

Business law

Psychology, Behaviorism



Business Law Name: Course: Institution: Instructor: Date: Business Law

Introduction Legal issues associated with businesses are a common phenomenon. Different business experience varying issues and they also handle these issues differently. Legal issues can vary from contract issues to partnership problems to issues between employers and their employees. With reference to the fact pattern, the following general business terms would apply tort liability, fiduciary duty, wrongful accusation and tort negligence.

Question one If Tree Farm Corporation sues every party named in the fact pattern to recover their loss of business, it will not be successful. Tree Farm Corporation has no legal right to sue all the parties in the fact pattern because their loss of business does not involve all of them. Tree Farm Corporation is legally right to sue Geoff since it was his fault when they ran losses in business. Geoff has a fiduciary duty towards Tree Farm Corporation, which he did not honor. A fiduciary duty is sometimes referred to as fiduciary obligation, and it is “ legal obligation of an individual to act in the best interest of another in terms of money or property” (Coghill, Sampford & Smith, 2012). Examples of fiduciary duties include the state’s fiduciary duty to protect its citizens, an employee’s fiduciary duty to his boss or employer, and others. A fiduciary is not allowed by law to benefit at the expense of the other party, also known as the beneficiary (Coghill, Sampford & Smith, 2012). Geoff is considered a fiduciary in this case because he was entrusted by Peter, the owner of Tree Farm Corporation to engage in a clean business deal with Jody.

Geoff breached his fiduciary duty when he decided to sell his own trees to Jody and sell Tree Farm Corporation's trees at a discount without the consent of the owner. Breaching fiduciary duties is against the law, and for this reason, Tree Farm Corporation should sue Geoff for acting in a manner that is adverse to the interests of Tree Farm Corporation. All the other parties had no fiduciary duties to Tree Farm Corporation; therefore, suing them would be waste of time and money. Tree Farm Corporation might encounter additional lawsuits against them for wrongful accusations. All the other parties, except Geoff, had nothing to do with Peter's fight with Geoff that led to Geoff's actions.

Geoff should be liable for breaching his fiduciary duties meaning that the lawsuit should be made against him. If Tree Farm Corporation decided to sue the other parties, the courts would dismiss the case for lack of evidence and possible wrongful accusation. If the other parties decided to charge Tree Farm Corporation with wrongful accusation, Peter, the owner could face up to seven years imprisonment. This is according to section 314 of the Crimes Act (Barron, 2006). Those who have been wrongfully accused are protected by the law especially if the accusations made against them are untrue and have caused the accused their reputation. According to the fact pattern, the other parties will pursue a cause of action in court based on "defamation of character" and they will be required to prove that Tree Farm Corporation's accusations are false. This will require investigations by the police into the matter and if Tree Farm Corporation is found guilty, which the likely outcome, Peter will be ordered by the court to pay the other parties for

damages. Question two Chauncey can sustain claims against Jody for striking his car.

The accident was Jody's fault because he was too busy playing with this iPhone, he did not pay attention to the road. This means that he was driving recklessly. This behavior is considered negligence on the part of Jody.

Chauncey's claim would be known as a tort liability claim. Tort liability is a person's legal obligation to a victim whom he or she has injured (Stuhmcke, 2010). The injuries caused are a direct violation of the victim's rights. In a court of law, the defendant is sometimes referred to as a tortfeasor. In Chauncey's case, he sustained injuries when Jody punched him in the face out of anger. Inflicting pain or injury to an individual is considered violating person's rights hence acting against the law. Road accidents and tort liability go hand in hand (Glennon & Hill, 2004). Drivers are expected to have undivided attention when they are on the road to avoid accidents as was the case of Jody and Chauncey.

Jody can be accused of tort of negligence because he was not paying attention to his driving and because he failed to live up to his required duty of care. Negligence is the failure to the standard of care that a reasonable person would exercise in similar circumstances. Chauncey would have to prove that Jody's breach of duty caused him harm or injury, which he did, since he struck his car and punched him in the face. For negligence claims to be successful, the plaintiff is obligated to prove "duty, breach, causation, and damages" (Miller & Jentz, 2012). Jody owed a duty of care to Chauncey on the road as a fellow driver. He breached that duty when he struck

Chauncey's car because did not pay attention. Jody's breach caused Chauncey's injuries, he damaged his car and he punched him in the face when he should have admitted that he was wrong.

Chauncey's injuries are legally recognizable as can be seen from his damaged car and his punched face. Chauncey's claims against Jody would therefore be legitimate. References Barron, M. (2006).

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