

FINAL ALTERNATE ASSESMENT
Examination Paper

(COVER PAGE)

Session	:	<u>April 2020</u>
Programme	:	<u>Diploma in Business (DIB) Diploma In Finance (DIF) Diploma In Marketing (DMKT) Diploma In Entrepreneurship (DENT)</u>
Course	:	<u>2104: Foundation of Business Law</u>
Date of Examination	:	<u>August 1, 2020 (Saturday)</u>
Time	:	<u>12.00noon – 2.30pm</u> Reading Time : <u>Nil</u>
Duration	:	<u>2 Hours : 30 Minutes</u>
Special Instructions	:	Answer ALL FOUR (4) questions..
Materials permitted	:	<u>Nil</u>
Materials provided	:	<u>Nil</u>
Examiner(s)	:	<u>Siti Baquiratul, Christopher Alex Johnson, Gary Solibun, Nurnazida Nazri, Chelvavinoothiiny, Sutha Rajagopal and Vikneswari Subramaniam</u>
Moderator	:	<u>Selva Vishnu Chelliah</u>

This paper consists of 4 printed pages, including the cover page

DIPLOMA IN BUSINESS PROGRAMME (DIB)
DIPLOMA IN FINANCE PROGRAMME (DIF)
DIPLOMA IN MARKETING PROGRAMME (DMKT)
DIPLOMA IN ENTREPRENEURSHIP PROGRAMME (DENT)
LAW 2104: FOUNDATION OF BUSINESS LAW
FINAL ALTERNATE ASSESMENT- APRIL 2020 (TIME BASED)

DIRECTION/ INSTRUCTIONS/RULES AND REGULATIONS OF ALTERNATE
ASSESSMENT: TIME BASED

1. Students are required **to answer all questions below. These rules are to be read together with the Alternate Assessment Guidelines**
2. **You have exactly 2 HOURS AND 30 MINUTES TO COMPLETE, SCAN AND SUBMIT VIA BB**
3. THE ASSESSMENT must be taken completely alone. Showing it or discussing it with anybody via any mode of communication is totally prohibited and forbidden, including (but not limited to) the other students in the course in current or previous , surrounding people, and any other people that may collude in committing academic dishonesty/ cheating in any way, consequences of which it will be regard as an academic dishonesty
4. YOU are prohibited to consult any external resources. This includes but not limited to internet searches, etc, nor can you share any documents with others. You are not allowed to video stream,google search and etc.
5. YOU are not allowed to submit the questions to internet discussion groups and if you are caught, serious academic dishonesty will be taken against you. Please bear in mind that these questions are copyrighted questions and hence if its publicly stated in online forum and etc, it is a violation of the copyright laws and other applicable laws.
6. Any non-compliance of any of the above stated rules will result in Zero marks and student may be liable for disciplinary actions.

Question 1

- (a) ABC Sdn Bhd entered into an agreement in January 2020 with a contractor named Amirul who had secured contract from the Dewan Bandaraya Sri Aman Authority for construction of drainage, under which the ABC Sdn Bhd were to provide Amirul with all material for the constructions and also to finance the carrying out of the contracts. ABC Sdn Bhd then bought the materials for the project and delivered to the construction site. In June 2020, the ABC Sdn Bhd came to know that the Dewan Bandaraya Sri Aman is having difficulties in obtaining monies from the Federal Government due to the COVID 19 pandemic hence terminated the contract with ABC Sdn Bhd based on a force majeure clause. ABC Sdn Bhd discovered that the materials that the company had supplied to Amirul has been sold to Mr Kok Sing for RM14,000 of which Amirul has received RM7000-00. Advise ABC Sdn Bhd
- (15 marks)

- (b) With reference to the relevant statutory provisions and case laws, list **TWO (2)** implied terms under Sales of Goods Act 1957
- (10 marks)
(Total:25 marks)

Question 2

ABC Company Sdn Bhd subcontract to Edi a renovation work for a series of residential houses in Sri Petaling. The Sub- Contract Agreement was signed by both parties. Among the terms of the sub-contract agreement, ABC Company will furnish pursuant to Clause 1.0 of the Sub- Contract Agreement with drawings, plans and specifications relating to the renovation of the residential houses. There is also a term that states that ABC Company Sdn Bhd shall not be held responsible for any additional cost incurred. Edi started with the renovation works and found out that the plans, drawings and specifications are incorrect but due to time limitation, Edi pay the additional charges for the goods used to renovate the houses. Edi sought damages for the extra cost but ABC Company Sdn Bhd deny liability on the basis of Clause 2.0 of the Subcontract- Agreement and stating that Edi should not have relied solely on the any representation made by ABC Company Sdn Bhd.

Edi feels that this is unfair and proceed to get advice from a law firm. While he was parking his car at the basement, he received a ticket that states the Management of the Building, DEF Sdn Bhd will not be held liable and accountable for any loss goods, stolen property that is kept in the car. Edi took the ticket and put it in his wallet without reading it. He accidentally left his laptop and mobile phone in the car and when he got back from the consultation session with the lawyers, he noticed that there was a break in wherein his laptop and his mobile phone is now missing.

Advise Edi

(25 marks)
(Total: 25 marks)

Question 3

- (a) Ross, Joey, Chandler and Pheobe formed a company known as “Friends Sdn Bhd”. The company runs a successful business of selling and manufacturing virgin cocount oil. The business was successful and the company made huge profit. However in the next 10 years the company’s profit declines rapidly due to the mismanagement done by Chandler who has been discovered that have taken the profits of the company and utilizes it in setting a competing business. Consequently the company is unable to pay its debts and it went to liquidation. The liquidator claimed that since Ross, Joey Chandler and Pheobe are the shareholders hence they are liable to pay. At the same time, when Pheobe who is the minority shareholder discovered about Chandler’s embezzlement of monies of the company, institute legal action in her name against Chandler. Advise all relevant parties on the legal issues
(15 marks)
- (b) Sally entered into a written contract with James to sell her land to James for RM 1 million. However, Sally changed his mind and decided to avoid her obligation. She incorporated a company, SS Sdn. Bhd. and sold the land to the company instead. When James wanted to execute the contract, Sally informed Peter that the company has bought the land. Advise Sally
(10 marks)
(Total: 25 Marks)

Question 4

- (a) Explain with relevant case laws the test used to determine whether a person is an employee or an independent contractor
(15 Marks)
- (b) Ally who is a sales executive at DEF Sdn Bhd is constantly bullied and sexually harassed by her superior. Although Ally had informed to her other colleagues and other superiors, no action was taken and she is still being bullied and harassed up to date. Advise Ally using the relevant principles of law on constructive dismissal.
(10 marks)
(Total: 25 Marks)

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