

Syllabus and study guide

# Business Law Global (K3 GLO)

July 2027 to August 2028

Designed to help with planning study and to provide detailed information on what could be assessed in any examination session.

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# 1. Overall aim of the syllabus

The overall aim of the syllabus is to develop knowledge and understanding of the general legal framework, and of specific legal areas relating to business, recognising the need to seek further specialist legal advice where necessary.

## 2. Introduction to the syllabus

The syllabus for K3 GLO, Business Law, starts with an introduction to different legal systems, different types of law and those organisations which endeavour to promote internationally applicable laws. It then leads into an examination of the substantive law as stated in the UN Convention on Contracts for the International Sale of Goods, which relates to the formation, content and discharge of international contracts for the sale of goods.

The syllabus then covers a range of specific legal areas relating to various aspects of international business of most concern to accounting and finance professionals which are the laws relating to international transport terms and documents and business and company law. The latter includes the formation and constitution of companies, capital and the financing of companies, and the management and administration of companies. The syllabus also covers insolvency law.

Next aspects of criminal law relevant to accounting and finance professionals are covered including insider dealing, money laundering, bribery, cybercrime, and fraudulent and wrongful trading. The syllabus concludes with a focus on intellectual property law.

## 3. Main capabilities

On successful completion of this exam, candidates should be able to:

- Understand different legal systems, different types of law and the organisations which endeavour to promote internationally applicable laws
- Explain the substantive law as stated in the UN Convention on Contracts for the International Sale of Goods, which covers the formation, content and discharge of international contracts for the sale of goods
- Understand aspects of international business which are of importance to accounting and finance professionals, specifically international transport terms and documents
- Explain business law and company law, including agency law and partnerships, the formation and constitution of companies, the financing and capital of companies, the management and administration of companies and legal aspects of insolvency law
- Understand criminal law relevant to accounting and finance professionals, including insider dealing, money laundering, bribery and cybercrime
- Explain intellectual property law, which includes the protection of intellectual property rights

## 4. Intellectual levels

This course of study assesses both knowledge and skills within an accounting or business context. The assessment of knowledge is denoted by a superscript <sup>K</sup> and the assessment of skills is denoted by the superscript <sup>S</sup> shown at the end of each learning outcome.



## 5. The syllabus

### **A Law and essential elements of legal systems**

1. Political and legal systems
2. International trade, international legal regulation and the conflict of laws

### **B International business transactions**

1. Contracts for the international sale of goods under the UN Convention on Contracts for the International Sale of Goods
2. Obligations of the seller and buyer, the provisions common to both, and the passage of risk

### **C International transport terms and documents**

1. The ICC Incoterms
2. Transportation documents and means of funding

### **D Business and company law**

1. Agency law and partnerships
2. Corporations and legal personality
3. The formation and constitution of companies
4. Capital and the financing of companies
5. The management and administration of companies

### **E Insolvency law**

1. Company liquidation

### **F Criminal law**

1. Insider dealing and market abuse

2. Money laundering

3. Bribery and corruption

4. The failure to prevent tax evasion and fraud

5. Computer misuse and cybercrime

6. Fraudulent and wrongful trading

### **G Intellectual property law**

1. The protection of intellectual property

## 6. Detailed study guide

### A Law and essential elements of legal systems

#### 1. Political and legal systems

- a) Define law and explain different types of law.<sup>[K]</sup>
- b) Explain the interrelationship of political and legal systems.<sup>[K]</sup>
- c) Explain the doctrine of the separation of powers and its impact on the legal system.<sup>[S]</sup>
- d) Explain the operation of the following legal systems and the sources of law in those systems:
  - (i) Common law.<sup>[K]</sup>
  - (ii) Civil law.<sup>[K]</sup>
  - (iii) Sharia law.<sup>[K]</sup>

#### 2. International trade, international legal regulations and the conflict of laws

- a) Explain the conflict of laws and the need for international legal regulation.<sup>[K]</sup>
- b) Explain the function of international treaties, conventions and model laws.<sup>[K]</sup>
- c) Explain the roles of international trade regulation organisations, including:
  - (i) United Nations Commission on International Trade Law (UNCITRAL).<sup>[K]</sup>
  - (ii) International Chamber of Commerce (ICC).<sup>[K]</sup>
  - (iii) International Institute for the Unification of Private Law (UNIDROIT).<sup>[K]</sup>

### B International business transactions

#### 1. Contracts for the international sale of goods under the UN Convention on Contracts for the International Sale of Goods

- a) Explain the sphere of application and general provisions of the Convention.<sup>[K]</sup>
- b) Explain, and be able to apply the rules for, the formation of a contract under the Convention.<sup>[S]</sup>

