

# Module Guide

## **INTERNATIONAL BUSINESS LAW**

BBS-5- IBL

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Business Faculty

2014/15

Level 5

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## 1. MODULE DETAILS

<b>Module Title:</b>	International Business Law
<b>Module Level:</b>	5
<b>Module Reference Number:</b>	BBS 5 IBL
<b>Credit Value:</b>	20 CATS Point
<b>Student Study Hours:</b>	200 hours
<b>Contact Hours:</b>	52 hours
<b>Private Study Hours:</b>	148 hours
<b>Pre-requisite Learning (If applicable):</b>	Introduction to Business Law
<b>Co-requisite Modules (If applicable):</b>	None
<b>Course(s):</b>	BABS/BABA
<b>Year and Semester</b>	Year 2 Semester 2
<b>Module Coordinator:</b>	Jerry De Freitas
<b>MC Contact Details (Tel, Email, Room)</b>	0207-815-7749; <a href="mailto:defreijd@lsbu.ac.uk">defreijd@lsbu.ac.uk</a> ; LR2
<b>Teaching Team &amp; Contact Details (If applicable):</b>	
<b>Subject Area:</b>	Business Law
<b>Summary of Assessment Method:</b>	Coursework and unseen open-book exam

## 2. SHORT DESCRIPTION

The module provides the opportunity to develop the general legal framework within which international business takes place. It examines the legal rules relating to UK business transactions and how they are affected by the United Nations Convention on Contracts for the International Sale of Goods, and the various ways in which transactions can be financed. The nature and constitution of the partnership firm is considered including how it is managed, administered and regulated, as well the law protecting intellectual property rights and information privacy.

## 3. AIMS OF THE MODULE

To provide a grounding in, and knowledge and understanding of the sources and principal provisions of business law in the context of international business transaction.

## 4. LEARNING OUTCOMES

### 4.1 Knowledge and Understanding

Students successfully completing this module will be able to:

- (a) Explain the different types of legal systems including the main sources of law, the role and function of the law and ethics in relation to international business agreements, and the relevance of international arbitration as an alternative to court adjudication.
- (b) Demonstrate a knowledge and understanding and application of the legal rules under the Sale of Goods Act and the United Nations Convention on Contracts for the International Sale of Goods appropriate to domestic and international business transactions.
- (c) Explain the various ways in which domestic and international business transactions are funded.
- (d) Evaluate the rules of agency as they apply to different forms of international business organisations.
- (e) Recognise and apply the law relating to the partnership firm.

## 4.2 Intellectual Skills

Students successfully completing this module will be able to:

- (a) Assimilate and evaluate complex legal materials from a range of legal sources.
- (b) Critically evaluate the competing legal theories relevant to the general principles of business law by applying rules of precedent and statutory interpretation.
- (c) Undertake library-based research by way of preparation for an extended piece of legal writing.
- (d) Produce persuasive and cogently argued analyses of a range of contentious issues relating to the general principles of international business law.
- (e) Show an appreciation of the political, moral and economic pressures that determine the form, content and development of aspects of the general principles of international business law.

## 4.3 Practical Skills

Students successfully completing this module will have demonstrated the development of:

- (a) Communication skills – through participation in seminar simulation exercises involving oral submissions and argument; through the preparation of an extended piece of academic writing for coursework submission.
- (b) IT skills – through the research required in the preparation for the coursework submission; use of electronic information retrieval systems in preparation for seminars; through word-processed coursework; e-mail communication with teaching staff.
- (c) Skills for learning how to learn – the teaching materials direct students to a range of sources that can be utilised to develop their subject knowledge and further their interest in the module – on completion of the modules students should be able to conduct independent research into international law topics.
- (d) Skills necessary for critical analysis of theoretical proposition – the course encourages students to adopt a critical stance – questioning why the law has developed as it has; students are invited to examine the current law in the light of proposals for reform.

## 4.4 Transferable Skills

Students successfully completing this module will have demonstrated an ability to:

- (a) Organise, plan and prioritise self-managed scholarly work using original materials.
- (b) Prepare materials according to assignment briefings to meet time critical deadlines.
- (c) Evaluate and test opposing arguments with a view to rationalising stated preferences for a given line of reasoning, supported by authority and appropriate evidence.

## 5. ASSESSMENT OF THE MODULE

The assessment will consist of one piece of coursework (40% weighting) and one two-hour (including 15 minutes reading time) unseen open book examination (60% weighting). The coursework will take the form of an extended piece of legal writing with a word limit normally between 2000 – 2500 words as

advised at the time the work is set. The assessment question will require independent research and analysis related to a contemporary business law issue. Typically, the question will require students to produce their work in the form of a briefing paper, or a submission to a business organisation. The unseen open book examination paper will contain three questions and students will have to answer any two of the questions. Students will be permitted to take in the examination one specified textbook. Students will not be allowed to take any notes or other unauthorised materials in the examination.

