

 **INTI** International
University & Colleges

FINAL
Examination Paper

(COVER PAGE)

Session : APRIL 2018

Programme : Diploma in Business (DIB)

Course : LAW2100/2104: Foundation of Business Law

Date of Examination : July 31, 2018 (Tuesday)

Time : 8:00am – 10:00am Reading Time : Nil

Duration : 2 Hours

Special Instructions :

Answer any **FOUR (4)** in the answer booklet provided.

Materials permitted : Nil

Materials provided : Nil

Examiner(s) : **Siti Baquiratul**, Chelvavinoothiiny, Nurnazida Binti Nazri,
Gary Solibun and Christopher Johnson

Moderator : Dr Chan Wai Meng

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

DIPLOMA IN BUSINESS PROGRAMME (DIB)
LAW2100/2104: FOUNDATIONS OF BUSINESS LAW
FINAL EXAMINATION: APRIL 2018 SESSION

Instruction: This paper consist of **SIX (6)** questions. Answer any **FOUR (4)** questions in the answer booklet provided.

Question 1

- (a) Discuss the presumptions made by the courts on parties' intention to create legal relations. (15 marks)
- (b) Based on the relevant statutes and /or case laws, describe any **TWO (2)** exceptions to the general rule on the capacity to contract by minors in Malaysia. (10 marks)

(Total: 25 marks)

Question 2

- (a) What is the difference between Terms and Representations? (10 marks)
- (b) An agreement was entered into between Micheal (Buyer) and Lucas (Seller) for the sale of a new Joty Guitar France Model ('the Guitar') for the price of RM6,000.00. Among the terms of the agreement were the followings:-

Clause 1.1 The body of the Guitar is made from Mahogany wood to ensure durability; and

Clause 1.2 The Guitar is red in colour as Micheal prefers red colour.

When Micheal received the Guitar, he was shocked to find that the body of the Guitar is made from inferior quality of ashwood which is not suitable for the guitar since it will be heavy and the colour is in pink.

Micheal is enraged and wanted to repudiate the contract and claim damages. Advise Micheal

(15 marks)

(Total: 25 marks)

Question 3

- (a) Lucy went on board the Sunny Cruise Ship owned by the Sunny Cruise Limited company for a 3 day 2 night holiday. Payment was made just before she boarded the ship and Lucy was given a ticket with her name and accommodation details on the front of the ticket and other clauses which was printed in small print behind the ticket. One of the clauses stated that Sunny Cruise Limited would not be held responsible for any injury sustain by patrons during the cruise. Lucy did not bother to read the ticket and kept the ticket in her wallet. The next day while taking a walk at the upper deck of the ship, she slipped. She suffered bruises and several cuts on her legs and elbows. She intends to sue Sunny Cruise Limited Company. Advise Lucy
(15 marks)
- (b) Willow signed an agreement with Kayu Furniture Sdn Bhd for the purchase of 10 units of rocking chair. Willow was in a hurry and as such he did not read any of the clauses of the agreement and signed the agreement. When he received the 10 units of the rocking chair, several of the units were in bad condition and Willow wanted to return the unit and claim back the money. When Willow approached Kayu Furniture Sdn Bhd, Kayu Furniture Sdn Bhd relies on an exclusion clause which stated that goods sold are not returnable /refundable. Advise Willow
(10 marks)

(Total: 25 marks)**Question 4**

- (a) Based on the provision of the Sale of Goods Act 1957 case law, explain what is the difference between Contract of Sale and an Agreement to Sell.
(10 marks)
- (b) Ahmad bought a second hand Ponda Ivy car Plate No. WABC777 for RM10,000-00 from Ali. Unknown to Ahmad, Ali has stolen the car from Bakar. Bakar had since lodged a police report and the Police found the car in Ahmad's possession. Ahmad had to return the car and am now enraged over this. Advise Ahmad on the following?
- (i) With reference to the provision of law and case law advise Whether Ahmad can sue Ali for breach of implied condition under the Sale of Goods Act 1952
(7 marks)
- (ii) Whether Ahmad has a legitimate title to the Ponda Ivy Car against Bakar
(8 marks)

(Total: 25 marks)

Question 5

(a) Explain briefly the types of companies recognized under section 10 (1) of the Companies Act 2016

(10 marks)

(b) In the case of *Salomon v A. Salomon & Co Ltd* (1897) AC 22, p 51, the House of Lords, Lord Macnagthen held that “*The Company is at law a different person altogether ...*”

Based on the abovementioned principle, Discuss the principle of separate legal entity with relevance to **TWO (2)** case law.

(15 marks)

(Total: 25 marks)

Question 6

(a) Define what constitutes as constructive dismissal and elaborate with **TWO (2)** case laws

(15 marks)

(b) Discuss the **TWO (2)** Common Law Duties of Employee with case laws

(10 marks)

(Total: 25 marks)

~ The End ~
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