criticisms</i>	42
<i>Court Decisions</i>	14	<i>Proposals</i>	42
How the Law Changes	16	Questions and Problem Cases	42
<i>Predictability versus Adaptability</i>	16	CHAPTER 3	
Preventive Law	19	Business Ethics and Corporate Social Responsibility	44
Questions and Problems Cases	20	Introduction	45
CHAPTER 2		The Profit Maximization Criterion	45
Dispute Settlement	22	<i>Allocational Efficiency</i>	45

<i>Criticisms of the Profit Maximization Criterion</i>	47	CHAPTER 6	
<i>Market Forces and Corporate Responsibility</i>	47	Negligence and Strict Liability	90
The Law as a Corporate Control Device	49	Negligence	91
<i>Corporate Influence on the Content of the Law</i>	49	<i>Duty</i>	91
<i>Conscious Lawbreaking</i>	50	<i>Breach</i>	93
<i>Unknown Harms</i>	50	<i>Causation</i>	93
<i>Irrational Corporate Behavior</i>	50	<i>General Causation Rules</i>	95
The Dilemmas of Ethical Corporate Behavior	52	<i>Res Ipsa Loquitur</i>	95
<i>What Is Ethical Corporate Behavior?</i>	53	<i>Negligent Infliction of Mental Distress</i>	96
The Corporate Governance Agenda	55	<i>Defenses to Negligence</i>	97
<i>Greater Shareholder Power</i>	54	<i>Recklessness</i>	98
<i>Changing the Composition of the Board</i>	56	Strict Liability	98
<i>Changes in Management Structure</i>	56	Current Issues	100
Conclusion	58	Questions and Problem Cases	100
Questions and Problem Cases	59		
		PART III	
		Contracts	103
PART II			
Torts and Crimes	63	CHAPTER 7	
CHAPTER 4		The Nature and Origins of Contracts	105
White-Collar and Business Crimes	65	What Is a Contract?	106
The Nature of Crimes	66	Why Have Contracts?	106
<i>The Essentials of Crime</i>	66	How Has Contract Law Developed?	108
<i>Criminal Procedure</i>	69	The Uniform Commercial Code	109
<i>Crime and People in Business</i>	70	Types of Contracts	111
Questions and Problem Cases	75	<i>Valid, Unenforceable, Voidable, and Void Contracts</i>	111
CHAPTER 5		<i>Unilateral and Bilateral Contracts</i>	111
Intentional Torts	77	<i>Executed and Executory Contracts</i>	112
Intentional Torts	78	<i>Express and Implied Contracts</i>	112
<i>Interference with Personal Rights</i>	79	Quasi Contract	113
<i>Interference with Property Rights</i>	85	Promissory Estoppel	114
<i>Interference with Economic Relations</i>	87	Questions and Problems Cases	116
Questions and Problem Cases	88	CHAPTER 8	
		Creating a Contract: Offers	118
		Introduction	120
		What Is an Offer?	121

<i>Intent</i>	121	The Idea of Consideration	146
<i>Definiteness</i>	121	<i>Legal Value</i>	146
<i>Communication to the Offeree</i>	122	<i>Adequacy of Consideration</i>	146
Special Problems with Offers	122	<i>Bargained for and Given in Exchange</i>	148
<i>Advertisements</i>	122	Solving Consideration Problems	148
<i>Rewards</i>	122	<i>Facts</i>	148
<i>Auctions</i>	123	Rules of Consideration	149
<i>Bids</i>	123	<i>Preexisting Duties</i>	149
What Terms Are Included in Offers?	124	<i>Promises Not to Commit Crimes or Torts</i>	149
How Long Do Offers Last?	125	<i>Promises by Public Officials to Perform Official Duties</i>	149
<i>Terms of the Offer</i>	125	<i>Promises to Perform Preexisting Contractual Duties</i>	149
<i>Lapse of Time</i>	125	<i>Unforeseeable Difficulties</i>	150
<i>Revocation</i>	126	<i>Uniform Commercial Code Section 2</i>	151
<i>Options</i>	126	<i>Promises to Discharge Debts for Part Payment</i>	151
<i>Estoppel</i>	126	<i>Past Consideration</i>	153
