

OVERALL AIM

To equip the learner with legal knowledge so as to provide practical and professional solutions in a business environment

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Explain the general principles of law		✓				
2.	Advise clients on contract matters					✓	
3.	Analyse agency relationships in business situations				✓		
4.	Apply the general principles of the law of trusts			✓			
5.	Analyse the relationship between employer and employees				✓		
6.	Advise on formation, operation, and liquidation of partnerships and companies					✓	
7.	Discuss the types of negotiable instruments			✓			
8.	Advise on insolvency matters					✓	
9.	Advise on land tax related issues					✓	
10.	Raise and resolve business issues					✓	

LEVEL OF ASSESSMENT

The syllabus will test comprehension, application, analysis and synthesis of applicable laws in a business environment.

EXAMINATION STRUCTURE

There will be a three hour examination comprising of five scenario questions of 25 marks each. The candidate will be required to attempt any four questions.

DETAILED SYLLABUS

A GENERAL PRINCIPLES OF UGANDAN LAW

1. Role, nature and classification of Law:
 - (a) Role and nature of Law in Uganda
 - (b) Classes of law in Uganda
2. Sources of Ugandan law
3. Legal systems and administration of law:
 - (a) Types of courts in Uganda
 - (b) Civil versus criminal law

B LAW OF CONTRACT

1. General principles of the law of contract:
 - (a) Meaning of a contract
 - (b) Classes of contracts
 - (c) Essential elements of a valid contract:
 - (i) Offer: invitation to treat, unilateral contracts, counter offer, termination of offers
 - (ii) Acceptance: postal rule, acceptance of unilateral contracts
 - (iii) Offer and acceptance when dealing with machines

- (d) Formation of contracts
 - (e) Auctions
 - (f) Tenders
 - (g) Agreements: Agreements made in a business context and agreements made in a social context
 - (h) Battle of the forms
2. Consideration: Meaning, types, sufficiency of consideration, performance of an existing duty, part payment of a debt, promissory estoppels
 3. Formalities: Contracts required to be in writing and those evidenced in writing
 4. Capacity to contract: Minors, mental disorder, drunkenness and corporations
 5. Contents of contracts:
 - (a) Distinction between terms and representations
 - (b) Express terms
 - (c) Conditions, warranties and in-nominate terms
 - (d) Implied terms – by statute, by the courts, by custom – Sale of Goods
 - (e) Act 1932
 6. Factors that vitiate a contract
 7. Mistake: Meaning, types of mistakes
 8. Misrepresentation: Meaning and types of misrepresentation; fraudulent misrepresentation
 9. Duress and undue influence
 10. Illegal, void and voidable contracts: Differences between illegal and void contracts, effect of voidable contracts
 11. Assignments: Meaning and forms of assignments
 12. Discharge and frustration of contracts: Meaning and ways in which a contract can be discharged
 13. Remedies and limitations of actions: Remedies for breach of contracts, time limit for contractual actions, exceptions to limitation of contractual actions

C LAND LAW

1. Land law: rights, interests and types of ownership in land, different transfers of ownership that can occur
2. Leases: Key features of a lease that makes it a contract, different types of tenancies that exist, contrast a licence with a lease
3. Taxes in land transactions

D LAW OF TORT

1. Meaning
2. Distinction between tort and contract; tort and crime
3. Elements of tort:
 - (a) Legal damage
 - (b) Injuria sine damnum
 - (c) Damnum sine injuria: ordinary trade competition, lawful use of one's property.
4. Malice in tort: Malicious prosecution, malicious falsehood
5. Capacity of parties to sue and be sued:
 - (a) The government
 - (b) Foreign sovereigns and diplomats
 - (c) Corporation
 - (d) Trade unions
 - (e) Married women
 - (f) Infants and minors
 - (g) Liability of parents
 - (h) Persons of unsound mind
6. General defences in torts:
 - (a) Volenti non fit injuria
 - (b) Necessity
 - (c) Inevitable accident

