**INTRODUCTION TO BUSINESS LAW**

**2. COURSE CODE -** ABM 3102

**3. COURSE INSTRUCTORS**

Mr. Zieja Flavian LLB, Dip. LP. LDC, LLM.

**4. COURSE TYPE –** CORE course for (BABM II) 3 Credit units

Course Duration: 15 weeks (45 hours)

**5. COURSE STRUCTURE & LOCATION**

3 Credit units. 45 lecture hours (3 contact hours per week for 15 study weeks). Lectures will be conducted from MakerereUniversity, Faculty of Agriculture, Department of Agricultural Economics and Agribusiness.

**6. COURSE DESCRIPTION:**

Law is part of our everyday activities. It is even more urgent for a person engaged in business transactions. Ignorance of the law is not a defense and it is against this background that a person intending to do agri-related business should have knowledge of some basic legal principles to enable him or her conclude contracts with ease. Topics covered include; Meaning of law and background to Uganda's legal system. Classification of law. Sources of law in Uganda. The court system in Uganda. Law of contract: meaning of contract, essentials of a contract, contents/terms of a contract, factors which affect a contract, factors which make a contract illegal, remedies for breach of contract, some elements of the contract of employment. The law of sale of goods: rights and obligations of a seller and a buyer under a contract of sale of goods; Difference between conditions and warranties; Passing of property and risk; Remedies and rights in breach of contract of sale. Agency: meaning; types of agents; Duties and relationship of agent to his principal and third parties; Duties and relationship of principal to third party; termination of agency and its effects. Company law: Types of companies; Formation of companies; Advantages and disadvantages of incorporation; Management of a company; Winding up of a company; Law of torts: Meaning of tort and tortions liability; Types of torts; vicarious liability; Liability of independent contractors;

**7. COURSE OBJECTIVES**

The main objectives of the course are to introduce students to the law of Contract obtaining in Uganda, and enable them understand the basic legal principals in undertaking a contract.

**The specific objectives**

* To introduce to the student the sources of law we apply in Uganda’s business world
* To make the student appreciate that disputes must occur in the business, the dispute resolution mechanism in Uganda, the court structure and alternative dispute resolution
* Understand the importance of law in running a business organization
* Appreciate the basic considerations in entering into a contract
* Understand the vitiating elements of a valid contract
* Know how to guard against fraud and illegal transactions in business
* Understand the remedies for breach of contract
* Explain the contract of sale of goods and the form it should take
* Understand the implied conditions in a contract of sale of goods
* Explain the passing of property in the goods
* Know the transfer of title in a contract of sale of goods.
* Know how a contract of sale of goods is performed and remedies available to the seller and buyer in the event of breach.
* Understand the torts that can be committed in the business world, to wit: Negligence, trespass to good, defamation and vicarious liability.

**8. Recommended References**

* Nabudere Dan (1980): Political Economy of imperialism. Zed Books; New edition edition
* Cheshire G.S and Fifoot C.H.S (1972): The law of contract. Publishers Butterworths; 8th Revised edition edition
* Picciotto, S. and Whitford, W.C,(1969): " The Economic Background of Hire Purchase in Uganda " Eastern Africa Law Review: A Journal of Law and Development. Volume 2 No.1
* [P.S. Atiyah](http://www.amazon.co.uk/P.S.-Atiyah/e/B001H6U5PG/ref=ntt_athr_dp_pel_1),  [J N Adams](http://www.amazon.co.uk/s/ref=ntt_athr_dp_sr_2?_encoding=UTF8&search-alias=books-uk&field-author=Prof%20J%20N%20Adams) ,and [H L MacQueen](http://www.amazon.co.uk/s/ref=ntt_athr_dp_sr_3?_encoding=UTF8&search-alias=books-uk&field-author=Prof%20H%20L%20MacQueen)(2010). The Sale of Goods. Publisher: Longman; 12th edition
* MacNeil Ian R. (1968): Contracts, Instruments for Social Cooperation, East Africa: Text, cases, materials. Publisher F. B. Rothman  (South Hackensack, N.J)
* Diamond Borie and Gordon J. (1973): The consumer, Society and Law. Penguin Books
* Katende John W and Chesterman M.R (1976).; The law of business organizations in East and Central Africa. East African literature Bureau
* Bakibinga D.J. (2001): Company law in Uganda. Publisher. Fountain publishers
* Bakibinga D.J. (1999): The law of contract in Uganda. Publisher: Fountain Books
* Gower L.C.B and Davies Paul L. (2003): The Principles of Modern Company Law. Sweet & Maxwell; 7th Rev Ed edition