<i>Revocation of Offers for Unilateral Contracts</i>	127	<i>Forbearance to Sue</i>	153
<i>The Effectiveness of Revocations</i>	128	<i>Mutuality of Obligation</i>	154
<i>Rejection</i>	128	Additional Exceptions to the Requirement of Consideration	154
<i>Death or Insanity of Either Party</i>	129	<i>Promissory Estoppel</i>	154
<i>Destruction of Subject Matter</i>	129	<i>Charitable Subscriptions</i>	155
<i>Intervening Illegality</i>	129	<i>Debts Barred by Bankruptcy Discharge or the Statute of Limitations</i>	155
Questions and Problem Cases	129	Questions and Problem Cases	156
CHAPTER 9		CHAPTER 11	
Creating a Contract: Acceptances	132	Capacity	158
What Is an Acceptance?	134	Introduction	160
<i>Accepting an Offer for a Unilateral Contract</i>	134	Minors' Contracts	160
<i>Accepting an Offer for a Bilateral Contract</i>	135	<i>The Reason for Minors' Incapacity</i>	160
<i>Silence as Acceptance</i>	135	<i>Ability to Disaffirm</i>	160
<i>Who Can Accept an Offer?</i>	136	<i>Ratification</i>	160
<i>Acceptance When a Writing Is Anticipated</i>	136	<i>The Consequences of Disaffirming</i>	161
Communication of Acceptance	137	<i>Barriers to Disaffirmance</i>	162
<i>Manner of Communication</i>	138	<i>Necessaries</i>	163
<i>When Is Acceptance Communicated?</i>	138	Contracts of Mentally Impaired and Intoxicated Persons	165
<i>Authorized Means of Communication</i>	139	<i>Theory of Incapacity</i>	165
Questions and Problem Cases	141		
CHAPTER 10			
Consideration	144		

<i>The Test of Incapacity</i>	165		
<i>The Effect of Incapacity</i>	166		
<i>Necessaries</i>	166		
<i>The Right to Disaffirm</i>	166		
<i>Ratification</i>	166		
Questions and Problem Cases	167		
CHAPTER 12			
Assent and Illegality	169		
Introduction	171		
<i>The Need for Real Consent</i>	171		
<i>The Parties' Duty of Care</i>	171		
<i>The Remedy</i>	171		
Misrepresentation and Fraud	171		
<i>Materiality and Facts</i>	172		
<i>Justifiable Reliance</i>	172		
<i>Fraudulent Misrepresentation</i>	172		
<i>Duty to Disclose</i>	173		
Duress and Undue Influence	175		
<i>General Nature</i>	175		
<i>Duress</i>	175		
<i>Undue Influence</i>	176		
Mistake	176		
<i>The Nature of Mistake</i>	176		
<i>Types of Mistakes</i>	177		
Illegality	178		
<i>General Rules</i>	178		
<i>The Effect of Illegality</i>	179		
<i>Contracts to Commit Illegal Acts</i>	180		
<i>Contracts Made Illegal by Statute</i>	180		
<i>Contracts Contrary to Public Policy</i>	181		
Current Issues	183		
Questions and Problem Cases	183		
CHAPTER 13			
The Form and Meaning of Contracts	186		
The Statute of Frauds	188		
<i>The Effect of Failure to Comply</i>	189		
Contracts Covered by the Statute of Frauds	190		
<i>Executors' Agreements to Personally Pay Their Decedents' Debts</i>	190		
<i>Contracts to Answer for the Debt of Another</i>	190		
<i>Contracts Transferring an Interest in Land</i>	191		
<i>Bilateral Contracts Not Capable of Being Performed within One Year</i>	193		
<i>What Kind of Writing Is Required?</i>	194		
Interpreting Contracts	194		
<i>The Necessity of Interpretation</i>	194		
<i>The Rules of Construction</i>	195		
The Parol Evidence Rule	195		
<i>The Purpose of the Rule</i>	195		
<i>Exceptions to the Parol Evidence Rule</i>	196		
Questions and Problem Cases	197		
CHAPTER 14			
Third Parties' Contract Rights	200		
Assignment of Contracts	202		
<i>Definition</i>	202		