#### 2. Obligations of the seller and buyer, the provisions common to both, and the passage of risk

- a) Explain, and be able to apply, the rules relating to the obligations of the seller under the Convention:
  - (i) Delivery of goods and handing over of documents.<sup>[S]</sup>
  - (ii) Conformity of the goods and third-party claims.<sup>[S]</sup>
  - (iii) Remedies for breach of contract by the seller.<sup>[S]</sup>
- b) Explain, and be able to apply, the rules relating to the obligations of the buyer under the Convention:
  - (i) Payment of the price.<sup>[S]</sup>
  - (ii) Taking delivery.<sup>[S]</sup>
  - (iii) Remedies for breach of contract by the buyer.<sup>[S]</sup>
- c) Explain, and be able to apply, the rules relating to the provisions common to both the seller and the buyer under the Convention:
  - (i) Anticipatory breach and instalment contracts.<sup>[S]</sup>
  - (ii) Damages.<sup>[S]</sup>
  - (iii) Interest.<sup>[S]</sup>
  - (iv) Exemptions.<sup>[S]</sup>
  - (v) Effects of avoidance.<sup>[S]</sup>
  - (vi) Preservation of the goods.<sup>[S]</sup>

- d) Explain, and be able to apply, the rules relating to the passing of risk under the Convention.<sup>[S]</sup>

## **C International transport terms and documents**

### **1. The ICC Incoterms**

- a) Explain the meaning and effect of the ICC Incoterms.<sup>[K]</sup>

### **2. Transportation documents and means of funding**

- a) Define and explain the operation of bills of lading.<sup>[K]</sup>
- b) Explain the operation of letters of credit and letters of comfort.<sup>[S]</sup>

## **D Business and company law**

### **1. Agency law and partnerships**

- a) Define the role of the agent and give examples of such relationships paying particular regard to partners and company directors.<sup>[S]</sup>
- b) Explain the formation of the agency relationship.<sup>[S]</sup>
- c) Define the authority of the agent, and the potential liability of both the principal and the agent.<sup>[S]</sup>
- d) Summarise the legislation governing partnerships, including general partnerships and limited liability partnerships.<sup>[K]</sup>
- e) Explain the formation of a partnership.<sup>[S]</sup>
- f) Explain the authority of partners, and the liability of partners in relation to partnership activity.<sup>[S]</sup>

### **2. Corporations and legal personality**

- a) Summarise the differences between sole traders, partnerships and companies.<sup>[K]</sup>
- b) Explain the different types of companies, especially private and public companies.<sup>[K]</sup>
- c) Define a small-sized company and a small-sized group and explain its implication.<sup>[K]</sup>
- d) Explain the meaning of limited liability, and the effect of separate personality, and recognise instances where the veil of incorporation will be lifted.<sup>[K]</sup>

### **3. The formation and constitution of companies**

- a) Describe the procedure for registering companies, both private and public.<sup>[K]</sup>
- b) Describe the statutory books, records and returns that companies must make.<sup>[K]</sup>
- c) Explain the effect of a company's constitutional documents, including the contents of the model articles of association.<sup>[S]</sup>
- d) Explain how articles of association can be changed.<sup>[S]</sup>

### **4. Capital and the financing of companies**

- a) Summarise the different types of capital.<sup>[K]</sup>
- b) Summarise the differences between various classes of shares, including treasury shares, and the procedure for altering class rights.<sup>[S]</sup>
- c) Explain allotment of shares and explain the differences between a rights issue and a bonus issue of shares.<sup>[S]</sup>

- d) Explain the effect of issuing shares at either a discount, or at a premium.<sup>[S]</sup>
- e) Explain the meaning of loan capital and debenture and explain the concept of a company charge including fixed and floating charges.<sup>[S]</sup>
- f) Summarise the differences between loan capital and share capital, and explain the different rights held by shareholders and debenture holders.<sup>[S]</sup>
- g) Explain the doctrine of capital maintenance and capital reduction.<sup>[S]</sup>
- h) Explain the rules governing the distribution of dividends in both private and public companies.<sup>[S]</sup>

