

**Archdiocese of Philadelphia  
Secondary School System  
Business/Technology Education Standards  
Business Law**

**2. Basics of the Law**

***Content Standard***

2.1 Ethics and the Law

***2.1.1 Competency Standard***

2.1.2 Identify consequences of unethical and illegal conduct

2.1.3 Describe how to develop an ethical and legal lifestyle

2.1.4 List the most common sources of the law

2.1.5 Explain the way social forces may sometimes conflict

***Content Standard***

2.2 Sources of the Law

***Competency Standard***

2.2.1 Describe the powers and limitations of the federal government as stated in the Constitution

2.2.2 Identify the basic freedoms guaranteed by the Bill of Rights and describe several key Constitutional amendments beyond the Bill of Rights

2.2.3 Compare and contrast the national constitution with state, territory, and province constitutions

2.2.4 Determine how courts make law and explain the role of precedent in the legal system

***Content Standard***

2.3 Structure of the Courts

***Competency Standard***

2.3.1 Differentiate among cases that belong within the jurisdiction of the federal and state, territory, and province court systems

2.3.2 Compare the role of the juvenile court with the role of other courts with in a state, territory, or province

2.3.3 Explain the role of the national and state, territory, and province appellate courts

2.3.4 Differentiate between the roles of the U.S. Supreme Court and state, territory, and province supreme courts

***Content Standard***

2.4 Classification of Procedural Law

***Competency Standard***

2.4.1 Define litigation and describe methods for resolving disputes other than litigation

2.4.2 Explain the advantages and disadvantages of arbitration, mediation, and conciliation

- 2.4.3 Compare and contrast the steps in a civil law suit with the steps in a criminal prosecution
- 2.4.4 List and explain the steps in criminal and civil trials
- 2.4.5 Describe the appellate process in criminal and civil cases

***Content Standard***

2.5 Classification of Substantive Law

***Competency Standard***

- 2.5.1 Define different types of business crimes, such as arson, forgery, and embezzlement
- 2.5.2 Determine several defenses to criminal acts, such as the insanity-defense and self-defense
- 2.5.3 Distinguish between a tort and a crime
- 2.5.4 Differentiate between and give examples of negligence and intentional torts
- 2.5.5 Explain the concepts of the reasonable person test and proximate cause
- 2.5.6 Explain the concept of absolute liability and describe circumstances under which it is imposed
- 2.5.7 Describe the penalties available for criminal law and the remedies available for tort law

## **2. Contract Law, Law of Sales, and Consumer Law**

***Content Standard***

2.1 Contract Law

***Competency Standard***

- 2.1.1 Differentiate among classes of contracts, such as bilateral and unilateral; express and implied; and oral or written
- 2.1.2 Explain how offer and acceptance can create contractual rights and duties
- 2.1.3 Determine whether or not an agreement is definite enough to be enforced as a contract
- 2.1.4 Differentiate among the ways that assent can be disrupted, such as fraud, non-disclosure, misrepresentation, mistake, duress, and undue influence
- 2.1.5 Define and distinguish between different types of consideration and list the exceptions to the requirements of consideration
- 2.1.6 Explain a minor's right to avoid a contract and identify people who lack contractual capacity
- 2.1.7 Describe the concept of unconscionability and compare it to illegality
- 2.1.8 List the essential information that should be included in writing under the statute of frauds
- 2.1.9 Explain the parole evidence rule
- 2.1.10 Describe the various rules applied to the interpretation of contracts
- 2.1.11 Explain the various rules applied to contracts involving third parties
- 2.1.12 List the ways a contract can be discharged
- 2.1.13 Describe breach of contract and the remedies available when a contract is breached

- 2.1.14 Discuss the impact of the law of different countries on contractual transactions

***Content Standard***

2.2 Law of Sales

***Competency Standard***

- 2.2.1 Distinguish between a sale of goods and other transactions relating to goods
- 2.2.2 Describe the Uniform Commercial Code (UCC) and explain why the UCC has been adopted by the states

***Content Standard***

2.3 Consumer Law

***Competency Standard***

- 2.3.1 Identify legislation which regulates consumer credit, such as Fair Credit Reporting Act, Fair Credit Billing Act, Equal Credit Opportunity Act, Fair Credit Collection Practices Act, and Consumer Credit Protection Act
- 2.3.2 Discuss consumer protection legislation, such as the Federal Trade Commission Act, the Consumer Product Safety Act, and the Consumer Leasing Act

