



BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **LAW1533 Legal Aspects for Business**
Trimester & Year : Jan to Apr 2023
Lecturer/Examiner : RISHINDRAN PARAMANATHAN
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

- 1 This question paper consists of 2 parts:
 - PART A (60 marks) : Answer all FOUR (4) short answer structured questions. Answers are to be written in the Answer Booklet provided.
 - PART B (40 marks) : Answer ONE (1) case study question. Answer is to be written in the Answer Booklet provided.
- 2 Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
- 3 This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
- 4 Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 3 (Including the cover page)

**PART A (60 marks) Answer all FOUR (4) short answer structured questions supported with decided cases.
Answers are to be written in the Answer Booklet provided.**

1. In February 2018, Kohveet entered into a hire purchase agreement with MU Finance Bhd for a car for a period of 7 years. In March 2020, Kohveet suffered financial difficulties and could not pay the instalments. Two weeks ago, Kohveet received a notice of intention to repossess. Ten days later, the agent of MU Finance Bhd towed the car from Kohveet's house while he was asleep. They left a notice in his notice box stating that the car has been repossessed due to his failure to pay the instalments and the car will be auctioned. Kohveet was upset over the incident. He wants to know the procedure for repossession under the Hire Purchase Act 1967.
Advice Kohveet. (10 marks)

2. On 2 June, Anna wrote a letter making an offer to Bill to sell her house for RM1 Million. On 2 June, the same day, Bill wrote a letter to Anna to buy her house for RM1 Million. When Bill wanted to pay Anna for her house, Anna refused to accept. Bill claims that there is a contract made between them on the sale of the house. Bill wants to sue Anna. Is there a contract between Anna and Bill on the sale of the house?
(10 marks)

3. Ahmad, Ah Chong and Samy wish to start up a new company. They are however confused as to which type of company to set up. They have a choice of Partnership, Sole-Proprietor and Corporation. They are unsure of the positive and negative issues that may be attached to each of these institutions.
Advice Ahmad, Ah Chong and Samy regarding this matter. (15 marks)

4. Explain the duties and responsibilities of a Company Director under the Companies Act 2006. (10 marks)

5. Differentiate the following terms :
 - (a) Invitation to treat and Offer (3 marks)
 - (b) Contract of Service and Contract for Service (3 marks)
 - (c) Bilateral contract and Unilateral contract (3 marks)
 - (d) Pecuniary losses and Non Pecuniary losses (3 marks)
 - (e) Void and Voidable (3 marks)

End of Part A

PART B (40 marks) Answer ONE (1) case study question supported with decided cases. The answer is to be written in the Answer Booklet provided.

James is a supervisor at Small Hotel and has worked for them over the last twelve years, he was dismissed without any notice. His manager has claimed that James was incompetent and useless. James has been working for this company for many years now and has never had any problem to date.

After dismissal, James found out that the company did not contribute to his Social Security Organization (SOCSO) for the past 1 year despite the salary being deducted monthly from his salary. He will now need to follow legal procedures to resolve his case.

Working days - Monday to Friday

8.30am - 6.30pm. (Lunch break is 2.00pm-2.30pm).

Employees who have completed one year of service and have been confirmed in their position is entitled to 9 days annual leave, 9 days public holidays, 18 days paid sick leave and 45 days paid maternity leave”.

Notice of termination – 3 months

Employer`s contribution – Nil

Benefits – Medical insurance (selected staff)

Salary – Every 9th of the month

Salary Rm2000.00

**Abstract from James s contract of employment*

1. (a) State your opinion over the manager`s action toward James. (10 marks)
- (b) Explain the benefits James is entitled under SOSCO? (10 marks)
- (c) Explain FIVE (5) factors to be considered when it comes to retrenchment in Malaysia (5 marks)
- (d) Critically analyze James`s contract and state your view on the terms of his employment (15marks)

End of Exam Paper

a) Charlie advertised in the local newspaper that he would pay a reward of RM1000 to anyone who returned him his lost cat "Rosie". Charlie's colleague, Andrew, recognised Rosie as it was running down the street on which he lived. He captured and returned Rosie to Charlie. At the time he returned Rosie, Andrew was not aware of the reward. Can he now claim the reward? Give reasons for your answer.

. a) Charlie advertised in the local newspaper that he would pay a reward of RM1000 to anyone who returned him his lost cat "Rosie". Charlie's colleague, Andrew, recognised Rosie as it was running down the street on which he lived. He captured and returned Rosie to Charlie. At the time he returned Rosie, Andrew was not aware of the reward. Can he now claim the reward? Give reasons for your answer. No, Andrew cannot claim the reward because "past consideration is no consideration". Yes it was an express offer, announced publicly in the form of an advertisement but unless it has been communicated to the offeree (Andrew) it cannot be said to have been accepted and hence there is no obligation for any fulfilment of terms of contract. Even if afterwards Andrew came to know of the reward of RM1000 as stated above "past consideration is no consideration" the fact that he came to know of the offer after the cat was returned, making it look like the cat wasn't lost when it came into the knowledge of the offeror because Andrew was claiming the reward after the cat was returned after the consideration has been made good. At that point of time there was no consideration left to be fulfilled

-Misrepresentation 4. No, Andrew cannot claim the reward because "past consideration is no consideration". Yes it was an express offer, announced publicly in the form of an advertisement but unless it has been communicated to the offeree (Andrew) it cannot be said to have been accepted and hence there is no obligation for any fulfilment of terms of contract. Even if afterwards Andrew came to know of the reward of RM1000 as stated above "past consideration is no consideration" the fact that he came to know of the offer after the cat was returned, making it look like the cat wasn't lost when it came into the knowledge of the offeror because Andrew was claiming the reward after the cat was returned after the consideration has been made good. At that point of time there was no consideration left to be fulfilled. b) Candy sees a rare Ming vase in the window of a shop dealing in antiques. It is labelled "Rare Ming Vase - RM50,000. Credit Cards Accepted". Candy goes into the shop, places her credit card on the counter and asks for the vase. The dealer tells Candy that the vase was marked RM50,000 by mistake and that its actual price is RM1,200,000. Is the antique dealer bound to sell the vase to Candy? Give reasons for your answer. No, the antique dealer isn't bound to sell the vase to Candy because the seller made a counter offer. A counter offer is an offer in which the previous offer by the offeror is changed or modified or new conditions are added making the previously stated offer void or "non-existent". In this scenario the vase was to be sold at RM50,000 which is now corrected by the dealer to be RM1,200,000. It doesn't matter that the difference between the two is huge, a counter offer is to be accepted again by the offeree to be considered as a valid contract. Or simply to say a fresh contract on fresh terms is presented and needs approval by the customer until then, it is neither binding on any party to fulfil their obligation thus the dealer isn't bound to sell the vase to Candy