## 6. FEEDBACK

Feedback will normally be given to students 15 working days after the submission of the coursework.

## 7. INTRODUCTION TO STUDYING THE MODULE

### 7.1 Overview of the Main Content

#### A. **Nature of law and different types of legal systems.**

This section deals with the nature of law and types of legal systems based on common law and civil law. It also considers the types of dispute resolution mechanisms.

#### B. **International Business transactions**

This section deals with the essential features of international sale of goods contracts and how they are affected by UK legislation, the United Nations Convention on Contracts for the International Sale of Goods, and the International Chambers of Commerce Incoterms.

#### C. **Financing international transactions.**

This section deal with the various ways of financing transactions, and considers the main provisions of the UNCITRAL model law on International Credit Transfers and the United Nations Conventions On International Bills of Exchange And International Promissory Notes.

#### D. **International Business Forms.**

This section considers two main forms of business through which international transactions are conducted – Agency and Partnership firms.

#### E. **Intellectual Property and Information Privacy.**

This section considers the main types of intellectual property rights and how they are protected. The effect of the Data Protection Act 1998 on the storing of personal data is also considered.

### 7.2 Overview of Types of Classes

The module uses a combination of weekly lecture (2 hours) and seminars (2 hours)

### 7.3 Importance of Student Self-Managed Learning Time

The teaching materials make explicit those areas that students are required to explore in their own time, in addition to carrying out the reading and research necessary to support material covered in lectures and seminars. It is essential that students undertake the additional private work as assessments are designed and marked on the basis that the extra material has been covered.

### 7.4 Employability

This is an underpinning module for the studies of business aimed at extending the student's understanding of international legal business issues, and therefore generally useful in the employment market.

## 8. THE PROGRAMME OF TEACHING, LEARNING AND ASSESSMENT

1. **Nature of law and different types of legal systems.** Law –criminal and civil, law distinguished from ethics. Public international law and private international law. Legal systems based on common law, and civil law.
2. **Types of disputes resolution mechanisms.** Courts-based mechanisms and alternative dispute resolution mechanisms. The UNCITRAL Model Law On International Commercial Arbitration.
3. **Domestic business transactions.** Obligations of the seller and the buyer under the Sale of Goods Act. The concept of risk, its relevance in business transactions and rules governing its allocation.
4. **International business transactions.** The main rules of the United Nations Convention on Contracts for the International Sale of Goods as they relate to the formation, content and discharge of international contracts for the sale of goods. The passing of risk under the Convention. The effect of the International Chambers of Commerce Incoterms.
5. **Various ways of financing transactions.** Cheques, bills of exchange, promissory notes, banks transfers, letters of credit, and letters of comfort. The effect of the rules of the UNCITRAL model law on International Credit Transfer and the United Nations Convention On International Bills of Exchange And International Promissory Notes.
6. **International Business Forms.** Agency – creation and termination, the duties and authority of the agent. Partnerships – types and the legislation governing them. The duties and liability of the partners. The ways a partnership can be terminated
7. **Intellectual Property and Information Privacy.** The nature of intellectual property and how such property is protected. Copyright, Registered Designs, Trade Marks and Patents. Tort of Passing Off. Data Protection Act 1998

## SEMINARS

### Seminar 1.

**Q.1** What do you understand by the term 'Equity'? What contributions did equity make to the development of the English legal system?

**Q.2** How does the English legal system differ from the European civil law system?

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor.**

## **Seminar 2.**

- Q.** Explain the impact of (a) European Law and (b) European Human Rights Laws on English domestic law.

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor**

## **Seminar 3**

- Q.** What systems exist today for the settlement of civil disputes? Describe each system you choose, pointing out its advantages and disadvantages?

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor**

## **Seminar 4.**

- Q.** Jane has just called in to see you. Your brief notes of the interview read as follows:

*“ Husband, Godfrey, ordered a brass four-posted bed from Dreamline Ltd. three weeks ago. Price £560. Paid in cash this amount at the time of order.*

*Bed delivered two days ago all parcelled in sections together with instructions for its erection. Put up bed straight away. Early this morning husband and I awoke. Bed had collapsed. Metal support for mattress had broken. Weld on bracket to fit to bed head fractured. Tom, neighbour and welder, at car factory has looked at it. Said ‘Whoever did that weld wants shooting’. Poor welding; Just been back to Dreamline Ltd. Most upset at attitude of manager who pointed out a sign to effect ‘Once goods have left shop it is no longer Dreamline Ltd’s responsibility. No refunds given’. Want to know how she stands.”*

What are Godfrey's legal rights? What means may be available to obtain recompense for Godfrey? What practical and procedural steps would you take to set in motion the remedies available to Godfrey?

