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**COLLEGE: SOCIAL AND MANAGEMNET SCIENCES.**

**DEPARTMENT: TOURISM AND EVENTS MANGEMENT.**

**LEVEL: 200 LEVEL**.

**COURSE: LEGAL ISSUES IN EVENTS MANAGEMENT**

**COURSE CODE: TEM 212.**

**QUESTION 1:**

1. Write briefly on each of the following concepts: (i) Legal issues and (ii) Ethical issues.
2. Identify five Legal and Ethical issues respectively which could result in litigations in events and hospitality workplace

**QUESTION 2:**

1. Define the term “**contract”** and elucidate the various forms of business contracts
2. Explain the major ingredients and/or basic requirements for a valid contact.

**QUESTION 3:**

1. What are the functions of Corporate Affairs Commission (CAC) in the administration and statutory controls of business in Nigeria as prescribed
2. Discuss briefly, the various forms of business ownerships as prescribed under the Company and Allied Matter Acts (CAMA) 1990 (Cap. 59).

**QUESTION 4:**

1. Define “litigations” and comment on the cost of litigation **for** event and hospitality industry
2. What are the main sources of litigation in events and hospitality management businesses**?**

**QUESTION 5:**

1. Define “litigations” and comment on the cost of litigation forevent and hospitality industry

**ANSWER:**

**1 A SHORT NOTE ON:**

**LEGAL ISSUES**: Legal issue or issue of law is a legal question which is the foundation of a case. It requires a court’s decision. It can also refer to a point on which the evidence is undisputed, the outcome of which depends on the court's interpretation of the law.

**Legal Issue Types:**

* Buying a home.
* Criminal law.
* Financial matters for older people.
* Getting a divorce.

**Legal requirements for venues conducting an event:**

1. Get a Liquor License

2. Get a Fire Marshal Permit

3. Get a Health Department Permit

**ETHICAL ISSUES:**A problem or situation that requires a person or organization to choose between alternatives that must be evaluated as right or wrong. Ethical issues occur when a given decision, or activity creates a conflict with a society’s moral principles.   
These conflicts are sometimes legally dangerous, since some of the alternatives to solve the issue might breach a particular law.   
1b

**Five Significant Ethical Issues in the Event Industry**

**1 Honest Representation:** this means that one should always be honest with his/ her clients and lay a ground work before making commitments. Through due diligence and planning, you’re able to represent your capabilities more accurately.

**2 Rewards and Incentives:** making incentives is very important, for the clients to get reward after doing a job (work) very well he or she is being an incentive for it. If your events become more about what you’re going to givepeople for attending rather than the information and the value your event as whole will offer them so they want to attend, you know you’ve got a problem.

**3 FAM Abuse**: a corporate event manager, an expense-paid journey to a location in order to “familiarize” with that particular locale from an event planning perspective. Consider being proactive, do you wish an event, Have your cake and eat it too, just make it worth your while professionally.

**4 Social Media Mishaps**: everything from breaching company policy to defaming the competition (particularly relevant at corporate meetings or private industry summits.) to ensure that you brief all your guests beforehand on acceptable behavior and remember that anything you and your staff post online is actually yourresponsibility.

**5 Intellectual Property:** intellectual property is a difficult ethical issue in modern society, and its umbrella extends over event planning, from the music, graphic design, media, to your association with your team members. Creative Ideas understand where your own idea originated from and how it morphed to become a stand-alone concept.

**2 contract:** A written agreement which states a fixed duration that the contract will be in effect. A contract is a legally binding agreement that recogines and governs the rights and duties of the parties to the agreement. A contract is legally enforceable because it meets the requirements and approval of the law. An agreement typically involves the exchange of goods, services, money, or promises of any of those.

**FORMS OF CONTRACT:**

1 **Express and Implied Contracts:** An express contract has terms that are stated expressly, or openly, in either writing or orally, at the time of contract formation. Express and implied have terms that must be inferred by actions, facts, and circumstances that would indicate a mutual intent to form a contract. Such contracts may be as binding as express contracts, despite their lack of formal agreement, although if a court perceives doubts in minds of the parties as to whether or not a contract existed, it may choose not to enforce such a contract.

**2 Unilateral and Bilateral Contracts**

Unilateral contracts involve only one party promising to take an action or provide something of value. These are also known as one-sided contracts.

**3 verbal contract:** a verbal contract is a contract, the terms of which have been agreed by spoken communication. This is in contrast to a written contract, where the contract is a written document. There may be written, or other physical evidence.

2b **The major ingredients and/or basic requirements for a valid contact:**

**1 Offer:**An offer is an expression of willingness by one party to contract on certain terms with another party with the understanding that the contract will become binding when accepted by the person to whom it is offered. An offer may be made in different ways, such as in a letter, an email, an offer should consist of: (1) a statement of present intent by the offering party to enter into a contract.

(2) A specific proposal that is certain in its terms; and

(3) A communication that identifies the person to whom the offer is made.

**2 Acceptance** IS a final and unqualified expression of consent to the terms of an offer, an acceptance must be made in the manner requested or authorized by the offering party. If the party to whom the offer is made changes the terms of the offer, he or she has rejected the initial offer and has made a counteroffer that may or may not be accepted by the other party.

