

Business Law

Credit Value: 1.0

Note on Jurisdiction:

Please note that there is an England & Wales version of Business Law and a Scots Law version. The syllabuses are the same at headline level, i.e. the legal and court system will be covered in accordance with whichever jurisdiction has been chosen for study.

AIMS

GENERAL AIM

To provide extensive, detailed and critical knowledge and understanding of the legal environment within which financial services professionals operate, in particular the legal nature of the business organisations they will deal with.

SPECIFIC AIMS

1. To provide an extensive, detailed and critical knowledge and understanding of the Scottish/England & Wales legal system.
2. To develop the ability to apply knowledge and understanding of situations by critical analysis, evaluation and synthesis of complex issues necessary for candidates to understand the differing nature of legal entities.
3. To use this knowledge and the accompanying cognitive skills of critical thinking, analysis and synthesis to ensure the correct business decisions are taken on the basis of a legal perspective.

CONTENT

1. AN INTRODUCTION TO THE LEGAL SYSTEM

- The legal structure
- Sources of law
- The court system
- The practitioners of the law

2. THE LAW OF AGENCY

- What is agency?
- Constitution of agency
- Classes of agents

3. THE DUTIES OF AN AGENT

- Render personal service
- Exercise due care
- Keep accounts
- Disclose material information
- The must nots: Compete with his principal
- Disclose confidential information
- Make a secret profit
- Rights of an agent
- Agency relationships
- Authority of an agent

4. LIABILITY OF AN AGENT

- Agent for a disclosed principal
- Agent for an undisclosed principal
- Agent acting ostensibly as a principal
- Where the principal is non-existent
- Termination of agency

5. LAW OF PARTNERSHIP

- Formation of a partnership
- The legal status of a partnership
- Relationship between partners and third parties

6. LIABILITY OF PARTNERS

- Relationship between the partners
- The duties of a partner
- Different categories of partner
- Limited partnerships
- Partnership property

7. AUTHORITY OF A PARTNER

- A partner's authority
- Assigning partnership shares
- Appropriation of payments
- Termination of a partnership
- Opening a partnership account
- Joint and several liability

8. CONTRACT

- Formation of a contract
- Capacity to contract
- Evidence of a contract
- Void or voidable
- Breach of contract
- Termination of contract

9. CHEQUES AND THE BANKER-CUSTOMER RELATIONSHIP

- Bills of exchange
- Cheques
- Negotiation of cheques

10. THE CONSUMER CREDIT ACT

- Types of credit
- Consumer credit licensing
- Regulated consumer credit agreements
- The form and content of a regulated agreement
- The charge for credit and annual percentage rates (APRs)
- Security for consumer credit regulated borrowing
- Termination of agreements and recovery
- Overdrafts
- Consumer Credit Act review

11. INTRODUCTION TO COMPANY LAW

- The development of company law
- Contrasting the limited company with a partnership
- Corporate personality
- Types of limited company
- Promotion and incorporation of the company
- Registering the company
- The constitution of the company
- The Memorandum of Association
- The Articles of Association

12. FINANCING THE COMPANY

- Classification of capital
- Methods of raising capital
- Maintenance of capital
- Loan capital
- Borrowing powers of a company
- Borrowing powers of the directors
- Debenture stock
- Security for loans

13. THE COMPANY DIRECTORS

- Appointment of directors
- Remuneration of, loans to and powers of directors
- Duties of directors
- Personal liability of a director
- Removal of a director

14. MEMBERSHIP OF A COMPANY

- The Register of Members
- The annual return and disclosure of information
- Termination of membership
- Rights of members of a company
- Payment of dividend
- Majority rule and minority protection

15. MEETINGS AND RESOLUTIONS

- Meetings of directors
- Company meetings
- Notice of meetings
- Collective acts of the Board

16. TAKEOVERS AND MERGERS

- Takeovers and mergers
- Schemes of arrangement
- Compulsory acquisition of shares
- The City Code on Takeovers and Mergers