



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
JULY 2025 SEMESTER**

COURSE CODE	: EAB11803
COURSE NAME	: COMMERCIAL LAW
PROGRAMME NAME	: BACHELOR IN ACCOUNTING (HONS)
DATE	: 18 SEPTEMBER 2025
TIME	: 02.00 PM – 05.00 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 answer 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 FIVE (5) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

SECTION A (Total: 50 marks)

INSTRUCTIONS:-

1. Answer TWO questions ONLY.
2. Please use your answers in the answer booklet provided.

Question 1

There are certain remedies available for parties in a sale of goods contract under the Sale of Goods Act 1957. Outline the remedies and their legal consequences.

(25 marks)

Question 2

Section 11 of the Contracts Act 1950 states that 'every person is competent to contract who is of the age of majority according to the law to which he is subject, and who is of sound mind, and is not disqualified from contracting by any law to which he is subject.'

Based on the above, illustrate whether a minor can enter into a valid contract.

(25 marks)

Question 3

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 4

Discuss the eight (8) duties of an agent towards his principal as provided for under the Contract Act 1950 and support your answer with relevant provisions of the Act.

(25 marks)

Question 5

At common law, the owner has the right to recover possession of the goods if the hirer commits a breach of his or her obligation under the hire-purchase agreement. The Hire Purchase Act 1967 lays down various restrictions on the power of the owner as a means of protecting the hirer. Discuss with the aid of case law and the relevant sections of the Hire Purchase Act 1967, the restriction imposed on the power of the owner when recovering possession.

(25 marks)

SECTION B (Total: 50 marks)**INSTRUCTIONS:-**

1. Answer **TWO** questions **ONLY**.
2. Please write your answers in the answer booklet provided.

Question 1

The UniKL football team contracted with Travel Malaysia Sdn. Bhd. to travel to Bangkok, Thailand by bus for a friendly match with a Thai University team. Travel Malaysia's buses are not licensed to carry passengers to Thailand. UniKL paid RM5000. The balance of RM2000 was to be paid upon their return.

The journey was full of difficulties, mainly caused by the rude bus driver. While in Thailand, Akim, a member of the UniKL team requested Marc, his Thai friend, to teach the bus driver a lesson. Akim promised to pay RM50. One Thai boxing kick from Marc and the driver was knocked down unconscious.

When the team discovered upon their return that the bus was unlicensed, they sued for the money that they paid while Travel Malaysia Sdn. Bhd. sued for the unpaid balance. Marc also sued Akim for the RM50.

Advise them.

(25 marks)

Question 2

Hidayah and Jasmine were partners in an audit firm. The partnership agreement stated that if either partner should 'be guilty of professional misconduct or any act which is calculated to bring discredit upon or injure the other partner or the partnership business, the other partner shall be at liberty to give notice of his intention to determine the partnership and thereupon the partnership shall be dissolved'. Hidayah served Jasmine with notice to dissolve the partnership on the ground of professional misconduct within the meaning of the clause set out above. Hidayah contended that Jasmine had advertised a company called JM Audit Sdn Bhd, in which Jasmine was one of the principal shareholders, by pamphlets of an objectionable nature claiming superiority over other auditors, and that Jasmine was a party to a publication of an article containing objectionable remarks with regard to Malaysian auditors.

Advise Hidayah on her chances of success.

(25 marks)

Question 3

Gandum Sdn. Bhd. has a factory in Jalan Gurney where it manufactures highly dangerous chemicals. One evening, the factory's safety system which has been set up by a qualified independent expert, Abu Bakar, breaks down unexpectedly through no fault of the company. Highly toxic fumes escape from the factory and cause serious injury to Bob, a neighbouring occupier, and Charles, a vagrant who sleeps rough in the adjoining fields. Darlene, an engineer, is also seriously injured when she inhales chemicals on the premises of Gandum Sdn. Bhd. when attempting to stop the leak.

Advise the parties.

Would your answer to the above be different if the escape of the chemicals has been caused by the malicious act of Eric, a rival of Gandum Sdn. Bhd.?

(25 marks)

Question 4

Yasmin entered into a pharmacy and selected some items for her mother. She puts them in her shopping basket.

Explain if a contract has been entered between Yasmin and the pharmacy.

(25 marks)

Question 5

Yesterday Mr. Chanai was told by his wife, Mrs. Chanai that a person called Puan Rina, who lives in the same village, had a baby when she was only 13 years old. Puan Rina has always kept this secret and has referred to the child as her own younger sister. "She's no better than a prostitute," said Mrs. Chanai, "and when you think of all the lies she must have told, she's the last person you'd trust to be honest."

Today while Mr. Chanai is at work he is telephoned by the personnel officer who has received a job application from Puan Rina Amin. As she lives in the same village as Mr. Chanai, the personal officer wonders whether Mr. Chanai knows if she is reliable and honest. Remembering what his wife told him last night, Mr. Chanai tells the personal officer that he believes Puan Rina Amin to be immoral and dishonest.

Puan Rina Amin eventually finds out why she did not get the job which she would have earned RM1,000 per month. She is very angry as she is not the person referred to by Mrs. Chanai and she demands an apology and compensation from both Mr. Chanai and Mrs. Chanai.

Advise Mr. Chanai and Mrs. Chanai as to their liabilities, if any, in tort.

(25 marks)

END OF EXAMINATION PAPER