

BUSINESS LAW 110-1 SYLLABUS

Bell Tower 1424, CSUCI Campus, Mondays 6:00– 8:30 p.m.

Textbooks: Recommended but not required:

- ✓ Jennings - *Foundations of the Legal Environment of Business*, Second Edition
- ✓ Joshua Greene - *Moral Tribes: Emotion, Reason, and the Gap between Us and Them*
- ✓ Jacqueline Novogratz - *The Blue Sweater: Bridging the Gap Between Rich and Poor in an Interconnected World*

INSTRUCTOR: Panda Kroll, email: panda.kroll@csuci.edu, tel. 805-551-0773

Office Hour: Mondays Zoom 4:00-5:00 pm or other times by arrangement

DATE	TOPICS TO COVER IN CLASS	READING & HOMEWORK DUE THIS DAY BEFORE CLASS BEGINS
8/22 Week One	I. The Legal Environment in Which We Live When Is an Act Legal/Illegal? What is the “Age of Consent?” Is Selling Cannabis Legal? Is Porn Legal? <i>How to:</i> Succeed in This Class The Socratic Method: Q&A (Applying legal rules to fact patterns) Sign up for <i>Moral Tribes</i> weekly presentation	Before Class: Review this Syllabus & Assignments posted in Canvas Answer Short Survey Extra Credit: Complete and Upload Pre-Class Assignment <u>Sex & Drugs @Work</u> ✓ Read two news articles posted on Canvas (Ma & Pa cannabis business, porn@work) ✓ Use your browser to locate Cal. Penal Code section (§) 261.5 -- This is California’s Age of Consent statute. Extra Credit for Completing Pre-Class Study Guide UPLOAD your answers to the Study Guide on Canvas.
8/29 Week Two	II. “Truthiness” v. Critical Thinking When was the last time you changed your mind? When Is an Act Legal/Illegal? (cont.) Is Cannabis “Discrimination” Illegal? Is Drug Testing Illegal? <i>Video:</i> Supreme Court oral arguments in <i>Ross</i>	MODULE I – WHY HAVE LAWS AT ALL? Read Case Study posted in Canvas: <i>Ross v. RagingWire</i> (medical cannabis @work) Complete Worksheet: CANVAS #1A TEXTBOOK READING: Ch. 1 Introduction to Law, Ch. Business & the Constitution ✓ Read Ch. 1 pp 2-6, 11-14 (esp. private v. public law, criminal v. civil law) ✓ Study Exhibit (“Exh.”) 1.2 ✓ Ch. 5 pp. 87-89, 92 (esp. “What is Police Power?”) ✓ p. 96 (state v. federal regulation, “preemption”) Complete Worksheet: CANVAS #1B ALLOW 4-6 HOURS TO COMPLETE ASSIGNMENT – this will be true each week, so plan accordingly! Please do not turn in homework in class.
9/5	<u>Labor Day Holiday; campus closed</u>	WATCH FEATURE LENGTH FILM (IN CANVAS): Borat: Cultural Learnings of America for Make Benefit Glorious Nation of Kazakhstan

