Commercial Paper

Spring 2016 (evening)
Tuesday and Thursday
6:00 p.m. and 7:15 p.m.

Overview

Though critical and analytical thinking, the rights and liabilities of parties involved in negotiable instrument transactions or bank deposits and collections will be explored.

Goals

Achieving any goal depends on participation. The subject matter is taught from a litigator’s perspective; a litigator enforcing rights or defending liabilities, and so the class will have the opportunity to gain a knowledge beyond the written words of the Uniform Commercial Code. The goal is to provide an in depth understanding of the subject matter to prepare the students to identify and address legal issues arising from the subject matter as would an attorney.

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Materials
Virginia Code, Titles 8.3A and 8.4

Grade
The grade will be based on the final examination, which will be based on the course material, lectures and assignments. Professor Fiore reserves factoring class participation as up to 20% of the grade.
Requirements

Each student should achieve such part of the goal through the processes employed in this class based on participation, whether in class or during assignments, and based on the student’s level of curiosity. Class attendance is not taken since students must decide themselves their goal and whether they desire to meet the goal of the class.

Course Subject Matter

Introduction (Weeks 1-2):

What is commercial paper?
How is it used?
Why is commercial paper used?
Who does it benefit?
What are the rules governing commercial paper?
Who do the rules protect? (plaintiff v. defendant)
How are users of commercial paper protected?

Negotiability (Week 3-4):

Requirements for Effective Negotiability
Affects to Negotiability
Negotiability in the Present

Holder v. Holder in Due Course (Weeks 5-7):

What’s is a holder?
How does a holder transform to a holder in due course?
What is the difference between a Holder and a Holder in Due Course (“HDC”)?
Is there a preference between the two and, if so, why?
Who decides?
Can HDC Status be defeated?

Liabilities and Rights, Upstream or Downstream?

(Weeks 8-11):

Obligor
Indorser
Transferor
Presentment

**Relationship Between Drawee and Drawer (Weeks 12-13):**

Duties
Contract Law Application?
Tort Law Application?
Authority to Pay an Item?

**Overview (Week 14)**

The foregoing is simply a guide, subject to change based on the progress or pace of this class. I expect participation without exception and lively discussions, so you should expect that I will be asking you as many questions and more than you ask me. Your grade will primarily be based on the final examination, while I reserve the right to attribute 20% of your grade based on my opinion of your class preparation and participation. During the course you will receive reading assignments and writing assignments, but rarely both for the same night. There will also problem-solving questions for you to answer either in class or outside of class that will not be part of your grade. They should, however, provide an understanding of the format of the final examination. I expect you should get at least as much from this class as you contribute.