

11. Business law is a body of rules that governs the relationships between individuals and organizations.

Open your notebook to page 142 and 143.

Business law summary:

1. Contract law - governs the legal relationship between two or more parties that have entered into a contract.
 - a. Offer - an offer is a definite promise or a set of definite terms which is made by one party to another party, with the intention of creating a contract.
 - b. Acceptance - an offer is made by one party to another party, with the intention of creating a contract.
 - c. Consideration - an offer is made by one party to another party, with the intention of creating a contract.
2. Agency law - governs the legal relationship between a principal and an agent.
 - a. Principal - the person who authorizes another person to act on his behalf.
 - b. Agent - the person who is authorized to act on behalf of another person.
 - c. Duty of care - an agent has a duty to act in the best interests of his principal.
 - d. Disclosure - an agent has a duty to disclose all material facts to his principal.
 - e. Termination - an agency relationship can be terminated at any time by either party.
3. Partnership law - governs the legal relationship between two or more persons who have entered into a partnership.
 - a. Partnership - an association of two or more persons who have entered into a partnership.
 - b. Partnership deed - a document which sets out the terms and conditions of the partnership.
 - c. Partnership assets - the property which is owned by the partnership.
 - d. Partnership liabilities - the debts which are owed by the partnership.
 - e. Partnership dissolution - the process of ending a partnership.
4. Company law - governs the legal relationship between a company and its shareholders.
 - a. Company - an artificial legal person which is created by law.
 - b. Shareholders - the people who own shares in the company.
 - c. Directors - the people who manage the company.
 - d. Officers - the people who are responsible for the day-to-day running of the company.
 - e. Partnership - an association of two or more persons who have entered into a partnership.
5. Banking law - governs the legal relationship between a bank and its customers.
 - a. Bank - a financial institution which is licensed to accept deposits.
 - b. Customers - the people who use the services of the bank.
 - c. Interest - the money which is paid to the bank for borrowing money.
 - d. Dividends - the profit which is shared between the shareholders of the company.
 - e. Partnership - an association of two or more persons who have entered into a partnership.
6. Insurance law - governs the legal relationship between an insurer and an insured.
 - a. Insurer - the person who provides insurance cover.
 - b. Insured - the person who pays the premium for the insurance cover.
 - c. Policy - a document which sets out the terms and conditions of the insurance cover.
 - d. Claim - a request for payment made by the insured to the insurer.
 - e. Partnership - an association of two or more persons who have entered into a partnership.
7. Intellectual property law - governs the legal relationship between a creator and his or her work.
 - a. Copyright - the right to control the copying and distribution of a literary or artistic work.
 - b. Patent - the right to control the use of an invention.
 - c. Trademark - the right to control the use of a symbol or name which is associated with a particular product or service.
 - d. Design right - the right to control the use of a design which is used to create a product.
 - e. Partnership - an association of two or more persons who have entered into a partnership.

Business law summary:

1. Business law is a body of rules that governs the relationships between individuals and organizations.