<p>9/12 Week Three</p>	<p>III. Sources of Law Statutes & Judicial Decisions</p> <p>When Is an Act Legal/Illegal? (cont.)</p> <p><u>Sex Laws:</u> Were Romeo & Juliet guilty of sex crimes?</p> <p><u>Obscenity Laws:</u> Is rap music obscene? What is “sexting,” and is it child pornography?</p> <p><i>Video: Teen Sexting & Law Enforcement Teens Accused of Sexting Fight Back</i></p>	<p>MORAL TRIBES Part 1-Moral Problems Intro + Chapter (Ch) 1: The Tragedy of the Commons Ch 2: Moral Machinery</p> <p><i>Complete Worksheets:</i> CANVAS #2A & 2B</p> <p><u>Sex Laws</u> ✓ Sexts – Pornography? Obscenity? ✓ Rap Music</p> <p>Be prepared to discuss: “How did the teens defend themselves from the threat of state criminal charges for child pornography arising from their use of their cell phones?”</p>
<p>9/19 Week Four</p>	<p>IV. Sources of Ethics: What If There Were No Laws? What If The Laws Are Unfair?</p> <p><u>Cyber-Crime & Punishment:</u> Civil Liability and Criminal Guilt for Emails and Facebook Postings</p> <p><i>How to:</i></p> <ul style="list-style-type: none"> • Regulate “new” torts/crimes • Distinguish criminal from civil law • Manage your online reputation <p><i>Video: MySpace Suicide: Witness Testimony</i></p>	<p>MORAL TRIBES Ch 3: Strife on the New Pastures</p> <p><i>UPLOAD</i> Answers to CANVAS #3A Case Study: <i>Garrity v Hancock Insurance</i> (The Boss Who Didn’t Appreciate E-Mail Top Ten Lists)</p> <p><i>Complete Worksheets:</i> CANVAS #3B & C</p> <p><u>Cyber Laws</u> ✓ Privacy & Reputation on the Internet ✓ Virtual Lives/Real Consequences: ✓ The MySpace Suicide Case</p>
<p>9/26 Week Five</p>	<p><u>Litigation in Our Judicial System:</u> How Does A Lawsuit Begin? Which Facts Matter? What is the Truth and Who Decides?</p> <p><i>What 2 Do When U Want 2 Sue and How 2 Prove Your Case</i></p> <p><i>How to:</i></p> <ul style="list-style-type: none"> • Write/respond to a “demand” letter • Decide whether to litigate • Avoid Evidence “Spoliation” <p><i>Exercise: Litigation Flowchart</i></p>	<p>MORAL TRIBES: Part 2-Morality Fast & Slow Ch 4: Trolleyology</p> <p>MODULE II – “SEZ WHO?” “<u>NastyGrams.</u>” <u>Evidence in Litigation</u></p> <p>TEXTBOOK READING: Jennings, Ch. 3: The Court System & Dispute Resolution <i>Complete Worksheet:</i> CANVAS #4A</p> <p><i>UPLOAD</i> Answers to CANVAS #4B <i>Wal-Mart Stores v. Johnson</i> “Reining Deer,” pp. 73-74</p>