### **3. Agency and Employment**

***Content Standard***

3.1 Agency

***Competency Standard***

- 3.1.1 Distinguish between an agent and individuals, such as independent contractors, real estate brokers, bailees, and trustees
- 3.1.2 Distinguish between a general power of Attorney and a limited power of attorney
- 3.1.3 Explain the different types of agents
- 3.1.4 Define ratification and its elements

***Content Standard***

3.2 Employment

***Competency Standard***

- 3.2.1 Explain the relationship of the Title VVI of the Civil Rights Act to employment
- 3.2.2 Explain the difference between disparate treatment and disparate impact in discrimination cases
- 3.2.3 Determine what questions can and cannot be asked during an employment interview
- 3.2.4 Demonstrate an understanding of the basis on which employee or applicants may be asked to take tests, such as aptitude, psychological, polygraph, and drug tests
- 3.2.5 Identify other legislation that regulated employee rights, such as the Americans with Disabilities Act, the Age Discrimination in Employment Act, and the Family and Medical Leave Act

- 3.2.6 Identify legislation that regulates employment conditions, such as Fair Labor Standards Act, the Immigration Reform and Control Act, and the Occupational Safety and Health Act
- 3.2.7 Determine legislation which guarantees worker benefits, such as unemployment insurance legislation, pension protection legislation, worker's compensation legislation, and social security legislation
- 3.2.8 Describe the collective bargaining process
- 3.2.9 Identify legislation that regulates union activities, such as the National Labor Relations Act, the Taft-Hartley Act, and the Landrum-Griffin Act

## **4. Business Organization**

### ***Content Standard***

#### **4.1 Sole Proprietorship and Partnerships**

##### ***Competency Standard***

- 4.1.1 Outline the legal procedures for forming and running a sole proprietorship
- 4.1.2 Describe legislation, such as the Uniform Partnership Act, that affects partnerships
- 4.1.3 Explain the property rights involved with partnerships, such as tenancy in partnership and sharing of profits
- 4.1.4 Discuss other partnership rights, such as the right to manage, the right to reimbursement, the right to inspect the books, and the right to an account
- 4.1.5 Identify how the partnership may be dissolved by the acts of the partners, operation of the law, and by order of the court
- 4.1.6 Determine, after a dissolution, whether a partnership would continue to terminate through a winding up
- 4.1.7 Explaining the winding up of partnership affairs and distribution of partnership assets after dissolution
- 4.1.8 Distinguish a limited partnership from a general partnership
- 4.1.9 Describe legislation, such as the Revised Uniform Limited Partnership Act, that affects limited partnerships
- 4.1.10 Explain the rights and duties of limited partners and general partners in a limited partnership
- 4.1.11 Explain the distribution of assets after the dissolution of a limited Partnership
- 4.1.12 Differentiate among other partnership-type business organizations, such as joint ventures, limited partnership associations, and registered partnerships having limited liability

### ***Content Standard***

#### **4.2 Corporations**

##### ***Competency Standard***

- 4.2.1 Differentiate among types of corporations, such as profit, non-profit, domestic, foreign, and S corporations
- 4.2.2 Explain the steps in forming a corporation
- 4.2.3 Explain the circumstances under which the courts may disregard the corporate entity and "pierce the corporate veil"

- 4.2.4 Describe the functions of the board of directors and officers of a corporation with regard to control of corporate affairs
- 4.2.5 Differentiate among types of stock, such as common and preferred
- 4.2.6 Identify shareholder rights, such as the right to receive dividends, the right to vote, the right to inspect books, and preemptive rights
- 4.2.7 Explain the nature of the shareholders' liability
- 4.2.8 Describe when promoters, directors, and officers are liable to the corporation, shareholders, and third persons
- 4.2.9 Differentiate among types of corporate expansion, such as mergers, consolidations, and conglomerates
- 4.2.10 Identify federal, state, territory, and province statutes that regulate corporations
- 4.2.11 Describe the ways corporate existence may be terminated

***Content Standard***

4.3 Limited Liability Corporations

***Competency Standard***

- 4.3.1 Define a limited liability corporation
- 4.3.2 Explain the steps in forming a limited liability corporation
- 4.3.3 Explain the advantages and disadvantages of doing business as a limited liability corporation
- 4.3.4 Explain the nature of management responsibilities in a limited liability corporation
- 4.3.5 Describe the effects of failing to maintain the proper structure of a limited liability corporation