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor**

#### **Seminar 5.**

### **INTERIM REPORT REVIEW**

#### **Seminar 6.**

Bob goes into Selby's TV and HI FI shop to buy a colour television. Bob selects a TV set and asks Selby if this set, pointing to a particular set, is available for sale. Selby replies "yes". Bob then says "How much"? Selby replies "£499". Bob then informs Selby that he will buy the TV set but he will have to pay for it by issuing a cheque drawn on the M Bank plc. Selby replies "I will accept your cheque, but the TV set has to remain in the shop until the cheque is cleared". Bob answers "That's all right. I will come back in five days to collect the TV set".

Bob issues a cheque to Selby for £499 and leaves the shop.

Q i: What class of goods does the colour TV belong? Give reasons for your answer.

Q ii: What is the reason for Selby wanting the TV set 'to remain in the shop until the cheque is cleared'?

Q iii: After the contract has been made who will bear the risk of damage and/or destruction to the TV set?

Q IV: Would it make any difference to your answer if the sale was governed by the United Nations Convention on Contracts for the International Sale of Goods?

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor.**

## Seminar 7

- Q. Give an account of the essential characteristics of a negotiable instrument and examine the rights of a 'holder in due course', What is meant by 'notice of dishonour' and in what circumstance will such notice not be required?
- Q. How far is a paying banker protected by law when paying a cheque to a person who is not the rightful owner of it?

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor.**

## Seminar 8

- Q. (a) What is the purpose of agency in contract law? In what circumstances may (i) a servant and (ii) an independent contractor be an agent?
- (b) Albert, an estate agent, hearing that Ben was planning to sell his house, wrote to Ben offering to act as agent to arrange the sale. Ben replied rejecting Albert's offer of assistance. Nevertheless, Albert advertised the house for sale and Caroline replied to the advertisement and was sent by Albert to see Ben. Ben sold the house to Caroline and Albert now claims that he is entitled to the standard rate of estate agent's commission on the proceeds of the sale

Advise Ben.

Would it make any difference to your answer if Ben had not replied to Albert's offer of agency service?

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor.**

## Seminar 9

- (a) What is a partnership? What factors would you take into consideration to decide whether a partnership has been formed?
- a. Bob and Albert form a partnership. The partnership agreement contains a clause to the effect that Bob would have the power to introduce into the partnership any of his children on their attaining the age of their majority. Bob's daughter, Narina, is eighteen years old and Bob wishes to make her a partner in the firm. Albert refuses to give his consent.

Advise Bob

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor.**

## Seminar 10

- (a) Explain the legal differences between a 'traditional' partnership and a limited liability partnership.
- (b) Explain the requirements needed to create a registered company limited by guarantee.

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor.**

## Seminar 11

- (a) Explain the extent of the implied agency of a partner to contract on behalf of his firm.
- (b) Alan, Ben and Charles are partners. Charles, on behalf of the firm, contracted for the purchase of some machinery from Xavier. As a reward for negotiating the contract, Xavier gave Charles a sports car, and Charles did not mention the gift to Alan and Ben who have now found out about the gift.

Advise Alan and Ben.

**You should bring written answers to the questions to the seminar. Working in groups you will be asked to read the answers of the other students in your group and to give and receive positive feedback on the work. You will then be asked to work out a model outline answer to the questions. Each group will be asked to give a group outline answer for discussion with the class and your tutor.**

## Coursework 2015

**PLEASE READ THE FOLLOWING CAREFULLY BEFORE ATTEMPTING THIS ASSESSMENT**

### **1. The assessment**

#### **JOHN DOE AND THE DIVISIONAL COURT**

*“The Divisional Court yesterday upheld the conviction of John Doe for selling oats at a price higher than the price which had been fixed by statutory instrument issued by the Minister of Agriculture. This follows a European Union directive under which prices are to be fixed for the sale of wheat, barley and other such products.”*

You are required to explain with reasons (and supporting cases where applicable):

- (a) whether this was a civil or criminal case;
- (b) the composition and place of the Divisional Court in the court structure;
- (c) how the case would have reached the Divisional Court;
- (d) the relevance of the decision for future cases of a similar nature;
- (e) the meaning and effect of a directive;
- (f) why the court was able to deal with oats when not specifically mentioned;
- (g) the meaning and effect of European Human Rights laws on the English courts.

### **2. Presentation instructions**

- (a) The guideline word limit is 2,000 with a maximum of 2,500. Footnotes will not count towards word count totals but must only be used for referencing – not the provision of additional text. Bibliographies will not count towards word totals. Unless specifically required in the assessment instructions appendices are not permitted, other than those required under 5(h) below.
- (b) A word count total must be provided on each course work submitted. An inaccurate word count may be dealt with as cheating (an attempt to obtain an unfair advantage). See the cheating and plagiarism guidelines in the Course Guide for further details.
- (c) If the word limit is exceeded any work beyond the word limit will not be marked and will thus not be awarded credit.

