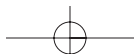


# **Handbook for Global Business Law**



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# Handbook for Global Business Law

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**Treaties, Statutes, Guidelines, Samples,  
and Other Materials on International  
Commerce and Investment**

*Second Edition*

**John W. Head**

PROFESSOR OF LAW  
UNIVERSITY OF KANSAS SCHOOL OF LAW  
LAWRENCE, KANSAS

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# Preface and Introductory Note

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This *Handbook on Global Business Law* is designed to serve two aims. First, and most importantly, it provides a wide variety of statutory, treaty, and other material to be studied in connection with the text entitled *Global Business Law*. Expressed differently, this is a “documents supplement” for that coursebook, of which I have prepared the second edition. Second, this *Handbook* also speaks to practitioners. The materials gathered here include what I regard as some of the most important materials that a practitioner should have at his or her fingertips as questions arise in practice regarding international business transactions.

For both of these purposes—to help students in their learning of global business law and to help practitioners and their clients in conducting transactions—I have tried to provide not only the text of the materials themselves, whether they are statutes or treaties or guidelines or sample forms, but also explanatory notes. Many documents used in international business, and appearing in this *Handbook*, do not make it obvious on their face just what they are and why they matter. I have tried to provide this information in a “Note” at the beginning of each document in the *Handbook*. In addition, I have provided an introductory explanation at the beginning of each of the six Sections into which this *Handbook* is divided.

The organization of materials in this *Handbook* reflects in general the structure of the *Global Business Law* text, which itself tries to follow a logical progression that starts with (i) issues relating to international sales transactions, then moves to (ii) licensing and franchising arrangements and (iii) foreign direct investment, and concludes with (iv) a number of “cross-cutting issues” that can arise in any form of global business. For purposes of navigating the materials in this *Handbook*, perhaps the following synopsis will be helpful, both for the student and for the practitioner:

Materials in [Section 1](#) relate generally to this broad question: What are the rules and practices governing the terms and application of contracts in international commercial transactions—that is, in selling goods (or services) across borders?

Materials in [Section 2](#) relate generally to this broad question: What are the rules and practices that facilitate the financing of international commercial transactions and that help assure that payments will actually be made in such transactions?

Materials in [Section 3](#) relate generally to this broad question: What is the current state of play in the fast-changing rules governing electronic business; and in particular what rules relate to electronic signatures, electronic transfers, and use of personal data?

Materials in [Section 4](#) relate generally to this broad question: (i) What are the rules and practices that relate to foreign direct investment—and in particular

what are the main types of restrictions and regulations that a foreign investor is likely to face and how can they be met; and (ii) how can agreements be drafted to govern the creation and operation of a equity joint venture?

Materials in Section 5 relate generally to this broad question: What rules govern the resolution of disputes in international business, and what means are available for either pressing or resisting a legal claim made in the context of cross-border sales or investments?

Materials in Section 6 consist of a miscellany of treaties, statutes, and guidelines addressing a few other cross-cutting issues, such as wire transfers, countertrade, the encouragement of competition, and the fighting of corruption.

Note that immediately preceding this preface is an alternate listing of the contents that reflects the character of the documents included in this *Handbook*. In that alternate listing, the documents are organized into these five categories:

- treaties
- multilateral model laws
- multilateral guidelines & restatements
- US laws
- US model laws
- US guidelines & samples
- other legal materials

John W. Head  
May 2006

# Acknowledgments

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- Organization for Economic Cooperation and Development, *The OECD Guidelines for Multinational Enterprises*, Revision 2000 (copyright © OECD 2000); and
- ICC No. 500, *Uniform Customs and Practice for Documentary Credits / 1993 Revision*, copyright © 1993 by International Chamber of Commerce; all rights reserved; reprinted with permission of the International Chamber of Commerce through ICC Publishing, Inc. in New York.

I also am grateful to several research assistants who helped gather these and related documents for the *Global Business Law* text and for this *Handbook*. They include Carrie Coulson, Jack Brooks, Alexandra Lasley English, and David Dean.

Naturally, much thanks also goes to Professors David Frisch and Raj Bhala, who compiled the first edition of this work, and to the editors at Carolina Academic Press for their patience in bringing order out of (some) chaos. Regards also to Elva Steffen, who taught my high school typing class. How little either of us appreciated at the time how much time I would spend at a keyboard!