<p>10/3 Week Six</p>	<p>CONSTITUTION TEST (open book)</p> <p><u>Federal & State Constitutional Controversies</u></p> <p>Which Laws Are “Fundamental?”</p> <p>Bill of Rights/Equal Protection/Due Process</p> <ul style="list-style-type: none"> • Declaration of Independence • Racial Inequality in Land Ownership <p><u>Students’ Rights</u></p> <p>T-Shirt Wars</p> <p>Bathroom Wars</p> <p><i>How to:</i></p> <p>Use the 14th Amendment offensively to protect individuals from discrimination based on membership in a protected class</p> <p><i>How to:</i></p> <p>Use the 1st Amendment offensively to protect pro-drug/pro-choice/anti-gay messages</p> <p>Gay rights before and after 2020 case: <i>Bostock v Clayton County, Georgia</i></p>	<p>MORAL TRIBES</p> <p>Ch 5: Efficiency, Flexibility, & The Dual-Process Brain</p> <p>MODULE II: <u>Our Fundamental Rights</u></p> <p><i>Complete Worksheets:</i> CANVAS #5A & 5B</p> <p>1) US Constitution Fill-In-The-Blanks</p> <p>2) <u>Student Speech Controversies: T-Shirt Wars!</u></p> <p>✓ <i>Morse (Juneau School Bd.) v. Frederick</i> “BONG HiTS 4 JESUS” in SCOTUS</p> <p>✓ <i>Nuxoll v. Indian Prairie School Dist.</i> ”Homosexuality is Shameful”</p> <p><i>Harper v. Poway School Dist.</i> “Be Happy Not Gay”</p> <p><i>T.A. v. McSwain Union Elementary School Dist.</i> “Abortion Is Murder/Growing Growing Gone” –</p> <p>SuperReader Presentations on <u>Equal Protection</u></p> <p>✓ <i>Gloucester County School Board v. G.G.</i> School Bathrooms in SCOTUS</p> <p>✓ <i>Masterpiece Cakeshop v. Colorado Civil Rights Comm.</i> Cakes, Celebrations, & Discrimination in SCOTUS</p>
<p>10/10 Week Seven</p>	<p><u>Constitutional Law, cont.:</u></p> <p>Do Corporations Have 1st Amendment Rights?</p> <p><i>How to:</i></p> <p>Use the 1st Amendment defensively to avoid liability for controversial messages</p> <p><u>Tort Law: Intro to Risk Allocation -</u></p> <p>Who Should Pay For Careless/Criminal Acts?</p> <p>Duty to Rescue</p> <p>Elements of Negligence</p> <ul style="list-style-type: none"> • Duty • Breach of Duty (Carelessness) • “But For” Causation (Factual Cause) • Proximate Cause (Legal Cause) • Damages <p>Torts “Matching” Exercise</p> <p><i>How to:</i> Respond to requests for references</p>	<p><u>MORAL TRIBES</u>: Part 3–Common Currency</p> <p>Ch. 6: A Splendid Idea</p> <p>MODULE III: <u>The Law of Torts (Wrongs/Negligence)</u></p> <p>TEXTBOOK READING: Ch. 8 – Business Torts</p> <p><i>Complete Worksheet:</i> Canvas #6A</p> <p>1) <i>McCollum v. CBS/Ozzy Osbourne</i> (negligence: wrongful death/product liability)</p> <p>2) UPLOAD Answers to Canvas #6B - <i>Randi W. v Muroc School</i> (negligence: fraud/concealment, duty to third parties)</p> <p>3) UPLOAD Answers to Canvas #6C – <i>Graves v. Warner Bros</i> (<i>Jenny Jones</i> murder case – duty: premises liability)</p> <p>3) UPLOAD Answers to Canvas #6C - <i>Van Horn v. Watson</i> (negligence: duty to rescue(?), “Good Samaritan” defense)</p>

10/17 Week Eight	<p><u>Tort Law, cont.:</u> Are Laws Protecting Privacy & Reputations Consistent with The First Amendment?</p> <p><i>How to:</i> Avoid exploitation and defamation claims</p> <p><i>Video:</i> Eminem “Brain Damage”</p> <p><u>QUIZ on IP (Intellectual Property) Law</u></p> <p>Be sure you know and can apply the definitions:</p> <ul style="list-style-type: none"> A. Copyright & Fair Use B. Trademark C. Patent D. Trade Secret E. DMCA “Safe Harbor” Defense <p><i>Video:</i> “Pretty Woman”</p> <p>PUBLISH STUDY GUIDE FOR TEST I</p>	<p><u>MORAL TRIBES</u> Ch. 7: In Search of Common Currency</p> <p>MODULE III – <u>Reputation Torts & Intellectual Property</u></p> <p>1) Complete Worksheet: Canvas #7A ✓ <i>Bailey v. Mathers, III</i> (a/k/a Eminem, Slim Shady) ✓ “Borat” complaint and pages of Panda’s article</p> <p>TEXTBOOK READING: Ch.14 – Intellectual Property; Study Exh. 14.1</p> <p>2) UPLOAD Answers to Canvas #7B <i>Campbell v Acuff-Rose Music</i> (2 Live Crew)</p> <p>3) Complete Worksheet: Canvas #7B ✓ Trade Secrets – article explaining California law ✓ <i>Viacom v. YouTube</i> – article on \$1B lawsuit</p> <p>STUDY FOR QUIZ ON IP DEFINITIONS</p>
10/24 Week Nine	<p>TEST I</p> <p>Trademark and Fair Use Product Liability/False Advertising</p> <p><i>How to know:</i> Know when advertising is “false” <i>How to know:</i> Know when coffee is “too hot”?</p> <p><i>Video:</i> “Barbie Girl” <i>Video:</i> “Borat” mockumentary presentation</p>	<p>1) UPLOAD Answers to Canvas #8A: <i>Stella Liebeck v McDonald’s</i> (Hot Coffee, Cold Truth)</p> <p>2) Complete Worksheet: Canvas #8B: <i>Mattel v MCA Records</i> (The Plastic Plaintiff)</p> <p>STUDY FOR TEST</p>
10/31 Week Ten	<p>Intro to Contracts – Contract Formation</p> <p>Sources of Contract Law: UCC – Common Law</p> <p><i>How to:</i> Know when a contract has been formed <i>How to:</i> Know when a contract needs to be in writing (Statute of Frauds)</p> <p><i>Video:</i> “Pepsi Stuff”</p> <p><i>Video:</i> “Some Kind of Monster”</p>	<p><u>MORAL TRIBES:</u> Part Four: Moral Convictions Ch. 8: Common Currency Found</p> <p>MODULE IV –The Law of Contracts: Part I (Formation) – “Did I Agree to That?”</p> <p>1) Complete Worksheet: CANVAS #9 (Fill-in-Blanks) Common Law & UCC Contract Rules</p> <p>Read Jennings Ch. 10 p. 230-232, 236-242, 247-249 Exhibits 10.3, 10.5; definition of contract p. G-5</p> <p>2) UPLOAD Answers to Case 10.2 <i>Leonard v. PepsiCo</i> (Does “Pepsi Stuff” Include a Harrier Jet?)</p> <p>3) UPLOAD Answers to Case 10.5 <i>Rosenfeld v Basquiat</i> (“The Artist, The Crayon, & the Contract”)</p> <p>4) UPLOAD Answers to Case 11.2 <i>Reed v. King</i> (The Haunted House)</p>