- (d) Course work must be submitted in word-processed form, double-spaced, and correctly paginated.
- (e) Standard referencing guidelines must be followed – these can be found in the Course Guide.

### **3. Assessment criteria**

This assessment seeks to assess the following module outcomes:

- (a) This assessment seeks to assess the following areas of knowledge and understanding:
  - (i) The composition and jurisdiction of the Courts of Law.
  - (ii) The meaning and effect of EU and Human Rights laws on the English courts.
  - (iii) The courts and legislation
  - (iv) The doctrine of precedent
  
- (b) This assessment seeks to assess the following intellectual skills:
  - (i) Ability to assimilate complex legal materials from a range of legal sources
  - (ii) Ability to produce persuasive and cogently argued analyses of a range of issues relating to the general principles of business contracts
  
- (c) This assessment seeks to assess the following transferable skills:
  - (i) Ability to prepare a sustained and lucid argument based on relevant legal research;
  - (ii) Ability to discriminate between relevant and irrelevant information and argument;
  
- (d) This assessment seeks to assess the following communication skills:
  - (i) Ability to produce a word-processed document with appropriate referencing and pagination;
  - (ii) Ability to communicate effectively and persuasively in written English
  
- (e) Credit will be awarded for this assessment based on the following criteria:
  - (i) Evidence of understanding of the working of the English Legal System;
  - (ii) Clarity and structure of argument; reasoned conclusion;
  - (iii) Use of source materials;
  - (iv) Presentation

### **4. Guidance**

- (a) In attempting this assessment candidates may want to have particular regard to the following issues:
  - (i) The effect of EU and Human Rights laws on English domestic laws.
  - (ii) The application of the doctrine of precedent

(iii) The rules on statutory interpretation by the courts

(b) In attempting this assessment candidates may want to have particular regard to the following useful sources:

Business Law : De Freitas – Chapters 1 and 2

NB: These references are starting points – they are not exhaustive. You should make full use of other materials to be found by conducting independent hard copy literature searches and on-line searches.

(i) In attempting this assessment candidates should be aware of these common errors and should try to avoid them:

- Simply setting out examples drawn from the existing law;
- Lengthy repetition of the facts of cases;
- Lengthy references to cases without any explanation as to how this develops the argument;

## 5. Submission instructions

(a) Submission date and place: 2<sup>nd</sup> April, 2015. Room 105

(b) Return date: 23<sup>rd</sup> April, 2015

(c) Candidates must indicate clearly on the front of the coursework their seminar group and seminar tutor (part-time students - class lecturer).

(d) Candidates must retain a copy of the assessment submitted – both hard copy and on disk. Further copies of assessed work may be required by the Course Director or Exam Board.

**(e) The submitted assessment must be the candidate's own work. All quotations must be credited and properly referenced. Paraphrasing is still regarded as plagiarism if a candidate fails to acknowledge the source for the ideas being expressed. Candidates are referred to the cheating and plagiarism guidelines in the Course Guide.**

## 6. Feedback

Examples of work submitted may be copied (with student identifiers removed) and distributed to all candidates in order to provide examples of good practice. Please state clearly on your assessment if you are not willing for it to be copied and distributed for this purpose.

## 9. STUDENT EVALUATION

## 10. LEARNING RESOURCES

### 10.1 Core Materials

Carr, I. International Trade Law (Routledge-Cavendish)  
De Freitas, J. Business Law (Castlevale)  
Todd, P. Cases and Materials on International Trade Law (Sweet & Maxwell)

### 10.2 Optional Materials

Schmittoff's Export Trade: The Law and Practice of International Trade (Sweet & Maxwell)  
Chuah, J. Law of International Trade: Cross-Border Commercial Transactions (Sweet & Maxwell)

**Students will also be referred to a range of legal journals including:**

The Modern Law Review  
The Cambridge Law Review  
The Company Lawyer  
The Journal of Business Law

## NOTES

### Using IT in the study of International Business Law

#### 1. Your Coursework

Your coursework should be word-processed – printed double-spaced on single –sided sheets. Please use a 12 point font. Not only does it look better, but you will be able to retain a copy on disk for future reference. Make back-up copies.

#### 2. Websites

Increasing use of the Internet has become a good source of information for law students. The LRC is available to you as a resource, so make use of it. You may find the following of use:

##### **(a) Law Reports**

[www the-times.co.uk/news](http://www.the-times.co.uk/news)

This site has a searchable database going back to 1<sup>st</sup> January 1996. Law reports can be accessed for printing or downloading to disk.

[www.lawreports.co.uk](http://www.lawreports.co.uk)

This is the official law report site – has special pages with case summary