



FINAL
Examination Paper

(COVER PAGE)

Session	:	<u>January 2015</u>
Programme	:	<u>Diploma in Business (DIB)</u> <u>Diploma in Business Administration (DBADI)</u>
Course	:	<u>LAW2100/2104/2101 : FOUNDATIONS OF BUSINESS LAW</u>
Date of Examination	:	<u>March 13, 2015</u>
Time	:	<u>8:00am – 10:00am</u> Reading Time : <u>Nil</u>
Duration	:	<u>2 Hours</u>
Special Instructions	:	
<p>This paper consists of SIX (6) questions. Answer any FOUR (4) questions in the answer booklet</p> <hr/> <p>provided. All questions carry equal marks.</p> <hr/>		
Materials permitted	:	<u>Nil</u>
Materials provided	:	<u>Nil</u>
Examiner(s)	:	<u>Mr. Ravindran A.R.C. Nair, Dr. Vijayalakshmi Venugopal,</u> <u>Ong Tze Chin.</u>
Moderator	:	<u>Dr. Chan Wai Meng</u>

This paper consists of 3 printed pages, including the cover page

INTI INTERNATIONAL COLLEGE SUBANG

DIPLOMA IN BUSINESS / BUSINESS ADMINISTRATION PROGRAM (DIB/DBADI)
LAW 2100/2104: FOUNDATIONS OF BUSINESS LAW
FINAL EXAMINATION: JANUARY 2015 SESSION

Instructions: This paper consists of **SIX (6)** questions. Answer any **FOUR (4)** questions in the answer booklet provided. All questions carry equal marks

Question 1

Breach of a condition goes to the root of the contract and breach of warranty only gives a remedy in damages.

Distinguish between condition and warranty and its remedial consequences.

(25 marks)

Question 2

Discuss the implied terms in Sale of Goods Act, 1957 with reference to relevant case laws.

(25 marks)

Question 3

- a) Explain the terms “separate legal entity” and “lifting the veil.” (10 marks)
- b) State **FIVE (5)** instances when the “veil” is lifted. (15 marks)

Question 4

- a) What is meant by “contract of service” and “contract for services?” (10 marks)
- b) Why is it important to distinguish between “contract of service” and “contract for services?” (15 marks)

Question 5

Dave went to his usual grocery shop, the Savings and Budget shop, in a shopping mall. There was a large sign with red lettering at the entrance of the shop stating, "The owners of the shop will not be responsible to anyone who is injured in the shop due to the condition of the shop." Dave did not carefully read the notice before he entered the shop. Dave bought some goods in the shop and went to pay for the goods. He received a receipt for his payment of RM5. On the receipt, the same statement appeared, but again, Dave did not read the statement. The same statement was also on a sign at the exit of the shop. While Dave was approaching the exit of the shop, he slipped on the wet floor and fell, resulting in a fractured wrist and his mobile phone display was also damaged.

Discuss the following issues, comparing the question to previous cases:

- a) Was the exclusion clause displayed before, during or after the contract? (5 marks)
- b) Was reasonably sufficient notice given of the exclusion clause? (15 marks)
- c) Did the wording of the exclusion clause apply to absolve Savings and Budget from liability to Dave? (5 marks)

Question 6

Ramly decided to buy a new car. He saw an advertisement by NA Motors in the local newspaper for "a new Alza Perodua car from RM 20,000 - phone now to avoid disappointment."

Ramly immediately telephoned NA Motors and asked for the price for Alza Perodua with alloy wheels and metallic paint. Some hours later, NA Motors rang back with a price of RM25,000, but Ramly was out so they left a voice message on his home telephone. The message stated that if Ramly paid for the car within the next 24 hours, NA Motors would also offer the car at a discounted price of RM22,000.

Ramly did not pick up the message and bought the car from NA Motors two days later at RM25,000. A week later he played back the message and now wants to know whether he can claim the discount from NA Motors.

- a) Identify and explain, using case law examples, what is meant by:
 - (i) An offer (5 marks)
 - (ii) An invitation to treat. (5 marks)
- b) Explain whether Ramly is entitled to the discount. (15 marks)

-The End-