- (d) Act of God
- (e) Statutory authority
- (f) Mistake
- 7. Joint tortfeasors:
 - (a) Joint action
 - (b) Vicarious liability: Basis, meaning of servant, independent contractor; exceptions to the defence
- 8. Limitation/ survival of actions
- 9. Trespass:
 - (a) Trespass to persons (assault, battery; defences available); false imprisonment/ imprisonment without knowledge
 - (b) Trespass to land (continuing trespass, trespass ab initio, remedies and defences)
 - (c) Trespass to goods (elements, trespass to chattels or goods, conversion, things found on land, distinction between trespass and conversion, who can sue, remedies)
- 10. Negligence:
 - (a) Meaning
 - (b) Elements
 - (c) Standard of care
 - (d) Duty of care
 - (e) Contributory negligence
 - (f) Liability to children
 - (g) Negligent mis-statement
- 11. Nuisance: Private nuisance, public nuisance, remedies, defences

E SALE OF GOODS

1. Protecting the consumer
2. Passing of ownership and risk

3. Duties and liabilities of carriers
4. Stoppage in transit
5. Remedies and obligations of buyer and seller
6. Consumer credit (hire purchase, credit sales and leasing)

F LAW OF AGENCY

1. Introduction to the Agency: Meaning of agency, nature of agency; purpose of agency law
2. Formation and creation of principal-agent relationship
3. Types of agents
4. Duties and rights of an agent
5. Duties and rights of a principal
6. Rules governing the relationship between the principal and third parties
7. General rules governing the relationship between the agent and third parties and exceptions to the rules
8. Circumstances under which an agency relationship can be terminated

G LAW OF TRUST

1. Meaning and types of trust
2. Parties to a trust
3. Circumstances under which a trust can be created
4. Appointment, discharge, duties and liabilities of trustees:
 - (a) Requirements for appointment as a trustee
 - (b) Circumstances under which a trustee can be discharged
 - (c) Duties and liabilities of trustees
5. Termination of a trust

H EMPLOYMENT LAW

1. Contract of employment:
 - (a) Contents of a contract of employment
 - (b) Contract of services versus contract for services
2. Duties and rights of employees
3. Obligations of an employer to employees
4. Discrimination:
 - (a) Types of discrimination
 - (b) Statutory provisions against discrimination
5. Termination of contract of employment:
 - (a) Circumstances under which a contract of employment can be terminated
 - (b) Circumstances under which termination may be unlawful
6. Health, safety and environment
 - (a) Common law on health and safety
 - (b) Laws and regulations on health, safety and the environment

I LAW OF PARTNERSHIPS

1. Meaning, types and formation of partnership
2. Relationship of partners; duties and rights
3. Obligations of partners to third parties
4. Liability of partners
5. Liquidation of partnerships

J NEGOTIABLE INSTRUMENTS

1. Meaning and characteristics
2. Types:
 - (a) Cheques:
 - (i) Meaning, nature and types
 - (ii) Partnership to a cheque, their rights and obligations
 - (iii) Cheque crossings and endorsements
 - (iv) Dishonour and discharge
 - (v) Forgeries
 - (b) Bills of exchange:
 - (i) Meaning, nature and types
 - (ii) Parties to a bill of exchange; their rights and obligations
 - (iii) Acceptance, negotiation, endorsement, dishonour, discharge, forgeries
 - (c) Recent developments:
 - (i) Online banking
 - (ii) Agency banking
 - (iii) Mobile money transfers

K LAW OF COOPERATIVES

1. The cooperative identity- definition, universal cooperative principles and values
2. Cooperative formation
3. Registration of cooperative societies
 - (a) Conditions of registration
 - (b) Application for registration
 - (c) Registration on probation and permanent
 - (d) Conditions
 - (e) Pre-registration contracts

