Applied Business Law

Module outline and aims

The module provides a general framework of the legal principles underpinning business law, as appropriate to the role of the Chartered Secretary.

The aim of this module is to facilitate an understanding of the basic principles and how they should be applied within a commercial framework. For example, you will be required to apply the principles of contract law to specific contracts such as the contract of employment and consumer contracts.

Chartered Secretaries are required to have a sound knowledge and understanding of the legal framework and how it applies in a business context and the overall aim of this module is to facilitate and develop your understanding of business law in the context of the business environment.

Learning outcomes

On successful completion of this module, you will be able to:

- Demonstrate a good understanding of the areas of law which affect businesses.
- Identify the key issues and theoretical debates surrounding the functions and objectives of business law.
- Identify the basic principles of business law as appropriate to the role of the Chartered Secretary.
- Critically analyse the law in the context of the business environment.
- Apply the law to factual situations which may arise in a business setting.
- Offer reasoned solutions and advice to practical problems.
Syllabus content

The English legal system – weighting 5%

The purpose of this part of the syllabus is to introduce students to the key characteristics of the English legal system. A basic understanding of how English law is made and applied is essential to appreciate specific areas of law.

The nature and sources of English law

The court structure

Alternative dispute resolution

Impact of European law

Impact of the Human Rights Act

Commercial contracts – weighting 30%

Candidates will be required to display a sound understanding of what a contract is and the nature, role and purpose of contracts.

Concept of freedom of contract/sanctity of contract

Formation of contracts
  – Offer: invitation to treat, unilateral contracts
  – Acceptance: postal rule, acceptance of unilateral contracts
  – Counter offer
  – Auctions
  – Tenders
  – Certainty of agreement
  – Offer and acceptance when dealing with machines
  – Termination of offers
  – Battle of the forms
  – Intention to be legally bound
  – Capacity to contract

Requirement of consideration
  – Types of consideration
  – Sufficiency of consideration
  – Performance of an existing duty
  – Part payment of a debt
  – Promissory estoppels
  – Privity of contract
Contents of contracts
- Distinction between terms and representations
- Express terms
- Conditions, warranties and innominate terms
- Exclusion clauses
- Implied terms – by statute, by the courts, by custom

Vitiating factors
- Mistake, common and unilateral, mistake as to the nature of the document signed, mistake as to identity
- Misrepresentation – definition, innocent, fraudulent, negligent, remedies
- Duress and undue influence
- Illegal contracts

Discharge of contract – by performance, breach, frustration

Remedies for breach of contract – damages, equitable remedies

Commercial law – weighting 25%

This part of the syllabus introduces the concept of an agent and how such an agent can enter into contracts on behalf of another person.

Agency – appointment
- Express
- Implied
- Necessity
- Ratification

Relationship between principal and agent – duties

Authority of the agent
- Express
- Implied
- Actual
- Apparent

Termination of agency

Protecting the consumer
- Sale and supply of goods and services
- Passing of ownership and risk
- Duties of buyer and seller
- Remedies of buyer and seller

Consumer credit

Patents, copyright, trademarks and passing off

Data Protection
Competition law

Insurance contracts
- Types
- Principles

Introduction to the tort of negligence – weighting 15%

This section introduces the nature of the tort of negligence and its relevance in a business context.

Negligence
- Duty of care
- Standard of care
- Causation
- Foreseeability
- Breach
- Damage
- Economic loss
- Negligent statements
- Nervous shock
- Defences

Occupiers’ liability
- Lawful visitors
- Non lawful visitors

Product liability

Vicarious liability

Employment law – weighting 25%

This section of the syllabus covers how the contract of employment is formed and the provisions of such contracts, along with the rights and duties of employers and employees.

Employees and independent contractors
- Contract of service and contract for service
- The position of ‘agency’ workers

The contract of employment
- Formation of the contract
- Written particulars
- Part-time and fixed-term workers
- Variation to contract
Common law and statutory duties of employer/employee
- Express terms
- Implied terms
- Employer’s duty to persons other than employees
- Vicarious liability
- Duty of disclosure

Wages

Maternity rights

 Discrimination

 Termination of contracts of employment

 Unfair dismissal
- Who can claim?
- What is a dismissal?
- When is a dismissal unfair?
- Procedure, remedies

 Wrongful dismissal

 Constructive dismissal

 Redundancy
- Who can claim?
- Payments

 Health and safety at work