<i>What Contracts Are Assignable?</i>	202		
The Consequences of Assignment	204		
<i>The Rights and Duties of Assignees</i>	204		
<i>Delegation of Duties</i>	205		
Third-Party Beneficiary Contracts	206		
<i>Donee Beneficiaries</i>	206		
<i>Creditor Beneficiaries</i>	207		
<i>Incidental Beneficiaries</i>	208		
Questions and Problem Cases	209		
CHAPTER 15			
Performance and Remedies	211		
Conditions	213		
<i>Definition</i>	213		
<i>Types of Conditions</i>	213		
<i>The Creation of Conditions</i>	213		
Standards of Performance	215		
<i>Complete or Satisfactory Performance</i>	215		
<i>Substantial Performance</i>	215		
<i>Material Breach</i>	216		
<i>Anticipatory Breach</i>	216		
<i>Special Performance Problems</i>	216		
<i>The Time for Performance</i>	217		
Excuses for Nonperformance	218		
<i>Prevention</i>	218		
<i>Impossibility</i>	218		

Discharge	220	<i>Goods in the Possession of Third Parties</i>	235
<i>The Nature of Discharge</i>	220	<i>Risk Generally</i>	236
<i>Discharge by Agreement</i>	220	<i>Breach of Contract and Risk of Loss</i>	236
<i>Discharge by Waiver</i>	220	<i>Insurable Interest</i>	237
<i>Discharge by Alteration</i>	221	Performance of Sales Contracts	237
<i>Discharge by Statute of Limitations</i>	221	<i>General Rules</i>	237
Remedies	221	<i>Good Faith</i>	238
<i>The Theory of Remedies</i>	221	<i>Course of Dealing</i>	238
<i>Damages in Contracts Cases</i>	221	<i>Usage of Trade</i>	238
<i>The Duty to Mitigate Damages</i>	223	<i>Waiver</i>	238
<i>Equitable Remedies</i>	223	<i>Assignment</i>	238
Questions and Problem Cases	225	Delivery	239
CHAPTER 16		Inspection and Payment	239
Sales Contracts	227	<i>Buyer's Right of Inspection</i>	239
Introduction	228	<i>Payment</i>	240
When and How Does Article 2 Apply?	228	Acceptance, Revocation, and Rejection	240
<i>Sale of Goods</i>	228	<i>Acceptance</i>	240
<i>Mixed Goods and Services Contracts</i>	228	<i>Effect of Acceptance</i>	240
<i>Appropriate Inquiry</i>	229	<i>Revocation of Acceptance</i>	241
<i>Merchants</i>	229	<i>Buyer's Rights on Improper Delivery</i>	242
Article 2 and Contract Law	230	<i>Rejection</i>	242
Terms of Sales Contracts	231	<i>Right to Cure</i>	243
<i>Gap Fillers</i>	231	<i>Wrongful Rejection</i>	243
<i>Price Terms</i>	231	<i>Buyer's Duties after Rejection</i>	243
<i>Quantity Terms</i>	231	Assurance, Repudiation, and Excuse	244
<i>Delivery Terms</i>	232	<i>Assurance</i>	244
<i>Time Terms</i>	232	<i>Anticipatory Repudiation</i>	244
Title and the Code	232	<i>Excuse</i>	245
<i>Code Changes</i>	232	<i>Commercial Impracticability</i>	245
<i>General Title Rules</i>	233	Remedies	246
Title and Third Parties	233	<i>Remedies in General</i>	246
<i>Transfers of Voidable Title</i>	233	<i>Statute of Limitations</i>	247
<i>Buyers in the Ordinary Course of Business</i>	233	Seller's Remedies	247
<i>Entrusting Goods</i>	234	<i>Remedies Available to an Injured Seller</i>	247
Risk of Loss	234	<i>Cancellation and Withholding of Delivery</i>	247
<i>Overview</i>	234	<i>Resale of Goods</i>	248
<i>The Terms of the Agreement</i>	234	<i>Recovery of the Purchase Price</i>	249
<i>Shipment Contracts</i>	234	<i>Damages for Rejection or Repudiation</i>	249
<i>Destination Contracts</i>	235		

<i>The Labor-Management Relations Act</i>	290	Related Contractual Liability Issues	310