## **5. Property Law**

***Content Standard***

5.1 Personal Property

***Competency Standard***

- 5.1.1 List different methods by which property is acquired
- 5.1.2 Identify the forms of co-ownership of personal property
- 5.1.3 Explain how a bailment is created and describe the standard of care different bailees are required to exercise over bailed property
- 5.1.4 Distinguish between an ordinary bailment and a special bailment
- 5.1.5 Define intellectual property and list types of intellectual property
- 5.1.6 Identify a common carrier's liability for loss or damage to goods

***Content Standard***

5.2 Real Property

***Competency Standard***

- 5.2.1 Distinguish among leases, licenses, and easements and explain the differences
- 5.2.2 List the major estates in land and describe the major features of each
- 5.2.3 List and describe the forms of co-ownership of real property
- 5.2.4 Illustrate the method of transferring title (deeding) to real property

- 5.2.5 Describe the kinds of rental relationships that landlords and tenants may Create

## **6. Commercial Paper, Insurance, Secured Transactions, Bankruptcy**

### ***Content Standard***

#### 6.1 Commercial Paper

##### ***Competency Standard***

- 6.1.1 Explain the importance and function of commercial paper
- 6.1.2 Demonstrate an understanding of the concept of “negotiability” and distinguish it from “assignability”
- 6.1.3 Identify and explain the essential elements of a negotiable instrument
- 6.1.4 Describe the different types of negotiable instruments and different types of endorsements
- 6.1.5 Explain the contractual relationship between the bank and its customers
- 6.1.6 Describe stop-payment orders
- 6.1.7 Describe the legal effect of forgeries and material alterations

### ***Content Standard***

#### 6.2 Insurance

##### ***Competency Standard***

- 6.2.1 Define insurance and differentiate between requirements for an insurable interest for property insurance with those needed for life insurance
- 6.2.2 Compare and contrast the different types of life insurance, such as ordinary, limited payment, endowment, and term
- 6.2.3 Compare and contrast the different types of property insurance, such as automobile, home owner’s, and marine
- 6.2.4 Explain some of the differences in health insurance coverages

### ***Content Standard***

#### 6.3 Secured Transactions

##### ***Competency Standard***

- 6.3.1 Describe a secured transaction and explain the requirements for creating a valid security interest
- 6.3.2 Define the major types of collateral

### ***Content Standard***

#### 6.4 Bankruptcy

##### ***Competency Standard***

- 6.4.1 Describe and discuss the various aspects of bankruptcy, such as liquidation, and reorganization of debts
- 6.4.2 Compare the differences between voluntary bankruptcy and involuntary bankruptcy cases
- 6.4.3 Explain the procedure for the administration of the debtor’s estate

## **7. Wills and Trusts**

***Content Standard***

7.1 Wills

***Competency Standard***

- 7.1.1 Define testamentary capacity and testamentary intent
- 7.1.2 Identify the requirements necessary for a valid will
- 7.1.3 Distinguish between signing, attesting, and publishing a will
- 7.1.4 Explain how a will may be modified or revoked
- 7.1.5 Distinguish between the protection given to spouses and to children under the law of wills
- 7.1.6 Explain what happens to a decedent's estate when a person dies without a will

***Content Standard***

7.2 Trusts

***Competency Standard***

- 7.2.1 Identify the key characteristics of trusts
- 7.2.2 Differentiate among the various types of trusts, such as charitable, private, spendthrift, revocable and irrevocable trusts
- 7.2.3 Explain the advantages and disadvantages of establishing a trust

## **8. Domestic Relations Law**

***Content Standard***

8.1 Marriage and Its Legal Consequences

***Competency Standard***

- 8.1.1 Identify the issues and the concerns that might be included in as prenuptial agreement
- 8.1.2 Distinguish between common law an ceremonial marriages
- 8.1.3 Identify the types of marriages that are prohibited by law

***Content Standard***

8.2 Divorce and Its Legal Consequences

***Competency Standard***

- 8.2.1 Describe the law as it relates to the distribution of property in a divorce
- 8.2.2 Explain the law of domestic relations as it relates to child custody
- 8.2.3 Outline the law of domestic relations as it relates to child support

## **9. Environmental Law and Energy Regulation**

***Content Standard***

9.1 Environmental Law

***Competency Standard***

- 9.1.1 Describe the various federal statutes, such as the National Environmental Policy Act, the Clean Air Act, the Clean Water Act, and the Toxic Substance Control Act, that impact upon the environment
- 9.1.2 Describe the various state statues that impact upon the environment

***Content Standard***

## 9.2 Energy Regulation

### *Competency Standard*

- 9.2.1 Describe the various federal agencies, such as the Department of Energy, the Energy Regulatory Commission, and the Nuclear Regulatory Commission, that impact upon energy regulation and conservation