- (f) Cancellation of registration
 - (g) Amendment of the by-laws of a registered society
 - (h) Provisions regarding name of a registered society
 - (i) Evidence of registration
4. Cooperative governance organs
 - (a) Rights and liabilities of members
 - (b) Qualifications for membership
 - (c) Restriction on shareholding
 - (d) Restriction on membership
 - (e) Rights and obligations of members
 - (f) Votes of members
 - (g) Leadership and management of a society
 - (h) Supervisory board
 - (i) Restrictions on transfer of share or interest
 5. Duties of registered societies
 - (a) Address of society
 - (b) Copy of the Act, regulations, by-laws, etc. to be open for inspection
 - (c) Records management of a registered society
 - (d) Audit, annual returns and accounts
 - (e) Qualifications of auditors
 - (f) Estimates and expenditure
 - (g) Voluntary amalgamation of societies
 - (h) Transfer of assets and liabilities to another society
 - (i) Voluntary division of a society
 6. Duties of the board and privileges of registered societies
 - (a) Societies to be bodies corporate
 - (b) Board of Directors of the Uganda Cooperative Alliance Ltd.
 - (c) Byelaws to bind members
 - (d) Contract with members to dispose of produce

- (e) Imposition of fines upon members
 - (f) Charge on agricultural produce and certain other materials and articles
 - (g) Charge and set off in respect of shares or interest of members
 - (h) Share or interest not liable to attachment
 - (i) Liability of past member
 - (j) Liability of estate of deceased member
 - (k) Transfer of interest on death of member
 - (l) Registers and books of societies and copies of them shall be received in evidence in certain circumstances
 - (m) Restriction on the production of a society's books
 - (n) Power to exempt from duty or tax
7. Property and funds of registered societies
- (a) Restrictions on loans
 - (b) Restrictions on borrowing
 - (c) Restrictions on other transactions with non-members
 - (d) Investment of funds
 - (e) Dividend or bonus
 - (f) Reserve and provident fund
 - (g) Distribution of net balance
 - (h) Contribution to education fund
 - (i) Cooperative member education
 - (j) Audit and Supervision Fund
8. Supervision and inspection of affairs
- (a) Production of cash and books of a registered society
 - (b) Ad hoc committee of inquiry

L COMPANY LAW

1. Meaning of company
2. Incorporation and classification of companies:
 - (a) Types of companies
 - (b) Public versus private companies
 - (c) Registration procedure
 - (d) Importance of the certificate of incorporation
3. Commencement of business; requirements before commencement of business
4. Formation of a company:
 - (a) Meaning and duties of promoters
 - (b) Rules governing pre-incorporation contracts
 - (c) Remuneration of promoters
 - (d) Remedies for pre-incorporation acts of promoters
 - (e) Characteristics of a company
 - (f) The veil of incorporation; circumstances under which the veil of incorporation may be lifted
5. Memorandum of association:
 - (a) Importance and contents
 - (b) Alteration: requirements for and effects of alteration
6. Articles of association:
 - (a) Importance and contents
 - (b) Alteration: requirements for and effects of alteration
 - (c) Table A of the Companies Act, 2012
7. Membership:
 - (a) Eligibility for membership
 - (b) Process of becoming a member
 - (c) Termination of membership
 - (d) Register of members, its contents and importance

8. Prospectus:
 - (a) Meaning, nature and contents
 - (b) Ways of how liabilities may arise as a result of issuance of a prospectus
 - (c) Remedies for parties who may be aggrieved as a result of issuance of a prospectus
9. Shares and share capital:
 - (a) Meaning and types
 - (b) Ways of raising share capital: Offers, underwriting, brokerage
 - (c) Liability for misrepresentation and non-disclosure
10. Issue of shares:
 - (a) Notice
 - (b) Application
 - (c) Allotment; rules governing the allotment of shares; restrictions on allotment
 - (d) Eligibility for applications and allotment
 - (e) Powers under issue of shares
 - (f) Consideration
 - (g) Pre-emption rights
 - (h) Issue of shares at a discount and at a premium
 - (i) Share certificate
11. Transfer of shares:
 - (a) Rules governing calls on and transfer of shares
 - (b) Circumstances under which transfer of shares can be restricted
 - (c) Meaning of 'mortgage', 'forfeiture', 'surrender', conversion
 - (d) Liability for misrepresentation and non-disclosure in a transaction of transfer of shares
12. Annual returns
13. Class rights and variation of class rights