11/7 Week Eleven	<p>Contracts – Performance & Defenses</p> <p>“Battle of the Forms” What happens when businesses exchange competing forms with different terms?</p> <p>“Clickthrough” Agreements, Liability Limitations Unconscionable Contracts</p> <p><i>How to:</i> avoid a warranty claim</p> <p>PUBLISH STUDY GUIDE FOR TEST II</p>	<p><u>MORAL TRIBES:</u> Ch. 9: Alarming Acts</p> <p>MODULE 4 –The Law of Contracts “ Part II (Defenses) Read <i>Jennings</i> pp. 254-263, 267-68 Defenses/Remedies Study <i>Jennings</i> Exhibit 12.2 - UCC Warranties</p> <p>1) UPLOAD Answers to CANVAS #10A: <i>A.V. v. iParadigm</i> (TurnItIn copyright case – first see “Consider” p. 255)</p> <p>2) Complete Worksheet: CANVAS #10B <i>Mortenson Co v. Timberline Software</i> (The Two-Million-Dollar Bug) 5 pts + 20 E.C. option</p> <p>3) CANVAS #10C Complete Worksheet: (Fill in Blank UCC Warranty Provisions)</p>
11/14 Week Twelve	<p>Contracts – More Defenses: Fraud/Misrepresentation/Lack of Capacity</p> <p><i>How to:</i> Set aside/avoid/rescind a contract <i>How to:</i> Prevent contract “fraud” claims</p> <p>TEST II</p> <p><i>Exercises: GroupThink</i> Challenger Disaster & Whistle-blowers</p>	<p>MODULE IV –The Law of Contracts (cont.) <u>Getting Out Of A Bad Contract</u> 1) ANSWER CANVAS #11A: “Young Drugged & Wealthy”</p> <p><u>When Defects Cost Lives: Whistle Blowers</u> Read Ch. 15, p. 365 (Protection for Whistleblowers) 2) CANVAS #11B: Case Study: The Challenger Disaster</p> <p>STUDY FOR TEST</p>
11/21 Week Thir- teen	<p><u>Corporate Law</u> <u>Forms of Doing Business</u></p> <p><i>How to:</i></p> <ul style="list-style-type: none"> • Form a sole proprietorship • Form a partnership (without really trying) • Limit liability, fund a business <p><i>How to:</i> Fire someone and not get sued (hint: fire no-one/fire everyone): Agency</p>	<p><u>MORAL TRIBES:</u> Part 5-Moral Solutions Ch. 10: Justice & Fairness</p> <p>MODULE V – The Law of Corporations / Agency Read <i>Jennings</i>:Ch. 18, pp. 410-426, esp. Exhibit 18.1 1) Answer Case 18.2 (Ma & Pa café) 2) Answer CANVAS #12A (What are the different forms of business entities?)</p> <p><u>Duties of “Agents” and “Principals”</u> Read Ch. 15 pp. 350-354, 356, 358 3) Answer CANVAS #12B (<i>Oprah</i> case)</p>
11/28 Week Four- teen	<p><u>Employment Law:</u> Agency, cont. Employer & Employee Liability</p> <p><u>Employment Law:</u> Employee Rights <i>Wage & Hour Laws</i></p> <p><i>How to:</i> Restrict post-employment conduct Know if you owe/ are owed overtime pay</p>	<p>MODULE V – Employment Law <u>MORAL TRIBES:</u> Ch. 11: Deep Pragmatism Ch. 12: Beyond Point-And-Shoot Morality: Six Rules for Modern Herders</p> <p><u>Liability for Agent’s Mistakes</u> Reading on Agents and Principals 1) Answer CANVAS #13A (Cookie Crazy) 2) Answers <i>Jennings</i> Q’s: p. 367, questions #4 and #5</p> <p><u>Illegal Discrimination & Retaliation in the Workplace</u> 3) Answer CANVAS #13B <i>Burlington v. Ellerth</i> (the boorish supervisor -sex harassment)</p>

