

**Specification of Competency Standards**  
**for the Logistics Industry**  
**Unit of Competency**

Functional Area - Insurance, Legal Matters and Compliance

Title	Apply knowledge of business laws to prepare contracts
Code	LOCULC503B
Range	This unit of competency is applicable to all sea freight, air freight and express operators. Practitioners should be capable to master the knowledge of business laws to prepare contracts so as to protect the benefits of the company.
Level	5
Credit	9 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Possess the knowledge of business laws</p> <ul style="list-style-type: none"> <li>• Possess relevant legal knowledge, including the legal system in Hong Kong and its origin, contract law, tort law, forms of business organisations, intellectual property law, agency law, sales of goods and services law</li> <li>• Understand the Chinese law, including: business law, intellectual property law, and arbitration</li> <li>• Understand the characteristics and operation procedure of the industry and the cooperative relationship with the customers</li> </ul> <p>2. Prepare contracts</p> <ul style="list-style-type: none"> <li>• Liaise with relevant lawyers for legal assistance according to the situation and contract type</li> <li>• Liaise with relevant departments to understand the characteristics and operation procedure of the industry and the cooperative relationship with the customers, and define clearly the contractual obligations and rights of both sides when preparing contracts</li> <li>• Avoid as much as possible unnecessary law suits and losses when preparing the terms and conditions of the contract</li> <li>• Analyse the reasons for violence or determination of contract and the compensation, handling method and relevant law for breach of contract</li> <li>• Add appropriate terms to protect the interests of the company</li> <li>• Liaise with relevant departments and incorporate their views in drafting the contract</li> </ul> <p>3. Professionalism in contract preparation</p> <ul style="list-style-type: none"> <li>• Understand the business laws and apply relevant knowledge to prepare contracts</li> <li>• Prepare the contract discreetly</li> <li>• Avoid conflict of interests</li> </ul>
Assessment Criteria	<p>The integrated outcome requirement of this unit of competency is:</p> <ul style="list-style-type: none"> <li>• Capable to apply the knowledge of business laws to prepare contracts so as to protect the interests of the company.</li> </ul>
Remark	This UoC is adopted from the Logistics UoCs LOCUIL506A and LOCULC503A.