

SYLLABUS

International Business Transactions—Professor Richard Flint St. Mary's University School of Law Innsbruck Program—Summer, 2010

Course Materials:

Richard Flint, *Materials for International Business Transactions* (2010) (the numbered pages in this course pack are reprinted from a course book, Folsom, Gordon, Spanogle & Fitzgerald, INTERNATIONAL BUSINESS TRANSACTIONS (8th ed. 2005), with the permission of Thomson/West) (hereinafter referred to as *Flint*)

John Spanogle, Michael Malloy, Louis Del Duca, Keith Rowley, and Andrea Bjorklund, *Global Issues in Contract Law* (Thomson/West 2007) (hereinafter referred to as *Global Issues*)

Attendance, Preparation and Class Participation:

There is an assignment for the first day of class. That assignment is to read and be prepared to recited on the first 16 pages of Global issues.

The St. Mary's Law School attendance policy will be strictly enforced. Absences in excess of three will result in a lowering of a student's grade. Students will be expected to be fully prepared to recite in each class. If due to special circumstances, you are unable to prepare fully for a particular class please give me advance notice (*i.e.*, before class).

Examination and Grading:

Your grade in this course will be based primarily on performance on the final examination. This two-hour exam will be a limited open book exam, by which I mean that you may bring into the examination room the course pack, any handouts distributed by in class, and any notes or outlines prepared by you or to the preparation of which you have made a substantial contribution as part of active participation in a study group of students in this class. No other materials (including, in particular, commercial outlines or other copied outlines or portions thereof) may be brought into the examination room or otherwise accessed during the exam.

I may also take classroom participation into consideration in your final grade. Substantial, consistent, and valuable contributions to class discussions may raise your exam score by up to one full grade if you have regularly attended class.

COURSE CONTENT AND ASSIGNMENTS:

The focus of this course is the legal aspects of the most important forms of international commercial transactions. The course begins with an overview of the principal institutions involved in international transactions as well as of the principal forms of international commercial activity. After this introduction, we turn to the following substantive law subjects:

international trading of goods; the law governing the transportation of goods in international commerce; options for sales through agents or distributorships; and the financing international transactions

The course is largely structured around fact-based, hypothetical problems. The problems also include samples of the legal documents and forms used the most common forms of international commercial transactions. Please familiarize yourselves with these legal forms as you read the related material. The goal of the course is to simulate how an international law firm would analyze the legal issues that arise in such transactions. Classroom discussions thus will rely less on the lecture format, in favor of student participation in an analysis of how to address and resolve the practical and legal issues implicated in the problems. It may become necessary to omit some of the material identified below in the interest of a comprehensive understanding of subject matters that are of greater importance. If this becomes necessary, I will announce the changes to the syllabus in class.

PART 1: INTRODUCTION

Subjects: (1) Contracts in a Global Economy
(2) Status and Scope of the Convention on Contracts for the International Sale of Goods (CISG)

Assignment: Global Issues, 1-16 (First day of class).

PART 2: THE INTERNATIONAL SALE OF GOODS

The “Basics” of International Sale of Goods

Subjects: The Structure of an International Sales Transaction: The “Documents.”

Assignment: (a) *Flint*, numbered pages 48 through 75;
(b) Please also carefully review the documents reproduced in these pages.

International Trading of Goods: Contract Formation

Subjects: (1) Choice of Law and Contract Formation in International Sales;
(2) The UCC, German Law, and the UN Sales Convention (the “CISG”):
(i) sphere of application and (ii) contract formation.

Assignment: (a) *Flint*, Problems 4.1: Numbered pages 75 through 104;
(b) Read the reproduced CISG Articles carefully.
(c) *Global Issues*, 17-76

International Trading of Goods: Commercial Terms

Subjects: Commercial Terms; the Role of Bills of Lading; Insurance.

Assignment: Problem 4.2: Numbered pages 105 through 136.

International Trading of Goods: The Role of Bills of Lading

Subject: Detail of the Role of Bills of Lading

Assignment: Problem 4.5: Numbered pages 201 through 231.

International Trading of Goods: Business Models

Subject: Forms of Doing Business in International Transactions

Assignment: None

PART 3: FINANCING IN INTERNATIONAL TRANSACTIONS

Financing International Transactions: The Function and Law of Letters of Credit

Subject: Financing through Letters of Credit.

Assignment: Introduction and Problem 5.1: Number pages 259 through 295.

Financing of International Transactions: The Fraud Exception for Letters of Credit

Subject: Dishonoring or Enjoining Payment of Letters of Credit for Fraud

Assignment: Problem 5.2: Numbered pages 296 through 324.

Financing of International Transactions: Standby Letters of Credit

Subject: The Role and Function of Standby Letters of Credit

Assignment: Problem 5.3: Numbered pages 324 through 353.

PART 4: PERFORMANCE AND BREACH UNDER THE CISG

Subject: The Significance of Fundamental Breach

Assignment: *Global Issues*, 103-135

PART 5: REMEDIES UNDER THE CISG

Subject: Specific Performance and/or Damages

Assignment: *Global Issues*, 136-181