

9.0 MALAYSIAN BUSINESS LAW (3 HOURS)

AIM: *To examine the candidate's understanding of the basic principles of law which affect business relationship generally and its application to commercial situations with particular reference to negotiable instruments, contract, agency and employment.*

Learning Outcomes:

Upon completion of this subject, the students should be able to:

- *Develop a basic understanding of Malaysian Legal system and the law relating to agency and sale of goods, negotiable instruments, negligence and employment;*
- *Describe and explain the principles and legal issues related to contracts, partnership and hire purchase in business;*
- *Apply the legal principles in advising parties of their rights, liabilities and remedies in contractual and business relationships.*

SYLLABUS

9.1 The Malaysian Legal System

Sources of law: written laws, judicial decisions, customary law; English Common Law and rule of equity; civil and criminal law; structure of courts; the Supreme Court, the High Court, the Subordinate Court and other Federal Courts.

9.2 Law of Contract

The nature of a contract; intention to create legal relations; agreement; certainty; consideration; form and capacity; contractual terms, standard form of contracts and exemption clauses; mistakes; misrepresentation; illegality and contract contrary to public policy; discharge of contract with special reference to frustration and breach; remedies for breach; privacy and limitation of actions.

9.3 Law of Agency / Sales of goods

Principles of agency with special reference to the authority of persons to act on behalf of others, particularly companies and partnerships; sales of goods; hire purchase and credit sales; transfer of property and of titles, rights & duties of buyers and seller; contract of insurance and classification of insurance.

9.4 Negotiable Instruments

Types of negotiable instruments; functions of a bill of exchange; negotiation of bills; acceptance endorsements and delivery; liability of parties; holder in due course and holder for value; forged signatures and payment; procedure on dishonour; cheques and types of crossings of cheques; alteration and protection or paying and collecting banker; banks as holders in due course; termination of bankers' authority to pay.

9.5 Law of Employment

Contract of employment; implied and statutory terms; letter of appointment; dismissal and redundancy; terms of employment; wages and provision of safe working conditions including health and safety legislations.

9.6 Law of Negligence

The nature of liability in torts; negligence with special reference to professional advice, dangerous goods, industrial accidents and dangerous premises; the doctrine of strict liability; breach of statutory duties; defence in tort particularly 'volenti non fit injuria' and contributory negligence; remedies.

9.7 Hire Purchase Law

General concept, duties of owner particularly in repossession and the rights of hirer.

9.8 Partnership Law

Nature and definition of partnership; basic differences between partnership and company limited by shares; formation of partnership; rights and obligations; and relation of partners and dissolution of partnership.

RECOMMENDED READING LIST

- 1.0 Lee Mei Pheng & Detta, I. J. (2018), *Business Law*, (3rd edition), Petaling Jaya: Oxford University Press.
- 2.0 Nabi Baksh, A. M. & Arjunan, K. (2014), *Business law in Malaysia*, (2nd edition), Petaling Jaya: Lexis Nexis/Malayan Law Journal.
- 3.0 Fong, C. M. (2010), *Contract Law in Malaysia*, Singapore: Sweet & Maxwell.
- 4.0 Wu Min Aun & Beatrix Vohrah (2004), *The Commercial law of Malaysia*, Longman Malaysia.
- 5.0 Loganathan, K., Parimaladevi, R., & Anne Chrishanthani, V. (2018), *Principles of Business and Company Law in Malaysia*, (3rd edition), Kuala Lumpur: CCH/Wolter Kluwer.
- 6.0 Samsar, K. L. (2008), *Partnership Law in Malaysia*, Petaling Jaya: International Book Service.
- 7.0 Wu Min Aun (1999), *Malaysian Legal System*, (2nd edition), Longman Malaysia.