APPENDIX B

PROBLEM-QUESTION QUESTIONS

ESSAY WRITING TEST

Directions: Please answer ALL the questions below. Write in BETWEEN 200 to 400 words for each question. Time suggested is $2\frac{1}{2}$ hours.

Question 1

Mr. Daud, an XXY executive offered to sell his Ferrari to Mr. Chen in order to buy a fishing boat. He stated that acceptance had to reach his office by 23rd January 2008. Explain the legal situation in the following circumstances:

- a. Mr. Chen posted a letter of acceptance to Mr. Daud on 21st January but the letter was lost.
- b. Mr. Chen telephoned Mr. Daud on 22nd accepting the offer but Mr. Daud insisted that Mr. Chen accept the offer in writing.
- c. Mr. Chen faxed a letter of acceptance on 23rd January but Mr. Daud had passed away by the time the letter reached him.

Question 2

Kenny Shin, a Chinese national, had agreed to purchase three pieces of land belonging to Mr. Rosyam for RM 3 millon. Both of them were aware that the transaction needed the approval of the Foreign Investment Committee (FIC) in line with the Government's relevant Guidelines which forbade the acquisition of any property in Malaysia over 2 million approval. The parties were not inclined to abide by the directive Guidelines, as compliance thereof would incur additional payment of taxes and stamp duty to the Government. Kenny Shin and Mr. Rosyam attempted to circumvent the Guidelines and executed three separate sale and purchase agreements. They had completed the third sale agreement but could not complete the third sale agreement as the necessary approval to subdivide the land could not be obtained by Mr. Rosyam. Both of them come to see you. Kenny Shin wishes to rescind all the sale agreements and demands the repayment of RM 1 million for the moneys he had paid under the first and second agreements. He wants to know whether he could seek restitution under section 66 of Contracts Act 1950. Mr. Rosyam wants to plead the issue of illegality alleging that the agreements were void and unenforceable.

Question 3

Chin, a minor, induced Lim to lend him RM \$400 by introducing himself to be of full age. He refused to pay the loan when asked a month later as promised. Lim wants to sue Chin for breach of promise and comes to you for legal advice. Advise him on this issue.