

EXAMINATION INFORMATION GUIDE BUSINESS LAW

Structure of examination paper

The syllabus will be assessed in a 3 hours paper plus a 15 minutes reading time.

The questions will be in two sections as follows:

Section A

Section A will be 20 compulsory multiple-choice questions of one mark each.

These questions will be drawn from all the sections of the syllabus.

Section B

Section B will be 6 questions of 20 marks each out of which candidates will be expected to attempt 4 questions. The 6 questions will come from all the seven sections of the syllabus based on the weight attached to each section in the syllabus.

Detailed contents of the syllabus

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| A. | The Nigerian legal and court systems | 5% |
| | <ol style="list-style-type: none">1. Identify and explain sources of Nigerian Law.2. Outline the distinction between civil Law and criminal Law.3. Differentiate between case law and statutes.4. Explain the hierarchy of Courts in Nigeria. | |
| B | Partnership, company and insolvency laws | 35% |
| | <ol style="list-style-type: none">1. Partnership law<ol style="list-style-type: none">(a) Explain the nature as well as types of, and the differences between a partnership and a company.(b) Describe the process by which a partnership may be formed including the preparation of relevant documents.(c) Identify the procedure for management of a partnership including the rights and duties of partners, their relationship <i>inter se</i> and with third parties.(d) Describe when and how a partnership may be dissolved.2. Company Law<ol style="list-style-type: none">(a) Outline the composition and functions of the Corporate Affairs Commission. | |

- (b) Describe the procedure for the incorporation of a company including the pre-incorporation contracts, promoters and their duties.
- (c) Explain the consequences of incorporation and lifting the veil of incorporation.
- (d) Describe the contents of a Memorandum and Articles of Association and how each can be amended.
- (e) State the procedures for the issue of shares and debentures (corporate bonds).
- (f) Identify and explain the ways in which the capital of a company is maintained and protected including laws relating to distribution of profits.
- (g) State how directors may be appointed, re-appointed, removed or in any other way cease to hold office.
- (h) Outline the duties of directors including fiduciary and other duties.
- (i) Explain the powers of directors.
- (j) State the consequences of a breach of duty by a director.
- (k) State the requirements for share transfer and disclosure of ownership.
- (l) Explain how shareholders can influence the composition of the board, strategy or decisions of a company.
- (m) Describe how meetings of stakeholders can be requisitioned and how voting operates.
- (n) Identify the rights of shareholders to challenge the management of a company.
- (o) Explain issues bordering on appointment, powers, functions and removal/resignation of a company secretary.
- (p) Distinguish between types of meetings—statutory annual general meeting and extraordinary general meeting, notices required and resolutions.
- (q) Differentiate between ordinary and special resolutions.
- (r) Describe statutory books and practical issues that relate to record keeping and filing.
- (s) Explain the duties, powers and responsibilities of a company auditor, outlining the basic steps of appointment, removal and resignation.
- (t) Explain how a company may be wound up.

3. Law of Insolvency

- (a) Describe the differences among the types of insolvency, liquidation and receivership including the rights of creditors and the shareholders.
- (b) Outline the consequences of insolvency.
- (c) Explain the nature of and difference between fixed and floating charge.

C. Criminal Law

10%

Criminal law regulating businesses and professional accountancy practice

- 1. Distinguish and explain laws, ethics and ethical codes.
- 2. State the basic laws relating to theft, fraud and deception.
- 3. State the basic laws relating to bribery.
- 4. State the basic laws relating to money laundering.
- 5. Explain the basic laws relating to negotiable instruments.
- 6. Identify situations relating to data protection and computer misuse.
- 7. Outline electronic evidence.
- 8. Explain the role of an accountant as an expert witness in fraud cases including computer fraud.

D. Law of commercial transactions

35%

1. Law of contract

- (a) Explain the nature, framework and types of a contract.
- (b) Describe how a contract may be made emphasizing the elements of a valid contract, and how it can be enforced
- (c) Explain vitiating elements and how a contract may be terminated as well as the remedies for breach of contract.
- (d) Describe the nature of e-contracts and outline how they can be enforced.

2. Agency

- (a) Explain the nature of an agency relationship.
- (b) Identify situations where agency exists.
- (c) Explain the duties, rights and legal capacity of an agent.

3. Law of Torts

- (a) Describe negligent actions or omissions and outline their consequences.
- (b) Explain vicarious liability and passing of.

4. **Sale of goods**
 - (a) Define goods,
 - (b) Explain passing of property
 - (c) State the duties, rights and remedies of a seller and a buyer.
 - (d) Explain the duties and rights of a seller and buyer as well as elements of passing off in sale of property.

5. **Hire purchase**
 - (a) Explain and distinguish hire purchase from similar contracts.
 - (b) State the mandatory contents of a Memorandum of hire purchase.
 - (c) Explain the rights, duties and remedies of parties to a hire purchase contract.

6. **Insurance**
 Explain the nature of Insurance contract, insurable interest, subrogation and contribution as well as assignment of policy.

7. **Banking and negotiable instruments**
 - (a) Explain the duties of banks and other financial institutions.
 - (b) Describe the powers and duties of the Central Bank of Nigeria (Reference to the Central Bank Act as well as Banks and Other Financial Institutions Act.
 - (c) Explain types of Negotiable Instruments and the duties and liabilities of parties to a bill.
 - (d) Define bill of lading and explain its nature and operation.
 - (e) Describe letter of credit and letter of comfort.

- E. Employment law** **5%**
- (1) Identify situations that give rise to employment contracts.
 - (2) State the law relating to employment, including employment contracts, duties and rights, dismissal, unfair dismissal and other claims of the employee.

- F. Law of Trusts and Administration of Estate** **5%**
- (1) Explain creation of trusts, the duties, powers, rights and accounts of trustees as well as the rights of beneficiaries.
 - (2) Explain the investments authorized by the Trustee Investment Act.
 - (3) Differentiate between executors and administrators and explain their

duties.

- G. Alternative Dispute Resolution mechanisms** **5%**
1. Define alternative dispute resolution (ADR).
 2. Explain the nature, operation, advantages and disadvantages of alternative dispute resolution mechanisms as against court-adjudicated disputes.
 3. Explain arbitration and arbitral awards.