

ESSAY (100 marks)

INSTRUCTION:

This section consists of **FOUR (4)** essay questions. Answer **ALL** questions.

QUESTION 1

- a) "The sources of law is referred to the legal rules that make up the law". Based on this statement, answer the following questions;
- i) Define the term written and unwritten law. (4 marks)
 - ii) Explain the sources of written law in Malaysia. (10 marks)
 - iii) Describe the application of syariah law in Malaysia. (5 marks)
- b) Draw a diagram to explain the classification of property in the context of the law of property. (6 marks)

POLITEKNIK
Jabatan Pengajian Politeknik

EXAMINATION AND EVALUATION DIVISION
DEPARTMENT OF POLYTECHNIC EDUCATION
(MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION

DECEMBER 2011 SESSION

PN202: INSURANCE LAW

DATE: 30 APRIL 2012 (MONDAY)
DURATION: 2 HOURS (11.15 AM - 1.15 PM)

This is a paper consists of **FOUR (4)** pages including the front page.
Essay (4 questions - answer ALL questions)

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THE CHIEF INVIGILATOR

QUESTION 4

- a) Discuss the meaning of agency.
(2 marks)
- b) What are the contracts involved in an agency relationship? Explain.
(6 marks)
- c) "An agent acts are binding on the principal if they are done within the agent's authority. If an agent does an act which exceeds that authority so given, the principal is not bound unless he ratifies unauthorized act."
- i) Discuss the authority of an agent.
(6 marks)
- ii) What do you understand by the term 'ratification'? Interpret the meaning.
(1 marks)
- iii) What are the conditions for a valid ratification? Examine the conditions.
(10 marks)

QUESTION 2

- a) Explain the differences between the following.
- i) Contractual and tortious liability;
(10 marks)
- ii) Public and private nuisance
(6 marks)
- b) Defamation can be classified into two categories. Explain and gives an example for each of categories.
(9 marks)

QUESTION 3

- a) In the context of insurance contract, describe all the following;-
- i) insurance contract;
- ii) insurable interest;
- iii) material facts.
(15 marks)
- b) Ahmad insures his house against fire for RM100,000 with CBE Insurance Sdn Berhad. Part of Ahmad's house is subsequently burnt down and RM50,000 is required to restore it.
- i) How much does the insurance company (if any) needs to pay Ahmad? Why?
(4 marks)
- ii) Discuss the application of indemnity principle in insurance contract.
(6 marks)