14. Alternation and reduction of share capital; reasons why reduction of share capital is prohibited
15. Purchase of own shares
16. Debentures:
 - (a) Meaning and classification of debentures
 - (b) Manner in which debentures can be issued and transferred
 - (c) Trust deed: Meaning, advantages
 - (d) Priority of payment of debenture holders
 - (e) Types of charges
 - (f) Remedies for debenture holders
17. Dividends: Meaning, declaration and payment, unlawful distribution of dividend, capitalisation of profits
18. Meetings:
 - (a) Statutory meeting:
 - (i) Meaning
 - (ii) Importance of holding a statutory meeting
 - (b) Annual general meeting
 - (i) Meaning
 - (ii) Importance
 - (iii) Business to be transacted
 - (c) Other meetings
 - (d) Notices of meetings; statutory requirements for notices of different meeting
 - (e) Proceedings at general meetings; legal requirements of conducting general meetings
19. Directors:
 - (a) Appointment:
 - (i) Process of appointment
 - (ii) Qualification for appointment

- (b) Publicity requirements; circumstances under which directors are supposed to be publicised
 - (c) Powers, duties and responsibilities of directors; circumstances under which a director can be held liable personally
 - (d) Remuneration; circumstances under directors are remunerated
 - (e) Directors' meetings; roles of directors in their meeting
 - (f) Directors' interest in shares or debentures; circumstances under which directors can have interest in shares or debentures
 - (g) Disqualification and removal of directors
20. Company secretary: Appointment, duties and powers of a company secretary, contents of the register of directors and secretaries
21. Accounts and company Auditors:
- (a) Financial statements
 - (b) Meaning of an auditor
 - (c) Director's duties
 - (d) Auditor's responsibilities
 - (e) Auditors report
 - (f) Circumstances under which an auditor can be personally liable for damages arising out of their report
 - (g) Appointment, resignation and removal, qualifications, rights and duties, remuneration, liability for negligence of auditors
22. Majority rule, minority protection and investigations:
- (a) Rule in Foss v Harbottle
 - (b) Protection of minority shareholders under common law and case law
 - (c) Circumstances under which shareholders can bring action against the company

- (d) Circumstances under which company investigation and inspections can be carried out
 - (e) The rule in Turquand case
23. Corporate insolvency/ winding up:
- (a) Meaning of the term winding up
 - (b) Ways of winding up
 - (c) Grounds for winding up
 - (d) Petition for winding up
 - (e) Procedure for winding up
 - (f) Commencement and completion
 - (g) Legal consequences of winding up
 - (h) Priority in the apportionment of proceeds from winding up
24. The Liquidator:
- (a) Meaning of 'liquidator'
 - (b) Appointment and removal
 - (c) Remuneration
 - (d) Control over a liquidator
 - (e) Rights, powers and duties of a liquidator
 - (f) Ways in which a liquidator may be liable for transactions made during winding up.

M DISPUTE RESOLUTION

1. Tax appeals tribunal (To check for Employment tribunal)
2. PPDA tribunal
3. Civil procedure: Role of courts
4. Alternative Disputes Resolution (mediation & arbitration)

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 - (a) Companies Act, 2012
 - (b) Employment Act, 2006
 - (c) Insolvency (Amendment) Act, 2022
 - (d) Contracts Act, 2010
 - (e) Partnership Act, 2010
 - (f) Sale of Goods and Supply of Services Act, 2017