



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
OCTOBER 2024 SEMESTER**

COURSE CODE	: EAB11803
COURSE NAME	: COMMERCIAL LAW
PROGRAMME NAME	: BACHELOR IN ACCOUNTING (HONS)
DATE	: 4 FEBRUARY 2025
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 **TWO (2) Sections; Section A and Section B.**
4. Answer **TWO (2) questions** from **Section A** and **TWO (2) questions** from **Section B.**
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 can refer to the unannotated **Contract Act 1950, Sale of Goods Act 1957, Partnership Act 1961** and **Power of Attorney Act 1949** when answering their papers during the examination.

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

SECTION A (Total: 50 marks)**INSTRUCTIONS:**

- Answer TWO (2) questions only.
- Please use the answer booklet provided.
- Students are allowed to refer to the unannotated Contract Act 1950 and Sale of Goods Act 1957 and Hire Purchase Act 1967 and Partnership Act 1961 when answering their questions during the final examination.

Question 1

The Malaysian legal system recognized the applicability of English law in Malaysia by virtue of Section 3 and Section 5 of the Civil Law Act 1956 which allowed Malaysian courts to refer and apply the English law in Malaysia but subject to certain limitations.

Discuss the contents and application of Section 3 and Section 5 of the Civil Law Act 1956 (Revised 1972) and the limitations that was applicable thereto.

(25 marks)

Question 2

The duties of the agent towards the principal depend on the express or implied terms of the contract of agency. When an agent agrees to perform services for his principal for reward there is a contract between them. But even if the agent undertakes his duties without reward, he has obligations to his principal. In the circumstances where there is no contract of agency between the agent and his principal, Contracts Act 1950 laid down certain duties of an agent towards his principal.

Elaborate on the duties of an agent as provided for under the Contract Act 1950.

(25 marks)

Question 3

Discuss the terms "Condition and Warranty" under the Sale of Goods Act 1957 and the circumstances where condition can be treated as warranty.

(25 marks)

Question 4

Dissolution of partnership means bringing the partnership to an end. A partnership may be dissolved in accordance to the Partnership Act 1961 or as being provided by the partnership agreement. In situations where the partnership agreement did not provide the manner in which the partnership may be dissolved, the provisions of the Partnership Act 1961 will apply. This means that the provisions of the Partnership Act 1961 as to dissolution can be varied by the partnership agreement.

Discuss the dissolution of partnership by order of court upon application by a partner as provided by the Partnership Act 1961 and support your answer with decided cases.

(25 marks)

SECTION B (Total: 50 marks)

INSTRUCTIONS:

- Answer TWO (2) questions only.
- Please use the answer booklet provided.
- Students are allowed to refer to the unannotated Contract Act 1950 and Sale of Goods Act 1957 and Hire Purchase Act 1967 and Partnership Act 1961 when answering their questions during the final examination.

Question 1

- a) Fazli, a manufacturer of pharmaceutical products, advertised his medicine "Flu away" in the Berita Mega during the COVID-19 pandemic. He advertised that a sum of RM300 will be paid to anyone who still contracts COVID-19 despite having used the "Flu away" medicine according to the prescription given. The advertisement also stated that Fazli had deposited a sum of RM40,000 in Bank Jimat for this purpose. Liza bought a bottle of "Flu away" and used it according to the prescribed method, but still contracted COVID-19 pandemic.

Advise Liza.

(10 marks)

- b) Puan Normah owns Noor florist Sdn Bhd in Taiping. Puan Normah intends to sell her firm to Puan Akma and had entered into a contract of sale with her. Advise Puan Normah as to the three remedies available to Puan Akma in the event Puan Normah breaches the contract of sale.

(15 marks)

Question 2

On March 2021, Daud entered into a hire purchase agreement with Seroja Finance Bhd for the hire purchase of a new Honda motor car. Consider the legal position (treating each part separately) if:

- a) The agreement expressly negated the owner's liability for fitness and merchantable quality of the car.

(15 marks)

- b) The agreement contained a clause which stated that the owner would not be liable for any representation or statement made by the dealer or his servant or agent.

Advise Daud.

(10 marks)

END OF EXAMINATION PAPER