**3 Mutuality of Obligation**

The parties must have a common intention or a meeting of minds on the terms of the contract. The parties must agree to the same thing, in the same sense, and at the same time. The communications between the parties and how they performed the terms of the contract are used by the courts to determine whether mutuality of obligation or a meeting of the minds exists.

**4 Consideration**  
 this a very important element of an enforceable contract. This consideration is provided under a contract, it must be clearly agreed upon by both parties to the contract or it must be clearly implied by the terms of the contract.

5 **Lawful Subject Matter**  
In order for a contract to be enforceable, its subject matter cannot be prohibited by law or violate public policy.

**3 The functions of Corporate Affairs Commission (CAC) in the administration and statutory controls of business in Nigeria as prescribed:**

1 To administer the Act, including the regulation and supervision of the formation, incorporation, management and winding up of companies

2 To establish and maintain companies registry and offices in all the states of the Federation suitably and adequately equipped to discharge its functions under the Act or any law in respect of which it is charged with responsibility

3 Arrange and conduct an investigation into the affairs of any company where the interests of the shareholders and the public so demand

4 To undertake such other activities as are necessary or expedient for giving full effect to the provisions of the Act.

5 The Commission also registers Business Names, and Incorporated Trustees as well as provides a wide range of ancillary services.

3b **the various forms of business ownerships as prescribed under the Company and Allied Matter Acts (CAMA) 1990 (Cap. 59):**

1 **Sole Proprietorship**

A business owned and operated by a single individual and the most common form of business structure in the United States. The advantages with a sole proprietorship include ease and cost of formation simply announcing you are in business and requesting any licenses and permits you may need; use of profits since all profits from the business belong exclusively to you, the owner, flexibility and control.

2 **Partnership**

A business that is owned and operated by two or more people and the least used form of business organization in the United States. There are two basics forms of partnerships, general and limited. In a general partnership, all partners have unlimited liability, while in a limited partnership, at least one partner has liability limited only to his or her investment while at least one other partner has full liability. The advantages of a partnership include ease of organization simply creating the articles of partnership, combined knowledge and skills.

3 **Private Corporation**

A business that is a legal entity created by the state whose assets and liabilities are separate from its owners. While there are also public corporations, The advantages of a corporation include limited liability an owner can only lose up to the amount he invested unlimited.Private limited company by shares: A Private Limited Company is a privately-owned business entity which limits the owner’s liability to their shares, limits the number of shareholders to 50 (section22(3) of CAMA) and restrict shareholders from transfer of shares (section 22(2) of CAMA). Most people doing business with family or friends will choose this type of business. This is also the choice where the start-up funds are relatively small because the minimum authorized share capital

4 **PUBLIC COMPANY LIMITED BY SHARES**

A Public Limited Company (PLC) is a limited liability Company whose shares may be freely sold and traded to the public, with a minimum share capital of N500, 000. A public limited Company must have at least N500, 000 authorized share capital and the subscribers must take up at least twenty-five percent (25%) of the authorized share capital (Section 27(2) CAMA), It is regulated by the Corporate Affairs Commission, the Securities and Exchange Commission, the Nigeria Stock Exchange and other regulatory bodies.

4 **litigations:** Litigation is the process of fighting or defending a case in a civil court of law. Litigation is also the Ultimate legal method for settling controversies or disputes between and among persons, organizations, and the State. In litigation process, a case (called suit or lawsuit) is brought before a court of law suitably empowered to hear the case, by the parties involve for resolution. settlement is a resolution between disputing parties about a legal case, reached either before or after court action begins.

4ii **comment on the cost of litigation for event and hospitality industry:**

following the COVID -19 impact on hospitality in events management has entered with the state of hospitality for example California declared a state of emergency just as a cruise ship returning to the state from Hawaii was being held off the coast of San Francisco because of reported passengers displaying COVID-19 virus symptoms. Across the country, many consumers are playing it safe and staying home, while there are still others that are continuing normal day-to-day operations. In response to this major health issue, resort operators should be planning with their teams for the possibility of two scenarios: 1) if their resort gets infected with the virus; and 2) potential loss of income from diminished travel as a result of the fear (or reality) of virus spread.

4b **the main sources of litigation in events and hospitality management businesses:**

**1 Hotel assault**: there have been many cases of hotel assaults not only in Nigeria but also aboard too Because of these hotel owners and managers should consult with a hospitality expert. This expert can help determine what and who to invest in. Things like modern security equipment**.** an example of a country with themost assaulted hotels are: 1. Egypt 2 Jamaica 3 India.

2 **General negligence:**

In terms of the restaurant business, this can mean that a dining establishment has not created a safe and secure environment for their patrons to dine in. It could also mean that it hasn’t maintained a clean and hygienic kitchen.

3 **Intentional tort/premises liability:** mostlyBars and clubs are always at risk ofpersonal injury liabilities because of the amount of alcohol involved, along with the large number of people that are usually present. If a client gets injured because of an employee’s negligence then a premises liability can also be filed.

4 Disabilities Act lawsuits.

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