<i>The Labor-Management Reporting and Disclosure Act</i>	291	<i>Principal's Liability for the Agent's Representations</i>	310
Discrimination in Employment	292	<i>Principal's Liability for Notice or Payments to the Agent</i>	311
<i>The Equal Pay Act of 1963</i>	292	<i>Principal's Liability for Acts of Subagents</i>	312
<i>Title VII, The Civil Rights Act of 1964</i>	292	Contract Liability of the Agent	312
<i>The Civil Rights Act of 1991</i>	294	<i>Unauthorized Actions</i>	312
<i>Age Discrimination in Employment Act</i>	294	<i>Nonexistent or Incompetent Principal</i>	312
<i>Americans with Disabilities Act</i>	295	<i>Agreements by the Agent to Assume Liability</i>	313
Employment at Will	296	<i>Disclosed Principal</i>	313
Employee Privacy	297	<i>Undisclosed Principal</i>	313
<i>Lie Detector Tests</i>	297	<i>Partially Disclosed Principal</i>	314
<i>Drug Testing</i>	297	Liability for Torts and Crimes	314
<i>Other Privacy Concerns</i>	298	<i>Direct Liability versus Respondeat Superior</i>	314
Questions and Problem Cases	298	<i>Employees versus Independent Contractors</i>	315
CHAPTER 19		<i>Negligence versus Intentional Torts</i>	316
Agency	301	<i>Liability of the Agent</i>	317
Introduction	302	<i>Liability for Crimes</i>	317
Creation of an Agency	302	Termination of the Agent's Powers	318
<i>Nature of Agency</i>	302	<i>Termination by Will of the Parties</i>	318
<i>Capacity to Be a Principal</i>	303	<i>Agency at Will</i>	318
<i>Capacity to Be an Agent</i>	303	<i>Termination by Operation of Law</i>	319
Duties of Agents to Principals	304	<i>Notice to Third Persons</i>	319
<i>Duty of Loyalty</i>	304	Questions and Problem Cases	319
<i>Confidential Information</i>	305	CHAPTER 20	
<i>Duty to Obey Instructions</i>	306	Partnerships	321
<i>Duty to Exercise Care and Skill</i>	306	Introduction	322
<i>Duty to Communicate Information</i>	306	Creation of a Partnership	322
<i>Duty to Account for Funds and Property</i>	306	<i>An Association of Two or More Persons</i>	322
Duties of Principals to Agents	306	<i>Carrying on a Business for Profit</i>	322
<i>Duty to Compensate</i>	307	<i>Co-Ownership</i>	323
<i>Duty to Reimburse and Indemnify</i>	307	<i>Disputes on the Existence of a Partnership</i>	323
<i>Duty to Keep Accounts</i>	307	<i>Partnership by Estoppel</i>	323
The Agent's Authority to Bind the Principal on Contracts	307	<i>Articles of Partnership</i>	324
<i>Actual Authority</i>	308	Management and Authority of Partners	324
<i>Apparent Authority</i>	309		
<i>Ratification</i>	309		

<i>Voice in Management</i>	324	<i>Liabilities When Formalities Are Absent</i>	337
<i>Authority</i>	325	<i>Control by Limited Partners</i>	337
<i>Ratification</i>	325	<i>Dissolution of a Limited Partnership</i>	337
Property of Partnerships	325	Questions and Problem Cases	339
<i>What Is Partnership Property?</i>	325	CHAPTER 21	
<i>Ownership and Possession</i>	326	Corporations	341
<i>Creditors of Partners</i>	326	Introduction	342
Partners' Rights and Duties	327	<i>Nature of a Corporation</i>	342
<i>Right to Compensation</i>	327	<i>Types of Corporations</i>	342
<i>Duty of Loyalty and Good Faith</i>	328	Formation of the Corporation	342
<i>Duty of Care in Partnership Business</i>	329	<i>The Preincorporation Process</i>	342
<i>Duty to Inform</i>	329	<i>Incorporation</i>	344
<i>Duty to Account</i>	329	<i>The Articles of Incorporation</i>	345
Enforcement of Partnership Rights and Liabilities	329	<i>The Ultra Vires Doctrine</i>	345