12/5 Week Fifteen	<p align="center">(“FINAL” – not cumulative) TEST III 7:00-9:00 p.m.</p> <p><u>Employment Law:</u> Agency, cont. <i>Discrimination/Harassment/Retaliation</i> <i>Equal Opportunity under Federal & State Laws</i></p> <p>Federally Protected Classes, e.g.: Race * Color * Nat’l Origin/Ancestry * Citizenship *Religion *Age (old) * Disability * Veteran Status * Genetic Information & Sex:</p> <p align="center">How to: Tolerate Intolerance</p>	<p><u>Religious and Gender Discrimination @ Work</u> UPLOAD Answers to CANVAS #14A: <i>Buonanno v. AT&T</i> (Conservative Christian’s right to disagree w/gay-friendly workplace policies)</p> <p>Read Jennings p. 399 (BFOQ), p.404-405 (ADA) Read Jennings “Consider” 17.3 on pp. 397-98 (“Church of Body Modification”)</p> <p align="center">STUDY FOR TEST</p>
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RESOURCES: (copies of the recommended class textbooks are on reserve at the CSUCI Library)

Over half of your assignments are on myCI Learn/Canvas.

BUS 110: OVERVIEW OF COURSE AND COURSE EXPECTATIONS

Class Preparation: Plan for four to six hours of homework each week: 2 hours reading and re-reading assigned cases and articles and 2-4 hours preparing completing worksheets and other assignments, due each day **before class begins**. I have done my best to make the extensive homework worth your time, by choosing “hot” topics likely to arise in your work and daily life. You’ll get more out of class if you are prepared, and you will earn more “Preparedness” points.

Expectations:

I expect you to have at the ready your syllabus, textbook(s) and worksheets each class. To maximize your experience, attend class, arrive on time, read and complete assignments, and “Opt In” to participate in class by answering questions.

Method of Student Evaluation:

Exam Score (best two out of three).....	60%
Homework Score (Quizzes, Uploaded Assignments).....	30%
Class Preparedness Score (Attendance, Opt In/Out of Discussions with ✓+ or -)	5%
Presentations on Moral Tribes	5%

Cut-Offs for Final Grade:

94% = A; 90% = A-; 87% = B+; 84%=B, 80% = B-; 77% = C+, 74% = C, 70% = C-; 67% = D+, 64% = D. Below 64% = F

Exam Score:

Exam Score is evaluated on your best score on two out of three multiple-choice on-line tests. You will not need blue books or scantrons. There will be three multiple choice tests, based on lecture, readings, assignments and/or any topics discussed during class. I will provide a study guide prior to each test. There will be no cumulative final, although tests may include material discussed throughout the semester. I will exclude your lowest-graded test from your score. I will keep your tests and quizzes on file for only two weeks after the test or quiz is given. If you wish to go over a test or quiz, do so *prior* to that time. I do not give make-up tests; that is why I count only two out of the three tests.

