

Higher National Unit Specification

General information for centres

Unit title: Commercial Law for Marketing

Unit code: DV99 34

Unit purpose: This Unit is designed to enable candidates to demonstrate an understanding of the main legal issues which impact on the marketing and sale of goods and services within the UK.

On completion of the Unit the candidate should be able to:

- 1 Explain and apply the law of contract.
- 2 Explain and apply the law of agency.
- 3 Explain and apply current consumer protection legislation.

Credit points and level: 1 HN Credit at SCQF level 7: (8 SCQF credit points at SCQF level 7*)

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

Recommended prior knowledge and skills: Access to this Unit is at the discretion of the centre. However, it would be beneficial if the candidate has communication skills at SCQF level 5, which could be evidenced by the NQ Unit Communication (NC) code number EE3T 11 or equivalent. Previous knowledge of law would also be an advantage but no prior knowledge of the subject area is required.

Core Skills: There are opportunities to develop the Core Skill of Written Communication at SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

Context for delivery: If this Unit is delivered as part of a Group Award, it is recommended that it should be taught and assessed within the subject area of the Group Award to which it contributes.

Assessment: This Unit should be assessed by the use of three separate assessment instruments which assess each Outcome individually. The assessment should be carried out in controlled conditions with candidates having access to lecture notes/handouts and/or textbooks. It is recommended that assessments take the form of case studies and/or restricted response questions based on a given scenario.

Higher National Unit specification: statement of standards

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The sections of the Unit stating the Outcomes, knowledge and/or skills, and Evidence Requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the knowledge and/or skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

Outcome 1

Explain and apply the law of contract

Knowledge and/or skills

- ◆ Formation of a valid contract
- ◆ Misrepresentation
- ◆ Exclusion clauses
- ◆ Breach of contract
- ◆ Termination of obligations

Evidence Requirements

Candidates will be required to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ explain legal concepts
- ◆ correctly apply legal concepts to a given situation

Evidence will be provided by answering a series of **five** simple case studies and/or restricted response questions relating to each of the knowledge and/or skills areas.

The Outcome should be open-book and completed in controlled conditions within two hours. Candidates will have access to lecture notes/handouts and textbooks. Evidence may be written or oral. When oral, this must be recorded.

Assessment guidelines

This Outcome could be assessed primarily by the use of simple case studies (to demonstrate the candidate has sufficient understanding of the law of contract to apply it to a given situation), supplemented by restricted response questions, if necessary.

Higher National Unit specification: statement of standards (cont)

Unit title: Commercial Law for Marketing

Outcome 2

Explain and apply the law of agency

Knowledge and/or skills

- ◆ Formation of the agency relationship
- ◆ Authority of an agent
- ◆ Rights and duties of an agent
- ◆ Liabilities of third parties

Evidence Requirements

Candidates will be required to provide evidence to demonstrate their knowledge and/or skills by showing they can:

- ◆ explain legal concepts
- ◆ correctly apply legal concepts in a given situation

Evidence will be provided by correctly answering **four** restricted response questions based on a scenario which incorporates all of the above knowledge and/or skills areas.

The assessment should be open-book and completed in controlled conditions within one and a half hours. Candidates will have access to lecture notes/handouts and textbooks. Evidence may be written or oral. When oral, this must be recorded.

Assessment guidelines

This Outcome can be assessed by restricted response questions relating to an agency scenario. The candidate should be able to correctly apply the law in the given situation.

Outcome 3

Explain and apply current consumer protection legislation

Knowledge and/or skills

- ◆ Transfer of ownership and risk
- ◆ Civil and criminal liability for misdescription of goods
- ◆ Product safety
- ◆ Consumer credit

Evidence Requirements

Candidates will be required to produce evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ explain legal concepts
- ◆ correctly apply legal concepts to given situations

Higher National Unit specification: statement of standards (cont)

Unit title: Commercial Law for Marketing

Evidence will be provided by answering a series of **four** case studies and/or restricted response questions covering each of the above knowledge and/or skills requirements.

The assessment should be open-book and completed in controlled conditions within one and a half hours. Candidates will have access to lecture notes/handouts and textbooks. Evidence may be written or oral. When oral, this must be recorded.

Assessment guidelines

This Outcome may be assessed by the use of case studies and/or restricted response questions which require application of the law to a given situation. The number of questions necessary to meet the Evidence Requirements can be limited by careful construction.

Administrative Information

Unit code:	DV99 34
Unit title:	Commercial Law for Marketing
Superclass category:	EC
Date of publication:	August 2005
Version:	01
Source:	SQA

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Higher National Unit specification: support notes

Unit title: Commercial Law for Marketing

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 40 hours.

Guidance on the content and context for this Unit

This Unit forms part of the HNC/D Marketing Group Award. It is designed to provide candidates with an overview of the main legal issues which affect the relationship between the producer/supplier of goods and services and their customers and to enable simple application of legal principles and statutes. It is suggested that the following areas should be covered:

Outcome 1

- ◆ Formation of contract
 - invitations to treat
 - offer
 - counter offer
 - acceptance

- ◆ Capacity
 - age
 - intoxication
 - mental illness etc.

