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Private & Confidential



SCHOOL OF HOSPITALITY

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Subject Code & Name : **LAW 1533 – LEGAL ASPECTS FOR BUSINESS**

Semester & Year : January – April 2018

Lecturer/Examiner : Mr. Anandaselvam Kannan

Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 3 parts:
PART A (15 marks) : Shade your answer in the Multiple Choice Answer sheet provided.
PART B (85 marks) : Answer ALL essay questions in Part B. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized 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 = 7 (Including the cover page)

PART A

Answer ALL Fifteen Multiple Choice (15) questions. All questions carry equal marks.

Total (15 Marks)

1. Choose the most suitable answer which best describes the written law in Malaysia:
 - A. Federal and State Constitution, judicial decisions of upper courts.
 - B. The Federal and State Constitution.
 - C. The legislation and the delegated Legislation.
 - D. The Federal and State Constitution, legislation and judicial decisions.

2. Ramon is 13 years old, his mother passed away two years ago and his mother left him a motel. He entered into a contract to sell off the motel to his uncle. Is there a valid contract in this case? Court of Appeal.
 - A. The contract is a valid contract.
 - B. No, Ramon is a minor, cannot enter into an agreement.
 - C. It is up to Ramon to enter into an agreement.
 - D. The contract is voidable.

3. Which of the following characteristics refers to Private Law?
 - A. Criminal offence.
 - B. Law against state.
 - C. Law that regulates matters between individuals.
 - D. Constitutional matters.

4. Sony is thinking of taking legal action against Sarah for failing to sell her the antique furniture from India as agreed. Which of the following is the likely remedy the court would grant him?
 - A. Injunction.
 - B. Specific performance.
 - C. Restitution.
 - D. Rescissions.

5. Which of the following denotes a separate legal entity.
 - A. Limited liability.
 - B. Cannot own property under its own name.
 - C. Cannot be sued.

- D. Unlimited liability.
6. Minors can enter into valid contracts if they concern the following types of contracts except contracts regarding:
- A. Scholarships.
 - B. Necessaries.
 - C. Insurance.
 - D. Hire purchase of motor vehicles.
7. Which of the following is **TRUE** for the formation of a commercial agreement?
- A. Age requirement above 18 and subject to 3 exceptions.
 - B. Bankrupt person can enter into an agreement.
 - C. Person above 70 years old cannot enter into an agreement.
 - D. Person of unsound mind can enter into an agreement.
8. Parties to a standard or tailor made agreement would incorporate an exclusion clause for the purpose:
- A. To seek compensation.
 - B. To sue a party.
 - C. To exclude liability.
 - D. To include liability.
9. Once an agreement has been formed it has to come to an end in the future. Generally the following are ways in which a contract can be discharged **EXCEPT**:
- A. Frustration.
 - B. Performance.
 - C. Discharge order.
 - D. Breach.
10. The following are elements needed to enter into an partnership agreement **EXCEPT**:
- A. Strictly business.
 - B. With a view of profit.
 - C. Must be above age 21 years.
 - D. Common intention.
11. The Part X Contract Act 1950 is the governing law for agency agreements in Malaysia. Which of the following is **NOT** a way to create an agency agreement?
- A. Estoppel.
 - B. Necessity.
 - C. Ratification.

- D. Sign contract
12. Which of the following Sales of Goods Act 1957 requires that goods must be fit for the purpose for which it is commonly used.
- A. Sec 14 Sale of Goods Act 1957.
 - B. Sec 15 Sale of Goods Act 1957.
 - C. Sec 16 Sale of Goods Act 1957.
 - D. Sec 17 Sale of Goods Act 1957.
13. The burden of proof in a civil case lies on the:
- A. Defendant.
 - B. Prosecutor.
 - C. Plaintiff.
 - D. Negotiator.
14. The following are duties of directors **EXCEPT**:
- A. Statutory duties.
 - B. Fiduciary duties.
 - C. Duty of care and skill.
 - D. Smart duties.
15. Which one of the following is **NOT** needed to establish negligence?
- A. Breach.
 - B. Duty of care.
 - C. Damages.
 - D. Fairness.

END OF PART A

PART B: Short Answer Questions.

Answer ALL questions in the Answer Booklet provided.

Question 1

With reference to the Contracts Act 1950 and Sale of Goods Act 1957, and using relevant examples and decided cases explain, the meaning and effect of the following terms of a contract:

- (a) Conditions. (4 marks)
- (b) Warranty. (3 marks)
- (c) Briefly explain consideration must be sufficient but need not be adequate with relevant case laws and in relation Contracts Act 1950. (3 marks)

Total (10 marks)

Question 2

- a) The purpose why parties display 'Exemption Clause' at premises. (3 marks)
- b) Explain **THREE (3)** ways in which exemption clauses can be incorporated into an agreement, with the aids of relevant cases. (12 marks)

Total marks (15 marks)

Question 3

- a) Explain the differences between law of contract and the law of tort. (5 marks)
- b) Andrew slip and falls on a wet floor of a shopping mall. What are the elements he needs to establish against the said shopping in order to succeed in an action based on negligence, with case laws?

(10 marks)

Total marks (15 marks)

Question 4

- a) Briefly explain **TWO (2)** ways in which an agency can be created. (3 marks)
- b) Explain **THREE (3)** duties of an agent and **TWO (2)** ways in which it could be terminated.

(12 marks)

Total (15 marks)

Question 5

Explain briefly **FOUR (4)** remedies available to a buyer of goods when a seller is in breach of a sale of goods contract?

Question 6

a) Discuss the elements needed to establish partnership under the Partnership Act 1961 with decided case laws or examples. (6 marks)

b) **FOUR (4)** ways in which a partnership could be terminated. (4 marks)

Total (10 marks)

Question 7

Distinguish between a true offer and an invitation to treat with decided case laws.

(10 marks)

END OF EXAM PAPER