<i>Liability on Contracts</i>	329	<i>Piercing the Corporate Veil</i>	345
<i>Liability for Torts</i>	329	Managing the Corporation	346
<i>Liability for Crimes</i>	330	<i>The Board of Directors</i>	347
Dissolution of the Partnership	330	<i>Officers of the Corporation</i>	348
<i>Nonwrongful Dissolution</i>	330	<i>Duties of Directors and Officers</i>	348
<i>Wrongful Dissolution</i>	330	<i>Liability for Torts and Crimes</i>	349
<i>Automatic Dissolution</i>	331	Financing the Corporation	350
<i>Dissolution by Court Order</i>	331	<i>Equity Securities</i>	350
Winding Up	332	<i>Debt Securities</i>	351
<i>Powers during Winding Up</i>	332	The Role of Shareholders	352
<i>Duties of Partners during Winding Up</i>	332	<i>Acquiring Stock</i>	353
<i>Compensation for Winding Up</i>	332	<i>Shareholders' Meetings</i>	353
Continuation	333	<i>Voting Rights</i>	353
<i>Continuation without Winding Up</i>	333	<i>Proxy Voting</i>	354
<i>Liability for Prior Obligations</i>	333	<i>The Shareholder's Right to Inspect</i>	354
<i>Liability for New Obligations</i>	333	<i>Shareholders' Rights to Dividends</i>	355
<i>Rights of Noncontinuing Partner</i>	334	<i>Lawsuits by Shareholders</i>	355
Distribution of Assets	335	Termination of the Corporation	356
<i>Order of Distribution</i>	335	<i>Dissolution by Agreement</i>	356
<i>Liquidating an Insolvent Partnership</i>	336	<i>Involuntary Dissolution</i>	357
<i>Termination</i>	336	Close Corporations	357
Limited Partnerships	336	<i>Unsuitability of Traditional Corporation Law</i>	357
<i>Characteristics</i>	336	<i>Modern Regulation of Close Corporations</i>	358
<i>Formalities</i>	337	<i>Supplement to the Model Business Corporation Act</i>	359
<i>Rights and Liabilities</i>	337		

<i>Governance Issues</i>	359	Special Terms	380
Questions and Problem Cases	360	<i>Additional Terms</i>	380
		<i>Ambiguous Terms</i>	380
PART V		Negotiation	381
Commercial Transactions and Property	363	<i>Nature of Negotiation</i>	381
		<i>Formal Requirements for Negotiation</i>	382
CHAPTER 22		<i>Nature of Indorsement</i>	382
Negotiable Instruments; Negotiation; Holder in Due Course	365	<i>Wrong or Misspelled Name</i>	382
Introduction	366	<i>Checks Deposited without Indorsement</i>	383
Nature of Negotiable Instruments	366	<i>Transfer of Order Instrument</i>	383
<i>Uniform Commercial Code</i>	366	Indorsements	383
<i>Negotiable Instruments</i>	367	<i>Effects of an Indorsement</i>	383
<i>Negotiability</i>	367	<i>Kinds of Indorsements</i>	384
Kinds of Negotiable Instruments	368	<i>Rescission of Indorsement</i>	387
<i>Promissory Notes</i>	368	Holder in Due Course	388
<i>Certificates of Deposit</i>	370	<i>General Requirements</i>	388
<i>Drafts</i>	370	<i>Holder</i>	389
<i>Checks</i>	371	<i>Value</i>	389
Benefits of Negotiable Instruments	372	<i>Good Faith</i>	390
<i>Rights of an Assignee of a Contract</i>	372	<i>Overdue or Dishonored</i>	390
<i>Rights of a Holder of a Negotiable Instrument</i>	372	<i>Notice of Unauthorized Signature or Alteration</i>	391
Formal Requirements for Negotiability	373	<i>Notice of Claims</i>	391
<i>Basic Requirements</i>	373	<i>Notice of Defenses and Claims in Recoupment</i>	392
<i>Importance of Form</i>	374	<i>Irregular and Incomplete Instruments</i>	393
In Writing	374	<i>Payee as Holder in Due Course</i>	395
Signed	374	<i>Shelter Rule</i>	395