## **5. The management and administration of companies**

- a) Explain the role of directors in the operation of a company, and the different types of directors, such as executive/non-executive directors or *de jure* and *de facto* directors, and shadow directors.<sup>[S]</sup>
- b) Explain the ways in which directors are appointed, can lose their office, and the disqualification of directors.<sup>[S]</sup>
- c) Summarise the differences between the powers of the board of directors, the managing director/chief executive, and individual directors to bind their company.<sup>[S]</sup>
- d) Explain the duties that directors owe to their companies, and the controls imposed by statute over dealings between directors and their companies, including loans.<sup>[S]</sup>
- e) Explain the appointment procedure relating to, and the duties and powers of, a company secretary.<sup>[S]</sup>
- f) Explain the appointment procedure relating to, and the duties and rights of, a company auditor, and their subsequent removal or resignation.<sup>[S]</sup>
- g) Explain the duty of care of accountants and auditors.<sup>[S]</sup>
- h) Summarise the differences between types of company meetings: general meetings and annual general meetings.<sup>[K]</sup>
- i) Summarise the differences between types of resolutions: ordinary, special, and written.<sup>[S]</sup>

## **E Insolvency law**

### **1. Company liquidation**

- a) Explain the meaning of, and procedure involved in, voluntary liquidation, including members' and creditors' voluntary liquidation.<sup>[S]</sup>
- b) Explain the meaning of, the grounds for, and the procedure involved in, compulsory liquidation.<sup>[S]</sup>
- c) Explain the order in which company debts will be paid off on liquidation.<sup>[S]</sup>
- d) Explain administration as a general alternative to liquidation.<sup>[S]</sup>

## **F Criminal law**

### **1. Insider dealing and market abuse**

- a) Explain the nature of, and legal control over, insider dealing.<sup>[S]</sup>
- b) Explain the nature of, and legal control over, market abuse.<sup>[S]</sup>

### **2. Money laundering**

- a) Explain the nature of, and legal control over, money laundering including the



following policies, procedures and controls:

- (i) Risk management practices.<sup>[S]</sup>
- (ii) Internal controls.<sup>[S]</sup>
- (iii) Customer due diligence.<sup>[S]</sup>
- (iv) Reliance and record keeping.<sup>[S]</sup>
- (v) The monitoring and management of compliance with, and the internal communication of, such policies, controls and procedures.<sup>[S]</sup>

### **3. Bribery and corruption**

- a) Explain the nature of, and legal control over, bribery and corruption.<sup>[S]</sup>

### **4. The failure to prevent tax evasion and fraud**

- a) Explain the potential criminal activity in the operation, management and liquidation of companies, including the failure to prevent the facilitation of tax evasion and the meaning of relevant body, and the failure to prevent fraud.<sup>[S]</sup>

### **5. Computer misuse and cybercrime**

- a) Explain the nature of, and legal control over, computer misuse and cybercrime.<sup>[S]</sup>

### **6. Fraudulent and wrongful trading**

- a) Explain the nature of, and legal control over, fraudulent and wrongful trading.<sup>[S]</sup>

## **G Intellectual property law**

### **1. The protection of intellectual property**

- a) Explain intellectual property rights including copyright, patents, trademarks, designs, the law of passing off and the controls over the use of company names.<sup>[S]</sup>
- b) Explain the remedies for the unlawful use of intellectual property.<sup>[S]</sup>

## **7. Approach to examining the syllabus**

The syllabus is assessed by a two-hour computer-based examination.

The examination will consist of 50 two-mark questions.

All questions are compulsory.

## **8. Guide to ACCA examination structure and delivery mode**

The structure of examinations varies, depending on the level of the qualification.

The Knowledge examinations contain 100% compulsory questions to encourage candidates to study across the breadth of each syllabus.

All Knowledge examinations are assessed by two-hour computer-based examinations.

The pass mark for all Knowledge examinations is 50%.

## **9. Guide to ACCA examination assessment**

ACCA reserves the right to examine anything contained within the study guide at any examination session. This includes knowledge, techniques, principles, theories, and concepts as specified.

For specified financial accounting, audit and tax examinations, except if indicated otherwise, ACCA will publish examinable documents once a year to indicate exactly what regulations and legislation could potentially be assessed within identified examination sessions. Regulation issued, or legislation passed on or before 31 August annually, will be assessed from 1 September of the following year to 31 August of the year after. Please refer to the examinable documents for the exam (where relevant) for further information.

Regulation issued or legislation passed in accordance with the above dates may be examinable even if the effective date is in the future. The terms ‘issued’ or ‘passed’ relate to when regulation or legislation has been formally approved.

The term ‘effective’ relates to when regulation or legislation must be applied to entity transactions and business practices.

The study guide offers more detailed guidance on the depth and level at which the examinable documents will be examined. The study guide should therefore be read in conjunction with the examinable documents list, where applicable.

## **10. Learning hours and education recognition**

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognised and valued by governments and regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognised on the educational frameworks in several countries. Please refer to your national education framework regulator for further information about recognition.