



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
OCTOBER 2025 SEMESTER**

COURSE CODE : EAB11803
COURSE NAME : COMMERCIAL LAW
PROGRAMME NAME : BACHELOR IN ACCOUNTING
DATE : 25 JANUARY 2026
TIME : 09.00 AM – 12.00 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 **ONE (1) section** only; **Section A**.
4. Answer **ANY FOUR (4) questions** from **Section A**.
5. All questions must be answered in **English** (any other language is not allowed).
6. This question paper must not be removed from the examination hall.
7. Candidates are allowed to refer to unannotated copy of **Contracts Act 1950, Sales of Goods Act 1957, Hire-Purchase Act 1967, and Partnership Act 1961**.

THERE ARE TWO (2) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

SECTION A (Total: 100 marks)

Answer FOUR (4) questions.

Please use the answer booklet provided.

Question 1

Mira signed a contract to purchase shares in a small tech start-up after the director, Mr. Tan, assured her that the company had secured a major government contract. Later, she discovers that the contract was never awarded and that Mr. Tan knew this but exaggerated the company's prospects. Additionally, she was rushed to sign the agreement during a private meeting with threats of losing the opportunity. Analyse the potential vitiating factors in this contract, including misrepresentation, mistake, duress, or undue influence, and advise on Mira's rights to rescission, damages, or other remedies under Malaysian contract law.

(25 marks)

Question 2

Rafiq, an experienced property consultant, routinely negotiates property sales using documents and business cards bearing the logo of Elite Properties Sdn Bhd. He is not formally employed but acts on behalf of the company for multiple deals. Buyers, unaware of his employment status, enter into agreements and pay deposits to Elite Properties. When Elite Properties refuses to honour the transactions, disputes arise. Analyse the ways in which agency may have been created in this scenario, including express, implied, and apparent/ostensible authority, and ratification. Advise on whether Elite Properties is bound and the potential remedies for all parties.

(25 marks)

Question 3

Three colleagues, Hana, Iqbal, and Zahir, jointly operate a small online electronics business, sharing profits without any formal agreement. Unknown to the others, Zahir obtained a RM100,000 loan for “business expansion” and defaulted, prompting the bank to demand repayment from all three. Hana claims she had no knowledge, while Iqbal argues the bank relied on Zahir’s apparent authority. Analyse whether a partnership exists, the extent of partners’ implied authority under the Partnership Act 1961, their liability toward third parties, and the remedies available among partners, including indemnity, ratification, or dissolution of the partnership.

(25 marks)

Question 4

SmartHome Sdn Bhd sold 50 “state-of-the-art smart speakers” to HomeTech Ltd. for RM150,000, payable in full on delivery. Upon inspection, HomeTech found 10 units defective and claimed that the contract allowed rejection. SmartHome argues that title transferred upon delivery and the buyer had accepted the goods, disclaiming responsibility for defects. Analyse the transfer of title and the application of implied terms under the Sale of Goods Act 1957, including quality, fitness for purpose, and merchantable condition. Advise HomeTech on available remedies, such as rejection, damages, or repair/replacement, and discuss the seller’s obligations under Malaysian law.

(25 marks)

Question 5

Nadia acquired a car through a hire-purchase agreement with Star Auto Finance, paying 12 of 48 monthly instalments. She temporarily missed two payments due to sudden hospitalization. Without issuing any written notice, Star Auto repossessed the vehicle from her private driveway, causing damage and financial loss. Assess the legality of this repossession under the Hire-Purchase Act 1967, focusing on the rights and obligations of both hirer and owner, notice requirements, default remedies, and possible claims for damages or compensation arising from wrongful or unlawful repossession.

(25 marks)

END OF EXAMINATION PAPER