Unconditional Promise or Order	375	Rights of a Holder in Due Course	395
<i>Requirement of a Promise or Order</i>	375	<i>Claims and Defenses Generally</i>	395
<i>Promise or Order Must Be Unconditional</i>	375	<i>Importance of Being a Holder in Due Course</i>	396
Fixed Amount of Money	376	<i>Real Defenses</i>	396
<i>Fixed Amount</i>	376	<i>Personal Defenses</i>	397
<i>Payable in Money</i>	377	<i>Claims to the Instrument</i>	399
Payable on Demand or at a Definite Time	377	<i>Claims in Recoupment</i>	400
<i>Payable on Demand</i>	377	Changes in the Holder in Due Course Rule	401
<i>Payable at a Definite Time</i>	378	<i>Consumer Disadvantages</i>	401
Payable to Order or Bearer	378	<i>State Legislation</i>	401
		<i>Federal Trade Commission Rules</i>	401
		Questions and Problem Cases	402

CHAPTER 23			
Liability of Parties; Checks	404	<i>Bank's Duty to Pay</i>	423
Liability of Parties	405	<i>Bank's Right to Charge to Customer's Account</i>	423
<i>Introduction</i>	405	<i>Stop Payment Order</i>	424
<i>Liability in General</i>	405	<i>Bank's Liability for Payment after Stop Payment Order</i>	426
Contractual Liability	405	<i>Certified Check</i>	427
<i>Primary and Secondary Liability</i>	405	<i>Cashier's Check</i>	428
<i>Obligation of a Maker</i>	406	<i>Death or Incompetence of Customer</i>	428
<i>Obligation of a Drawee or an Acceptor</i>	406	Forged and Altered Checks	428
<i>Obligation of a Drawer</i>	407	<i>Bank's Right to Charge Account</i>	428
<i>Obligation of an Indorser</i>	407	<i>Customer's Duty to Report Forgeries and Alterations</i>	430
<i>Obligation of an Accommodation Party</i>	407	Questions and Problem Cases	431
<i>Signing an Instrument</i>	408	CHAPTER 24	
<i>Signature by an Authorized Agent</i>	408	Secured Transactions	434
<i>Unauthorized Signature</i>	409	Introduction	435
Contractual Liability in Operation	410	<i>Article 9 of the Uniform Commercial Code</i>	435
<i>Presentment of a Note</i>	410	<i>Security Interests</i>	435
<i>Presentment of a Check or a Draft</i>	411	<i>Types of Collateral</i>	435
Warranty Liability	412	<i>Obtaining a Security Interest</i>	436
<i>Transfer Warranties</i>	412	Attachment of the Security Interest	436
<i>Presentment Warranties</i>	413	<i>Attachment</i>	436
<i>Payment or Acceptance by Mistake</i>	414	<i>The Security Agreement</i>	437
<i>Operation of Warranties</i>	415	<i>Future Advances</i>	438
Other Liability Rules	416	<i>After-Acquired Property</i>	438
<i>Negligence</i>	416	<i>Proceeds</i>	438
<i>Imposter Rule</i>	417	<i>Assignment</i>	439
<i>Fictitious Payee Rule</i>	418	Perfecting the Security Interest	439
<i>Comparative Negligence Rule Concerning Impostors and Fictitious Payees</i>	418	<i>Perfection</i>	439
<i>Fraudulent Indorsements by Employees</i>	419	<i>Perfection by Public Filing</i>	442
<i>Conversion</i>	419	<i>Possession by Secured Party as Public Notice</i>	442
Discharge of Negotiable Instruments	420	<i>Perfection by Attachment</i>	444
<i>Discharge of Liability</i>	420	<i>Motor Vehicles</i>	445
<i>Discharge by Payment</i>	420	<i>Fixtures</i>	445
<i>Discharge by Cancellation</i>	421	<i>Removal of Collateral</i>	445
<i>Altered Instruments; Discharge by Alteration</i>	421	Priorities	446
Checks	422	<i>Importance of Determining Priority</i>	446
<i>Introduction</i>	422	<i>Basic Priority Rule</i>	447
<i>The Drawer-Drawee Relationship</i>	422		