



جامعة السلطان الشريف علي الإسلامية
UNIVERSITI ISLAM SULTAN-SHARIF ALI
SULTAN SHARIF ALI ISLAMIC UNIVERSITY

Faculty of Shariah and Law
Semester I, 2015/2016 Academic Session
Examination Question Paper

Course Code : LB 4305
Course Name : Business Law
**Course Level : Bachelor of Laws (LL.B) & Bachelor of
Shariah Law (BSL)**
Time : 3 hours

Reference allowed:

Bill of Exchange Act, 1994

Contract Act, 1939

Hire-Purchase Order, 2006

Sale of Goods Act, 1994

Notes:

1. Answer any **four** of the following questions.
2. Support your answer with relevant statutory provisions and decided cases.

Question 1 (15 marks)

Abdul recently purchased a 42-inch colour TV set. Explain the rights of Abdul in following circumstances:

- i) Just as Abdul was sitting down to watch World Football Cup match, there was a smoke from the back of the TV and the screen went blank. Abdul had purchased TV from a local departmental store for cash.
- ii) Abdul obtained TV from his brother –in-law, Gani, by swapping his music equipment. Abdul had promised Gani that it is colour TV but so far he has got black and white picture.
- iii) Abdul is a football enthusiast. He told the salesman at a local electrical shop that he wanted a TV that would receive sports channel. Abdul has now discovered that he cannot get sports channel with this particular model.

(15 marks)

Question 2 (15 marks)

- a) Explain the law relating to sale of goods by sample under the Sale of Goods Act, 1994.

(6 marks)

- b) Farhan agrees to supply 50 cows to a butcher in Gadong during one week period prior to Eid-ul-Fitr. What are Farhan's remedies in following two situations?

1. The butcher rings up two weeks before the delivery period to cancel the order because he has found a cheaper supplier.
2. While the consignment of 10 cows is being transported from Miri by two trucks, Farhan hears from a neighbouring farmer that the butcher is having difficulty paying his debts.

(4.5 each)

Question 3 (15 marks)

- a) State the ways in which an agency may arise and explain any three of them.

(6 marks)

- b) On 3 October, 2015 Rashid wrote to Zahoor that Tahir is his agent and Tahir would be acting on his behalf in purchasing some goods on 15th October, 2015 for B\$50,000. However, on 14th October, 2015, Zahoor was informed by Mrs. Rashid that her husband passed away on 13th October, 2015.

On 17th October, 2015, Sajad has offered to Zahoor B\$80000 for the same goods.

Can Zahoor sell the goods to Sajad or is he bound to sell to Tahir?

(9 marks)

Question 4 (15 marks)

- a) Explain the implied condition of 'Right to Sell' under the Hire Purchase Order 2006. Support your answer with decided cases.

(6 marks)

- (b) Khalid purchased a car from MNO Motor Sdn Bhd which was financed by EFG Bank Bhd. Khalid defaulted in making two monthly instalment payments. The car was repossessed by EFG Bank Bhd after due compliance with the Hire-Purchase Order 2006.

Discuss the rights of Khalid as a hirer under the Hire-Purchase Order 2006.

(9 marks)

Question 5 (15 marks)

- a) Briefly explain the elements of “Bill of Exchange”

(6 marks)

- b) Mrs. Akmal maintains a current account with Bank Besar Bhd. Unknown to Mrs. Akmal, her husband Mr. Akmal forged Mrs. Akmal’s signature on a cash cheque amounting to B\$5000. Two months later, Mrs. Akmal insists that Bank Besar Bhd must credit back into her account B\$5000. Meanwhile Mr Akmal has left Brunei Darussalam for unknown destination.

Advise Bank Besar Bhd. as to whether it is liable for B\$5000 in the event that Mrs. Akmal’s signature turns out to be really forged. Support your answer with statutory provisions and decided cases.

(9 marks)

Question 6 (15 marks)

- a) Explain the difference by reference to case law how the courts make a distinction between a contract of service and a contract for service.

(6 marks)

- b) Karim, a chairman of a local mosque, was a passenger in the bus operated by ABC Sdn Bhd. Saleem, the conductor of the bus, used abusive and vulgar

language against some passengers thereby creating a lot of tension among the bus passengers. Karim also did not like the behavior of Saleem. He objected to Saleem for such language. In retaliation, Saleem assaulted Karim by punching his right eye with a knuckleduster resulting in total loss of eyesight of right eye.

Advice Karim as to his rights against ABC Sdn Bhd.

(9 marks)

بالتوفيق والنجاح