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

A. The Nigerian legal and court systems 5%
   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%
   1. Partnership law
      (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 inter se and
          with third parties.
      (d) Describe when and how a partnership may be dissolved.
   2. Company Law
      (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.
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**
   (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**
   (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
G. Alternative Dispute Resolution mechanisms

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.