Homework Score: Homework Score is evaluated on homework uploads due *prior* to class and any in-class quizzes. If you upload the homework assignment to Canvas after class begins, you will not receive any credit (no late homework).

Class Preparedness Score: Opt-In (“Plus/Check/Minus” Participation / *Moral Tribes* Presentation):

Class Preparedness Score is evaluated based on your participation and presentations. You will prepare a collaborative presentation on a chapter from *Moral Tribes*. To prepare for class discussion of the articles and cases in Canvas and the textbooks, complete worksheets and upload assignments. We will have class discussions in which I will ask you questions from the assignments. “Plus” means you are opting in to being asked a question about the homework. “Check” means you

did the homework, but you would rather not be called on. “Minus” means you wish to “Opt-Out” of discussions. You can “Opt-Out” or be absent up to three times with no effect on your participation grade. If you come in after roll is taken, I will mark you absent and as an “Op-Out” unless and until you send a chat to me during class to update the roll and give me your “plus” or “minus” status, however, you will not have the option to be a “check”.

Course Format:

The best way to learn and to apply the law is to read about and discuss legal issues that affect us, applying critical thinking to find rational conclusions. For this reason, this is not a lecture-based class. Instead, this class requires substantial student preparation and participation. You will discuss your responses to assignments and apply what you have learned to hypothetical and real situations. You are responsible for checking Canvas each week for announcements, changes, clarifications and assignments, and for coming to class with worksheets and other reading completed.

What is Critical Thinking?

This course focuses on applying **critical thinking** skills to solve ill-structured problems. To be successful in this course and in the job market, you will need to develop the capacity to evaluate skillfully and fairly the quality of evidence and detect **error, hypocrisy, manipulation, dissembling** (lies), and **bias** (prejudice). In other words, distinguish Truth from “Truthiness.”

- Identifying issues and prioritizing which to address;
- Using evidence, experience, and values to analyze these issues;
- Managing uncertainty and risk; and
- Making rational decisions (i.e., finding the most productive solution that is sensitive to uncertainty & risk)

Program Learning Goals:

1. Critical Thinking
2. Oral Communication
3. Written Communication
4. Collaboration
5. Conduct (Ethics)
6. Competency in Discipline (i.e., in Business)

Student Learning Outcomes/Course Objective:

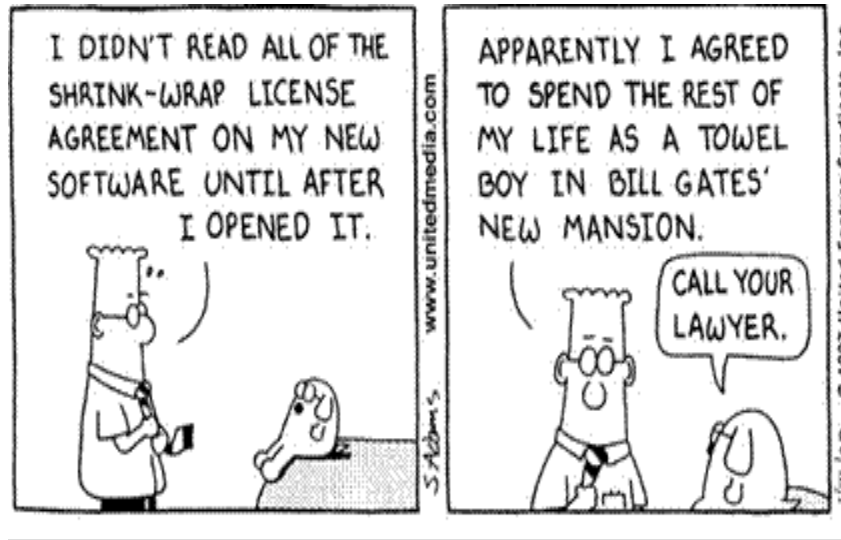
The course objective is to provide students with practical knowledge of legal principles and issues that arise in business. Businesses are subject to employment and contract disputes, negligence claims, regulatory compliance, and other legal issues, yet many business owners and managers are ill-equipped to identify legal risks before they arise. Without legal sophistication, business cannot identify and implement strategies to prevent problems from occurring or, at least, from spiraling out of control. While litigation is an inevitable cost of doing business, it is controllable. Students will develop the ability to spot potential legal problems and manage risks, enhancing their marketability to the businesses that employ them, and increasing their effectiveness as entrepreneurs.

