UNIVERSITI POLY-TECH MALAYSIA UPTM

FINAL EXAMINATION

BACHELOR OF ACCOUNTANCY (HONOURS)

COURSE	:	**COMPANY LAW**
COURSE CODE	:	**LAW3133**
DURATION	:	**3 HOURS**

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **FIVE (5)** questions only.
2. Answer ALL questions in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of :
   i. The Question Paper
   ii. An Answer Booklet
4. Do not bring any material into the examination hall.
5. Please write your answer using permanent ink.

MYKAD/ PASSPORT NO : ______________________

ID. NO. : ______________________

LECTURER : ______________________

SECTION : ______________________

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of 3 printed pages including the front page

Answer ALL questions.

1. Firdaus owned a piece of land (Land X). He later incorporated MineralTech Sdn. Bhd. (the company) for the purpose of mining activities. Shortly after incorporation, Firdaus sold Land X to the company. At the time of sale, Firdaus was unaware that the land contained valuable rare earth minerals.

   Three months later, Firdaus discovered that the land was rich in minerals. Without informing the company, Firdaus arranged for his close friend to purchase a neighbouring land (Land Y), which also contained valuable minerals. The friend later sold Land Y to the company at a very high price.

   The company subsequently discovered that Land Y was originally acquired for Firdaus' benefit and that he had secretly profited from the transaction.

   Firdaus argues that he was not the registered owner of Land Y at the time of sale and therefore has not breached any duty.

   Advise the company.

   (20 marks)

2. Nabil and Aqil are the sole shareholders and directors of a company called Trendsetters Sdn. Bhd. (the company). Recently, the company lost a lawsuit and was ordered by the court to pay compensation. However, the company lacked sufficient funds to cover the full amount. The third party is now seeking to hold Nabil and Aqil personally liable for the remaining compensation owed by the company.

   Advise them on whether they are personally responsible for the unpaid balance of the compensation.

   (20 marks)

3. GreenLife Sdn. Bhd. has a written constitution stating that its sole object is to manufacture organic cosmetic products.

   The company later entered into the following agreements:

   i. An agreement to develop and sell organic skincare products; and

   ii. An agreement to invest in a chain of fitness centres promoting healthy lifestyle programs.

   The company now seeks advice on whether these agreements are valid under the Companies Act 2016.

   Advise the company.

   (20 marks)

4. Prime Builders Sdn. Bhd. (the company) created a charge in favour of Unity Bank over its factory building to secure a loan of RM 500,000. The charge document stated that the company must not dispose of or deal with the factory without the bank's consent.

   The company, however, described the charge as a floating charge in the loan agreement.

   Advise the parties on whether the charge is a fixed charge or a floating charge.

   (20 marks)

5. Skyline Berhad (the company) created a debenture in favour of Trust Bank for RM 1 million secured by a fixed charge over its machinery. Due to an administrative oversight, the charge was not registered within the prescribed period under the Companies Act 2016.

   Several months later, the company became insolvent. Trust Bank claims that the charge is void and demands immediate repayment of the loan.

   Advise Skyline Berhad on whether the bank may demand immediate repayment.

   (20 marks)

(TOTAL : 100 MARKS)

END OF QUESTION PAPER