



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
JULY 2024 SEMESTER**

COURSE CODE	: EAB21303
COURSE NAME	: COMMERCIAL LAW
PROGRAMME NAME	: BACHELOR IN ACCOUNTING (HONS)
DATE	: 24 SEPTEMBER 2024
TIME	: 2.00 PM – 5.00 PM
DURATION	: 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please **CAREFULLY** read the instructions given in the question paper.
2. This question paper has information printed on both sides of the paper.
3. This question paper consists of **FOUR (4)** questions.
4. Answer **ALL** questions.
5. Please write your answers on the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. **This question paper must not be removed from the examination hall.**
8. Students are allowed to refer to the unannotated Contract Act 1950, Sale of Goods Act 1957 and Hire Purchase Act 1957 when answering their papers during the examination.

THERE ARE FOUR (4) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

INSTRUCTIONS:-

1. Answer ALL questions. (TOTAL: 100 Marks)
2. Please write your answers on the answer booklet provided.

QUESTION 1**QUESTION 1(a)**

Pak Kassim has a 17-year-old son, Faiz who had recently passed his SPM examinations. Faiz, following his father's wishes, goes to the International Islamic University Malaysia to do his matriculation course.

Consider the following expenses and state whether he is liable for his purchases under the law of contract: -

Faiz bought

- i) New Accounting textbooks cost RM150
- ii) A life insurance policy of RM50,000 for which he has to pay a monthly premium of RM50
- iii) A second-hand motorcycle costing RM2500 worth only RM2000

(7 Marks)

QUESTION 1(b)

Romli asked his aunt Saadiah who is blind, to place her thumb print on a document. Saadiah asked the purpose for doing so and Romli informed her that it was a loan application for her medical expenses. It was in fact an agreement to transfer Saadiah's properties to Romli without her knowledge.

Advise Saadiah.

(8 marks)

QUESTION 1(c)

Waseem is a carpet trader who usually ordered the products from AMX Carpet Enterprises, a company in Syria. Goods are being Imported directly from that country. Early 2023 he made a contract to supply carpets for an architecture company ZZ Designs Sdn Bhd in Shah Alam. Unfortunately, war broke out in Syria, resulting in AMX Carpet Enterprises could not produce carpets and, no transportation of goods could be done to and from Syria.

Discuss on the status of contract between Waseem and ZZ Designs Sdn Bhd.

(10 marks)

[GRAND TOTAL: 25 Marks]

QUESTION 2**QUESTION 2(a)**

Nadira purchased an electric oven from a shop owned by Talib. A week later while using the oven, she suffered a relatively severe electric shock and the oven ceased to function. Nadira took the oven back to the shop and demanded a refund of her money from Talib. Talib informed her that she should complain to the manufacturer as the shop was not responsible for a manufacturing fault.

Advise Nadira.

(5 marks)

QUESTION 2(b)

Gala Electrical shop delivered a digital camera to Norly on sale or return basis for one week. Two days later, Norly lost the camera.

Explain who has the property in the said digital camera.

(5 marks)

QUESTION 2(c)

Syarikat Utama Sdn Bhd contracted to sell 3,000 litres of starfruit juice to Syarikat Sweet Drink Sdn Bhd. At the time of sale, the starfruit juice was part of a larger quantity stored in barrels at the Syarikat Utama Sdn Bhd premises. They agreed to have the juice bottled and delivered in crates of twenty-four bottles, by three instalments. The first instalment was to arrive within one month of the contract being agreed, and thereafter at 'monthly intervals. Payment was to be made when each instalment was received. The first instalment of bottled starfruit juice was two weeks late. When the buyer unpacked the crates one month later, he discovered that five of the cases contained only twenty bottles each.

The second delivery arrived as scheduled but as Syarikat Sweet Drink Sdn Bhd had no where to store them, they asked the carrier to take them back, which the carrier refused to do. Still Syarikat Sweet Drink Sdn Bhd refused to accept delivery or to pay for the goods.

Before the third instalment could be delivered, the warehouse containing the barrels of starfruit juice was destroyed by fire. Syarikat Utama Sdn Bhd is now demanding the full payment for the whole consignment.

Advise Syarikat Sweet Drink Sdn Bhd.

(15 marks)

[GRAND TOTAL: 25 Marks]

QUESTION 3

Zahir has a hire-purchase agreement with BZ Bank for a car over a period of 5 years. He has paid the instalments for 3 years and in March this year, he was retrenched as his employer had financial difficulties. Zahir was unable to pay the instalments of the car for May and June. On 7th July, he received a notice from BZ Bank instructing him to pay the defaults within 10 days or the car will be repossessed. Subsequently, on 20th of July, the car was repossessed when Zahir went for Friday prayers at the mosque. Upon contacting the bank on Monday, he was told that the car will be auctioned if he fails to pay the defaults and other costs of repossession within 7 days. Zahir was upset as the conduct of the bank seemed very unfair.

Advise Zahir on the legal procedures by applying the Hire-Purchase Act 1967 and relevant cases.

(25 Marks)

QUESTION 4.

QUESTION 4(a)

The principles of English law are amongst the sources of law in the Malaysian Legal system. Discuss the introduction and application of English Law in Malaysia.

(15 marks)

QUESTION 4(b)

Explain the court for children.

(10 marks)

[GRAND TOTAL: 25 Marks]

END OF EXAMINATION QUESTIONS.