At the completion of this course, students will be able to:

- Describe the major components of the United States legal system (Learning Goals 2, 3, 5, 6);
- Write analyses of cases related to business organizations and their legal environments (1-6);;
- Research and present oral and written analyses of how laws and regulations impact business organizations (1-6);
- Identify, analyze, and suggest solutions for businesses to address their legal and ethical challenges (1-6).

Cheating, Plagiarism and Other Forms of Academic Dishonesty: Don’t copy another student’s assignment or test and don’t let another student copy your assignment or test. CSUCI characterizes its graduates as creative in developing imaginative self-expression and independent thinking and dedicated to maintaining principles of intellectual honesty. Academic dishonesty is incompatible with these characteristics. Accordingly, you are expected to complete your own work, and you will be subject to sanctions if you cheat or assist others in cheating. If a student is suspected of submitting work containing word-for-word or closely paraphrased language from another student’s work, OR if a student is suspected of assisting another student in copying, **both student(s) will receive no credit for any such suspected assignments/tests and will be reported to CSUCI’s Judicial Affairs for adjudication / sanctions, up to and including a failing course grade.** See <http://www.csuci.edu/studentlife/student-conduct/academic-dishonesty.htm>.

Students with Disabilities needing accommodations, please make requests to: Disability Accommodation Services



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"On the Internet, nobody knows you're a dog."

(Examples of private law - invalid **racially restrictive** covenants in a real property deed)

said Tracts to a corporation or association formed by residents or owners of property in Innis Arden No. 2, or to a corporation or association formed by residents or owners of Innis Arden, for community purposes, in the activities of which corporation or association residents of Innis Arden No. 2 shall have the right to participate, subject to reasonable restrictions and requirements imposed by such corporation or association.

14. **RACIAL RESTRICTIONS.** No property in said addition shall at any time be sold, conveyed, rented or leased in whole or in part to any person or persons not of the White or Caucasian race. No person other than one of the White or Caucasian race shall be permitted to occupy any property in said addition or portion thereof or building thereon except a domestic servant actually employed by a person of the White or Caucasian race where the latter is an occupant of such property.

15. **ANIMALS.** No hogs, cattle, horses, sheep, goats, or or similar livestock shall be permitted or maintained on said property at any time. Chicken hens, pigeons, rabbits and other similar small livestock, not exceeding a total of twenty-five in number, shall be permitted but must be kept on the premises of the owner. Not more than one dog and cat may be kept for each building site. No pen, yard, run, hutch, coop or other structure or area for the housing and keeping of the above described poultry or animals shall be built or maintained closer

That said premises shall not at any time hereafter be sold, leased or transferred to any colored person or persons or to any person or persons of the Ethiopian or Semetic Race or to any descendant of either of said races and said premises shall not be used or occupied by any such person or persons at any time as a residence or otherwise and these presents are made upon the express condition that upon the sale, lease or transfer of title to any colored person or persons or to any person or persons of the Ethiopian or Semetic Race, or to any descendant of either of said races, then the estate hereunder shall become immediately forfeited and all right, title and interest therein shall thereupon revert to the grantors, their heirs, executors, administrators or assigns.