



SCHOOL OF HOSPITALITY

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Subject Code & Name : **DHM 2302 – HOSPITALITY AND TOURISM LAW**

Semester & Year : January – April 2018

Lecturer/Examiner : Mr. Anandaselvam Kannan

Duration : 2 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 3 parts:
 - PART A (20 marks) : Answer ALL TWENTY (20) Multiple Choice Questions**
Shade your answer in the Multiple Choice Answer sheet provided.
 - PART B (60 marks) : Answer all FOUR (4) essay questions.**
 - PART C (20 marks) : Answer ONE (1) Case Study Question.**
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 Twenty Multiple Choice (20) questions. All questions carry equal marks. Total (20 Marks)

1. The following is a source of law in Malaysia **EXCEPT** :
 - A. Federal Constitution.
 - B. Delegated Legislation.
 - C. Law of the South East Asia.
 - D. Precedents.

2. In the court proceeding last month, Mr. David, the manager of Great Sdn Bhd, was found liable for breach of contract. He was ordered to pay damages in the sum of RM 400,000. He feels that judgment is wrong and harsh and would like to make an appeal against the decision. In which Court would his appeal would be heard?
 - A. Court of Appeal.
 - B. Federal Court.
 - C. Magistrate Court.
 - D. High Court.

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

4. Which is the highest court in Malaysia?
 - A. High Court.
 - B. Federal court.
 - C. Magistrate Court.
 - D. Special Court.

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

6. Which of the following is not an element required for the formation of a valid and binding agreement.
- A. Offer.
 - B. Acceptance.
 - C. Consideration.
 - D. Misrepresentation.
7. Which of the following denotes a separate legal entity.
- A. Both Limited liability and unlimited.
 - B. Cannot own property under its own name.
 - C. As a company can sue or be sued in its own name.
 - D. Unlimited liability.
8. Which of the following is an option to incorporate a company under Company Act 2016?
- A. Ultra vires rules.
 - B. Intra vires rule.
 - C. Company handbook.
 - D. The Constitution.
9. 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.
10. 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.
11. 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.

12. Ahmad, Ah Seng and Muniandy are contemplating entering into a partnership agreement to organise events pertaining to sports. Which of the following is **NOT** one of the elements needed for the formation of a partnership agreement under Sec 3(1) Partnership Act 1961?
- A. Strictly business.
 - B. With a view of profit.
 - C. Must be above age 21 years.
 - D. Common intention.
13. Three childhood friends have been running a trading business for the past 10 years and have been suffering losses over the last two years. Which of the following is **NOT** a way to end a partnership business?
- A. Frustration.
 - B. Performance.
 - C. Operation of law.
 - D. Death of 1 partner out of 10.
14. 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
15. Which Section of 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.
16. The burden of proof in a civil case lies on the:
- A. Defendant.
 - B. Prosecutor.
 - C. Plaintiff.
 - D. Negotiator.

17. Andrew had made an offer to Vijaya to sell his car for RM 70,000. After the making of the offer he regretted quoting the low price and decided to end the offer. Which of the following is **NOT** a way to terminate an offer?
- A. Counter offer.
 - B. Revocation.
 - C. Rejection.
 - D. Cross reference.
18. Which of the following is **NOT** a rule in which relates to the law of consideration.
- A. Must be sufficient.
 - B. Not necessary adequate.
 - C. Past consideration a good consideration.
 - D. Must be adequate.
19. The issue in Hedley Byrne V Heller and Partners case relates to:
- A. Innocent misrepresentation.
 - B. Negligent misrepresentation.
 - C. Fraudulent misrepresentation.
 - D. Careless misrepresentation.
20. 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 in a contract (5 marks)
- (b) Warranties as a term (4 marks)
- (c) Explain the statement that consideration must be sufficient but need not be adequate with relevant case laws and in relation to Contracts Act 1950.

(6marks)

Total (15 marks)

Question 2

- a) Why do hoteliers display 'Exemption Clause' at hotel rooms? (3 marks)
- b) Discuss 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) Richard slip and falls on a wet floor of a reputable hotel. What are the elements he needs to establish against the said hotel 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)

END OF PART B

PART C: ONE (1) Case Study Question.

INSTRUCTION: There is **ONE (1)** case study question. Answer the question in the Answer Booklet (s) provided.

On January 3rd 2018, Carol who is undergoing financial crises decided to sell her vintage car for RM 300,000, which is below market value. She posted her letter of offer to Sheila on the 10th February 2018 and stated that the offer would expire on 28th February 2018. Sheila received the letter of offer on the 16th February 2018. The moment Sheila came to know the price is below market value she decided to accept the offer by posting letter of acceptance on the 27th February 2018.

Due to an unexplained delay in the postal service, Carol did not receive the letter until 15th March 2018. Since there was no reply within the stipulated time stated in the offer by Carol, on 28th February, She sold the vintage car to another buyer, who is willing to accept the offer at the same price.

a) Explain if there is a contract between Carol and Sheila. (12 marks)

b) Will your answer to Question (a) differ if Carol stated in her offer that the acceptance must be via fax? (5 marks)

c) Explain if Carol could change her mind on February 12 2018 and revoke her offer? (3 marks)

Total marks (20 marks)

END OF EXAM PAPER