LAW & BANKING
BKG 2300

Class Hours: 2.0
Laboratory Hours: 0.0
Credit Hours: 2.0
Date Revised: Spring 00

NOTE: This course is not designed for transfer credit.

Catalog Course Description:

A study of law and legal issues, with special emphasis on the Uniform Commercial Code. Topics include contracts, real estate, and bankruptcy.

Entry Level Standards:

None

Prerequisites:

None

Textbook(s) and Other Reference Materials Basic to the Course:

Law and Banking-Principles, James C. Cowboy, American Institute of Banking.

I. Week/Unit/Topic Basis:

<table>
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<tr>
<th>Week</th>
<th>Topic</th>
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<tbody>
<tr>
<td>1</td>
<td>Course Overview and Instructional Objectives, Common Law, Statutory Law, Uniform Laws, Constitutions, Banking Regulations</td>
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<tr>
<td>2</td>
<td>Regulatory Agencies, Role of Bank Inspectors and Regulators, the Court System</td>
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<td>3</td>
<td>Bank-Related Torts and Crimes</td>
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<td>4</td>
<td>Legal Entities, Individual Bank Customers, Sole Proprietorships, Agents, Partnerships, Corporations, Governments, Estates, Trusts, Sureties, Guaranties</td>
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<tr>
<td>5</td>
<td>Comprehensive Review of All Topics from Sessions 1-4</td>
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<td>6</td>
<td>Mid-term Examination</td>
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<tr>
<td>7</td>
<td>Essential Elements of a Contract, Statute of Frauds, Parol Evidence Rule, Interpreting Contracts, Performance of a Contract, Third-Party Beneficiaries, Remedies, Quasi Contracts</td>
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<tr>
<td>8</td>
<td>Personal and Real Property, Definition of Bankruptcy, Liquidations, Rehabilitation</td>
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<tr>
<td>9</td>
<td>Truth in Lending Act, Consumer Leasing Act, Equal Credit Opportunity Act, Real Estate Settlement Procedures Act, Fair Credit Reporting Act, Fair Debt Collection</td>
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Practices Act, Right to Financial Privacy Act, Electronic Fund Transfer Act

Comprehensive Review of All Topics from Sessions 7-9, Final Examination

II. Course Objectives*:

A. Enable bankers to become more familiar with laws, regulations and legal processes directly related to their work. I,II,III

B. Alert bankers to serious legal problems than can occur, in routine banking transactions. I,II,III

*Roman numerals after course objectives reference goals of the Business and Community Services department.

III. Instructional Processes*:

Students will:

1. Use critical thinking skills to interpret and evaluate the financial statements of existing companies and make informed judgements about these statements to facilitate in decision making and problem solving strategies. Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies

2. Discuss the impact of social, political, economic, and environmental issues on the financial statements of selected companies. Communication Outcome, Problem Solving and Decision Making Outcome, Cultural Diversity and Social Adaptation Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies, Transitional Strategy

3. Use electronic mail to correspond with the instructor and other students enrolled in the course. Communication Outcome, Technological Literacy Outcome

*Strategies and outcomes listed after instructional processes reference Pellissippi State’s goals for strengthening general education knowledge and skills, connecting coursework to experiences beyond the classroom, and encouraging students to take active and responsible roles in the educational process.

IV. Expectations for Student Performance*:

Upon successful completion of this course, the student should be able to:

1. Describe the current banking legal structure and the sources of law. A

2. Explain the principal historical developments leading to modern regulation of banking in the United States and the current function of the regulatory agencies and the court system. A, B

3. Differentiate between torts and crimes and cite examples of each. A

4. Compare and contrast the various legal entities with which banks do business and describe a bank’s legal relationship with each. A

5. Describe how contracts are formed and discuss contract interpretation and performance, third-party beneficiaries, and remedies for breach of contract. A, B

6. Differentiate between real and personal property and understand their usefulness as security for loans. B
7. Identify the types of and parties to bankruptcy and describe how such a proceeding can potentially affect a bank. B

8. Discuss the effect of consumer legislation on banking practices and documents. B

*Letters after performance expectations reference the course objectives listed above.

V. Evaluation:

A. Testing Procedures:

Midterm  40%
Final    45%

B. Laboratory Expectations:

N/A

C. Field Work:

N/A

D. Other Evaluation Methods:

Class Participation  10%
Attendance  5%

E. Grading Scale:

90 - 100   A
80 - 89    B
70 - 79    C
60 - 69    D
Below 60   F

VI. Policies:

Attendance Policy:

Pellissippi State Technical Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course.