UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL

FINAL EXAMINATION
MARCH 2026 SEMESTER

COURSE CODE	:	EAB31203
COURSE NAME	:	CORPORATE LAW
PROGRAMME NAME	:	BACHELOR IN ACCOUNTING (HONS)
DATE	:	23 JUNE 2026
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 ONE **(1) Section; Section A.**
4. Answer **ALL** questions in **Section A**
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.**

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

SECTION A (Total: 100 marks)

INSTRUCTION: Answer ALL questions.
Please use the answer booklet provided.

Question 1

(a) *Partnership is the relation which subsists between persons carrying on business in common with a view of profit. – Section 3(1), Partnership Act 1961*

In light of the above provision and decided cases, explain the elements of Partnership.

(10 marks)

(b) State five (5) grounds where the Court can order dissolution of a partnership under the Partnership Act 1961.

(10 marks)

[Total: 20 marks]

Question 2

(a) Messi and Ronaldo are partners of M.R & Co., a hardware shop. Ronaldo's friend, Allen went to M.R & Co. to complain about a knife she bought from the shop three days ago. Ronaldo became angry and stabbed Allen with the knife. Allen brought a charge against Ronaldo for causing her grievous hurt. Messi is worried that he would also be charged for causing grievous hurt since he is Ronaldo's partner. Discuss whether Messi is jointly liable or not.

(10 marks)

(b) Rozi, Aiman and Isa are partners of RAI & Associates. RAI had taken out an RM200,000 loan from Bank Bulan Bhd. A year later, Isa retired from the partnership. At the same time, Zak joined RAI as a new partner. Recently, Bank Bulan Bhd. sent a letter of demand for the repayment of the RM200,000 loan. Based on the facts given, determine whether Isa and Zak are also liable to the claim made by Bank Bulan Bhd. Support your answer with one (1) statutory provision and two (2) case authorities relating to the law of partnership.

(10 marks)

[Total: 20 marks]

Question 3

(a) XYZ Bhd. would like to convene a meeting urgently to remove a director who was found guilty of misusing the company's assets. Prior to receiving the special notice from shareholders, the chairman instructed the company secretary to call a meeting for removal of the director. The meeting will be held on 5th February 2024. However, the notice of meeting was served to all members on 1st February 2024 via email.

Discuss whether there is any non-compliance of meeting regulation.

(10 marks)

(b) A 30 days' notice was circulated by the company to convene a meeting of members for amendment of company's constitution. Prior to the meeting, the chairman discovered that a proposed change in the constitution was wrongly stated in the notice of meeting.

Advise the chairman whether he can cancel the notice or/and the appropriate actions that can be taken by him in response to this situation.

(10 marks)

[Total: 20 marks]

Question 4

EAB10 Sdn Bhd's share capital consist of RM40,000 ordinary shares issued at RM5.00 each, 5000 preference shares issued at RM3.00 each. The preference shareholders rights as stated in the constitution are:

entitlement to 10% dividends per annum in priority to other classes of shares;

the rights to share in surplus assets upon winding up equally with ordinary shareholders.

The company plans to raise additional capital by the following transactions:

i. to issue 10,000 new preference shares with the same rights as existing preference shares.
ii. to cancel the preference shareholders right to share in surplus assets upon winding up equally with ordinary shareholders.
iii. to introduce a provision in the constitution:

"Any variation of class rights must be voted on at a separate class meeting of preference shareholders and the variation must be approved by an ordinary resolution of members of that class".

iv. to issue new "Class B" ordinary shares with two votes each on each shares in voting by poll.

The company is of the view that proposals (iii) and (iv) can be affected without the approval of the preference shareholders. Din and Man who hold 15% of the preference shares disagree with the company's view.

Advice the company as to the legal requirements that the company must comply with to carry out the above proposals.

(20 marks)

Question 5

UNIKL Bhd. is a public company limited by shares incorporated in Malaysia pursuant to the Companies Act 2016. Mari Belajar Sdn. Bhd. (MBSB) is a subsidiary of UNIKL Bhd. Recently, UNIKL Bhd intends to raise more funds by issuing new ordinary shares and new redeemable participating preference shares (RPPS).

Firdaus, your client seek advice whether he should invest in the ordinary shares or the redeemable participating preference shares (RPPS).

Support your answer with relevant authorities.

(20 marks)

END OF EXAMINATION PAPER