**9. COURSE CONTENT, METHODS OF INSTRUCTION, TOOLS AND EQUIPMENT REQUIRED**

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| **TOPIC** | **CONTENT** | **METHOD OF INSTRUCTION/**  **TIME ALLOCATED** | **TOOLS/**  **EQUIPMENT NEEDED** |
| 1. **The judicial system in Uganda**. | * The meaning and division of law * Sources of law applicable in Uganda * The concept of parliamentary sovereignty and the power to enact laws | Interactive Lectures (4 hours) | Chalk board, LCD Projector |
| 1. **Judicial system cont’d** | * The judicial hierarchy and the legal connotations that flow there from * The doctrine of separation of powers and its relevance to the judicial system emphasizing independence of the judicially | Interactive Lectures (4 hours) | Chalk board, LCD Projector |
| 1. **Judicial system cont’d** | * A host of principles such as precedent and staredecis. * Alternative dispute resolution methods emphasizing arbitration and mediation | Interactive Lectures (4hours) | Chalk board, LCD Projector |
| 1. **The outline of the law of contract.** | * Nature and development of the law of contract * Essentials of a valid contract * Terms and conditions in a contract | Interactive Lectures (4 hours) | Chalk, BB, Flip Chart, Markers, Laptop and LCD projector |
| 1. **Law of contract continued** | * Vitiating elements of a contract * Termination of contract * Remedies for breach of contract | Interactive Lectures (4 hours)  Tutorials | Chalk, BB, Flip Chart, Markers, Laptop and LCD projector |
| 1. **The law of sale of goods**. | Laws Applicable.   * The sale of goods Act * The Contract Act * Chattels transfer Act * Distribution and price of goods act | Interactive Lectures (4 hours) | Chalk, BB, Flip Chart, Markers, Laptop and LCD projector |
| 1. **The contract of sale of goods, formalities, formation as distinguished from other contracts.** | Cases   * John Nsanga Vs Hadji Juma KayongoHCS No 607 of 1978, * Matayo Musoke Vs Albhai Garage Ltd (1960) E.A 31, * National Pharmacy Ltd Vs Kampala city Council HCCS No 461/1977 | Interactive lectures (2 hours)  Case Studies and Tutorials ( 4hours | Chalk, BB, Flip Chart, Markers, Laptop and LCD projector |
| 1. **Implied conditions and rules as to passing of property** | Cases:   * Ingram Vs Little (1961) 1 QB 31, * John Mbugwe Vs Mwangi Nuigwe (1949) 16 EACA 121, * Varley Vs Whipp(1900) 1QB 31, Doola Singh Vs Uganda Foundry and Machinery 12EACA 33 | Interactive Lectures (2 hours)  Case Studies and  Tutorials (4 hours) | Chalk board, LCD Projector  Cases |
| 1. **Duties of the seller** | Cases:   * Kampala General Agencies Limited Vs Moody (EA) Limited (1963) EA 549, * Hussein Bachoo Vs Clove Growers Ass of Zanzibar (1957) EA 193. | Interactive Lectures 2 hours  Case Studies  Tutorials (4 hours) | Chalk board, LCD Projector  Handouts of Cases |
| 1. **Duties of the buyer** | Cases:   * D.E Kressman and Co VsLakhmadi Limited (1964) EA 294, * Hari Singh Vs General Workshop 18 EACA 4 | Interactive Lectures (2 hours)  Case Studies  Tutorials ( 4 Hours) | Chalk board, LCD Projector  Handouts of Cases |
| 1. **Remedies of the buyer and seller.** | Cases:   * Kampala General Agency Vs Moody(1963) EA 549, * Livio Carli Vs Salen Homahed Boshanfer (1959) EA 701, * N Murji Vs ACD THUR (1955)22 EACA29 | Interactive Lectures (2 hours)  Case Studies and tutorials(4 hours ) | Chalk board, LCD Projector,  Handouts of Cases |
| 1. **The law of Tort** | Various types of torts, which include:   * Negligence * Defamation * Trespass to goods * Trespass to person * Conversion * Nuisance | Interactive Lectures (2 hours) | Chalk board, LCD Projector, |

**10. COURSE SUMMARY**

Lectures 33 hours

Case studies and tutorials 12 hours

45 Hours

**11. COURSE Assessment**

**Course Work**: Students will be subjected to two independent assessments (i.e. Individual assignments; and a classroom test) The classroom test will take 20%. Note: Assignments 1 & 2 will be due in the 4th and 11th week respectively.

**Final Examination**: This will be a three (3) hours examination, given at the end of the semester. Students are advised to make thorough reading and research in preparation for this examination. The examiners’ expectations are that students are able to demonstrate their full knowledge of the course, content and its applicability in a Business Setting

Coursework: 40%

Final Examination: 60%

# Total 100%