INSTRUCTIONS:

* ANSWER ALL FOUR QUESTIONS

NO. MATRIK : ________________
NO. KAD PENGENALAN : ________________
NAMA PENSYARAH : Mr. R. N. SHARMA
Date: 22nd September 2001

Time: 1430 - 1730 (3 hours inclusive of 15 minutes for reading)

Venue: Sungai Petani

Group: B

Lecturer: R.N. Sharma

Instructions: Answer ALL FOUR questions

**Question 1**

Jahati, a high-class prostitute, is running her immoral business at Hotel Pleasure. The following persons have submitted their claims against her.

(a) Roda, a taxi driver, claims that Jahati owes him RM600 as taxi fare for one month because he drove her each night from her house to the Hotel and back under an agreement by which she promised to pay RM600 per month but has failed to do so.

(b) Hotel Pleasure is claiming arrears of room rent for one month amounting to RM1200 and another sum of RM600 for drinks served to her clients under her order during the same period.

(c) Sewa Singh is claiming 3 months' arrears of rent amounting to RM900 for his house which he let to her for residence and for entertaining special clients during week-ends. Sewa Singh has served on her a lawyer's notice of eviction but she is neither willing to pay the arrears of rent nor is giving vacant possession of the house. However, she is willing to pay rent for each current month as it becomes due.

Sewa Singh insists that:-

(i) She must pay all arrears of rent, and

(ii) Vacate the house

Advise Roda, Hotel Pleasure and Sewa Singh on each of their claims assuming that they all have written proof of their claims.

(25 marks)
Question 2

Susie, a well-known cabaret dancer and singer, entered into an agreement with Disco Hibur to sing at the Disco each night for 3 months starting 15th of August. She reported for work 3 days late without giving any reason. The Disco allowed her to start work on 18th August but informed her in writing that it reserved the right to sue her for damages for coming three days late.

On 15th October a new State Law came into force under which it became illegal to operate any disco business. However, the management of Disco Hibur continued to operate on a much quieter note and Susie continued to sing until 1st November when the police raided their premises. However, the Disco re-opened on the next night but Susie refused to sing anymore.

Disco Hibur and Susie are now engaged in bitter litigation against each other. Their respective claims and counter-claims are as below:-

(a) Disco Hibur is claiming damages for breach of contract for being late 3 days and for not agreeing to sing up to 15th November as agreed under her original contract.

(b) Susie has rejected Disco's claims and is counter claiming arrears of wages at RM100 per night for the whole month of October consisting of 31 days.

Discuss each claim and counter claim.

(25 marks)
Question 3

Minum Bhd was involved in the manufacture and distribution of a variety of beverages including powdered milk. Peter was one of the executive directors of the company and the chief executive officer of its powdered milk division. Last year another company called Sedap Bhd showed some interest in buying over Minum Bhd's milk division. Minum Bhd appointed Peter to negotiate with Sedap. Peter successfully negotiated the sale of the milk division to Sedap for 4,800,000 payable in cash. Sedap paid the full amount as agreed and took over the milk division.

Within two weeks from the date of the take-over, Peter resigned as executive director of Minum Bhd and joined Sedap Bhd as the chief executive officer at a much higher salary. After his resignation, Minum Bhd found out that during the negotiations for the purchase of the milk business, Sedap had already promised Peter to pay this higher salary and a lump sum of RM200,000 if the negotiations for the take-over succeeded.

Minum Bhd has asked your advise with regard to the following questions:-

(a) Does Minum Bhd have a right of action against Peter as he broke his contract of service under which he was bound to work for the company for another six months? If so, can the company obtain an injunction against him?

(b) Can Minum Bhd claim the amount of RM200,000 received by Peter?

(c) Can Minum Bhd claim the extra salary received by Peter for 6 months?

(25 marks)
Question 4

(a) ABC Bhd owned a vacant lot adjoining its premises. As the lot was unfenced, children often used it as a football field. The Company was aware of this fact but did not try to stop the children from playing football there as it was considered to be a harmless activity.

One day while the children were playing football on the lot, the ball was kicked into the road just outside the lot. The ball hit a person named Muthu who was riding his motor-cycle along the road. Muthu fell off his motor-cycle and sustained serious injuries and wishes to know whether he has right of action against ABC Bhd.

Advise him

12.5 marks

(b) Tom ordered 10,000 tins of Malaysian canned pineapple packed in 500 cases containing 20 tins of one kg each from Ali. When the goods were delivered Tom found that the quantity was correct as 10,000 tins but they were packed as below:-

(i) 480 cases containing 20 tins each = 9600 tins

(ii) 25 cases containing 16 tins each = 400 tins

Advise Tom as to his various options and legal rights.

(12.5 marks)