- ◆ Misrepresentation
 - induced errors
 - effect on contract when relating to substantials
 - remedies

- ◆ Exclusion clauses
 - personal injury/death
 - property damage

- ◆ Breach
 - meaning
 - forms
 - remedies

- ◆ Termination
 - ways of ending obligations (performance, frustration etc.)

Higher National Unit specification: support notes (cont)

Unit title: Commercial Law for Marketing

Outcome 2

- ◆ Formation
 - express and implied appointment
 - holding out
 - ratification
 - necessity

- ◆ Classes of agent
 - general and special

- ◆ Authority of agents
 - actual (express/implied)
 - apparent
 - liability for breach of actual authority

- ◆ Rights of agents
 - remuneration
 - reimbursement of expenses
 - relief from liabilities
 - lien

- ◆ Duties of agents
 - personal duty
 - following instructions
 - keeping accounts
 - civil and criminal consequences of breaches (including third party liability)

- ◆ Termination
 - different methods (revocation, renunciation etc.)

Outcome 3

Current legislation on the transfer of risk and ownership (including consumer contracts in Scotland).

Implied terms in a contract for the sale of goods — current legislation (including title, description, satisfactory quality/fitness for purpose, sale by sample).

Criminal liability in relation to misdescription of goods/services — current legislation.

Civil liability of producer in relation to defective goods — current legislation.

Current legislation on consumer credit protection.

It is suggested that rather than teach each piece of legislation separately, delivery should focus on the knowledge and skills requirements and the relevant legislation be introduced accordingly.

Higher National Unit specification: support notes (cont)

Unit title: Commercial Law for Marketing

Guidance on the delivery and assessment of this Unit

This Unit forms part of the Group Award of the HNC/D Marketing and will provide candidates with an overview of the main legal issues which impact on the marketing and sale of goods and services within the UK.

It is recommended that candidates with no prior knowledge of law are given a basic introduction to the concepts of common law v. statutory law and civil law v. criminal law. It should be emphasised how an understanding of legal issues in commercial transactions is vital to all those involved in marketing/sales due to the rights and liabilities which may arise in such situations. Teaching should encourage simple application of the law rather than mere explanation. This is most easily achieved by the use of case studies.

It is desirable that the Outcomes are delivered and assessed in the order given. Assessment should be by three separate assessment instruments, all open-book, completed in controlled conditions and lasting one hour to one and a half hours. Candidates may have access to their lecture note/handouts and textbooks.

Opportunities for developing Core Skills

There are opportunities to develop the Core Skill of Written Communication at SCQF Level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

Skills in accessing, analysing and evaluating sources which provide current and complex legal information on professional theories, issues and ideas will be developed as candidates read in depth and in detail a range of relevant legal reference documents. An analytical evaluation of information accessed in order to assure relevance of application to case studies should include a check on currency and accuracy for the circumstances given.

Although skills in written Communication are not formally assessed, candidates will be expected to present responses to a standard acceptable in the vocational area. Candidates would, therefore, be expected to have skills in summarising complex key ideas and information accurately and concisely, in using appropriate terminology and should check spelling and punctuation for accuracy.

Open learning

This Unit could be delivered by open learning. However, this would be at the discretion of the individual centre, which would have to ensure that there were satisfactory arrangements for assessment to ensure authenticity. For further information and advice please refer to the SQA guide: *Assessment and Quality Assurance for Open and Distance Learning* (A1030, February 2001).

Higher National Unit specification: support notes (cont)

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Candidates with additional support needs

This Unit specification is intended to ensure that there are no artificial barriers to learning or assessment. The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering alternative Outcomes for Units. For information on these, please refer to the SQA document *Guidance on Alternative Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs*, which is available on SQA's website: www.sqa.org.uk.

General information for candidates

Unit title: Commercial Law for Marketing

This Unit has been developed to enable you to recognise and understand the main legal issues which impact on the marketing and sale of goods and services within the UK. It is designed to enable you to apply the law in given situations.

This Unit has three main areas, Outcomes 1, 2 and 3, each of which is assessed separately.

In Outcome 1, you will learn about the general law of contract so that you will know when a contract is formed and what that means in legal terms. You will also look at certain factors which can prevent a contract coming into being or can invalidate it. You will examine the effect of clauses in a contract and consider breach of contract and the ending of contractual obligations.

In Outcome 2, you will learn about the role of an agent in supplying goods/services on behalf of someone else. You will look at how an agency relationship is formed; the authority an agent has to make contracts; his rights, duties and liabilities, as well as the liabilities of third parties.

In Outcome 3, you will examine the various pieces of legislation designed to protect consumers. These apply in relation to the supply of goods and services and cover issues such as who bears the risk of damage/loss of goods, misdescription of goods, safety of products and credit agreements.

In order to complete this Unit successfully, you will be required to achieve a satisfactory level of performance in three separate assessments. These three assessments will cover each of the above Outcomes and will be class based and open-book. This means you can refer to your class notes, handouts and/or textbooks during assessment.