

SQA ADVANCED UNIT SPECIFICATION

GENERAL INFORMATION

-Unit Number- **HP5G 47**

-Superclass- **EC**

-Title- **LEGAL ASPECTS OF COMMERCIAL TRANSACTIONS**

-DESCRIPTION-

GENERAL COMPETENCE FOR UNIT: Demonstrating a knowledge of legal principles and relevant statutes which impact upon the relationship between the supplier of goods and/or services and the customer.

OUTCOMES

1. explain the implications of the general principles of the law in Scotland for business transactions;
2. explain the impact of relevant/appropriate statutes on the relationship between supplier, seller and buyer;
3. distinguish between the duties and obligations placed on principal and agent;
4. explain the legal responsibilities placed upon those engaged in a range of business organisations.

CREDIT VALUE: 1 SQA Credit

ACCESS STATEMENT: Access to this unit is at the discretion of the centre. However, it would be beneficial if the candidate had prior achievement of competences in communication and law.

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UNIT SPECIFICATION STATEMENT OF STANDARDS

UNIT NUMBER: HP5G 47

UNIT TITLE: LEGAL ASPECTS OF COMMERCIAL TRANSACTIONS

Acceptable performance in this unit will be the satisfactory achievement of the standards set out in this part of the specification. All sections of the statement of standards are mandatory and cannot be altered without reference to SQA.

OUTCOME

1. EXPLAIN THE IMPLICATIONS OF THE GENERAL PRINCIPLES OF THE LAW IN SCOTLAND FOR BUSINESS TRANSACTIONS

PERFORMANCE CRITERIA

- (a) Explanation of the law relating to the formation of a contract is accurate.
- (b) Explanation of the law relating to validity of contracts is accurate.
- (c) Explanation of the law relating to breach and termination of contract is accurate.
- (d) Advice given in respect of legal issues identified in a particular situation is correct.

RANGE STATEMENT

Law relating to: formation; validity; misrepresentation; exclusion clauses; breach; impossibility.

EVIDENCE REQUIREMENTS

Written/recorded evidence which indicates that the candidate can fulfil all the performance criteria for each of the aspects indicated in the range statement. A minimum of one piece is required.

OUTCOME

2. EXPLAIN THE IMPACT OF RELEVANT/APPROPRIATE STATUTES ON THE RELATIONSHIP BETWEEN SUPPLIER, SELLER AND BUYER

PERFORMANCE CRITERIA

- (a) Explanation of the law relating to the sale and supply of goods and services is accurate.
- (b) Explanation of the law relating to the provision of credit facilities for the purchase of goods is accurate.
- (c) Identification of appropriate rights and remedies in a particular situation is correct.

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RANGE STATEMENT

Sale and supply of goods: title; implied terms; transfer of risk.

Provision of credit: regulated agreements; Consumer Protection.

EVIDENCE REQUIREMENTS

Written/recorded evidence which indicates that the candidate can fulfil all the performance criteria for each of the aspects indicated in the range statement. A minimum of one piece is required.

OUTCOME

3. DISTINGUISH BETWEEN THE DUTIES AND OBLIGATIONS PLACED ON PRINCIPAL AND AGENT

PERFORMANCE CRITERIA

- (a) Explanation of the formation of the contract of agency is accurate.
- (b) Classification of commercial agents and their intended authority is correct.
- (c) Explanation of the duties owed and rights available to the agent against the principal is accurate.

RANGE STATEMENT

Formation: three-way relationship; the parties.

Classification: General v Special; Authority expressed/implied.

Agent v Principal: rights and liabilities of Third Parties.

EVIDENCE REQUIREMENTS

Written/recorded evidence which indicates that the candidate can fulfil all the performance criteria for each of the aspects indicated in the range statement. A minimum of one piece is required.

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OUTCOME

4. EXPLAIN THE LEGAL RESPONSIBILITIES PLACED UPON THOSE ENGAGED IN A RANGE OF BUSINESS ORGANISATIONS

PERFORMANCE CRITERIA

- (a) The concept of delict is accurately described.
- (b) The duty of care imposed at common law and by statute is accurately described.
- (c) Advice given in respect of liability in a particular situation is correct.

RANGE STATEMENT

Concepts of delict: manufacturers; occupiers; employers.

Duty of Care: Case Law; Health and Safety Legislation; Occupiers Liability Legislation.

EVIDENCE REQUIREMENTS

Written/recorded evidence which indicates that the candidate can fulfil all the performance criteria for each of the aspects indicated in the range statement. A minimum of one piece is required.

A candidate who achieves all performance criteria for all outcomes will be awarded a pass.

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ASSESSMENT

In order to achieve this unit, candidates are required to present sufficient evidence that they have met all the performance criteria for each outcome within the range specified. Details of these requirements are given for each outcome. The assessment instruments used should follow the general guidance offered by the SQA assessment model and an integrative approach to assessment is encouraged. (See references at the end of support notes.)

Accurate records should be made of the assessment instruments used showing how evidence is generated for each outcome and giving marking schemes and/or checklists, etc. Records of candidates' achievements should also be kept. These records will be required for external verification.

EQUALITY AND INCLUSION

This unit specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence.

Further advice can be found on our website
www.sqa.org.uk/assessmentarrangements.

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UNIT SPECIFICATION SUPPORT NOTES

UNIT NUMBER: HP5G 47

UNIT TITLE: LEGAL ASPECTS OF COMMERCIAL TRANSACTIONS

SUPPORT NOTES: This part of the unit specification is offered as guidance. None of the sections of the support notes is mandatory.

NOTIONAL DESIGN LENGTH: SQA allocates a notional design length to a unit on the basis of the time estimated for achievement of the stated standards by a candidate whose starting point is as described in the access statement. The notional design length for this unit is 40 hours. The use of notional design length for programme design and timetabling is advisory only.

PURPOSE: On completion of this unit, candidates will be able to demonstrate a knowledge of legal principles of relevant statutes which impact upon the relationship between the supplier of goods and/or services and the customer.

CONTENT/CONTEXT corresponding to outcomes 1-4:

1. Elements of legal binding agreement: Offer and Acceptance; Invitation to Treat; Consensus in Idem.

Validity of contract: Age of Legal Capacity (Scotland) Act 1991; Error, Forms of Misrepresentation; Restrictive Covenants.

Breach and Termination: Appropriate Remedies, Impossibility, Frustration.
2. Implied Terms, Transfer of ownership, Cooling-off period, Cancellation in Regulated Agreements.
3. Constitution: Express, Implied, Holding Out, Ratification, Necessity.

General and Special Agents, Actual and Ostensible Authority.
4. Damnum injuria datum, Causation
Negligence, Donoghue v Stevenson
Standards of Care
Strict Liability, Product Liability, Professional Liability, Vicarious Liability.

ASSESSMENT PROCEDURES: Centres may use the Instruments of Assessment which are considered by tutors/trainers to be most appropriate. Examples of Instruments of Assessment which could be used are: essays, case studies, exams, portfolios or a combination of all four.

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PROGRESSION: This unit contributes towards the SQA Advanced Diploma in Supply Chain Management.

REFERENCES

1. Guide to unit writing.
2. For a fuller discussion on assessment issues, please refer to SQA's Guide to Assessment.
3. Information for centres on SQA's operating procedures is contained in SQA's Guide to Procedures.
4. For details of other SQA publications, please consult SQA's publications list.

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