

**MIA QUALIFYING EXAMINATION  
STUDY GUIDE**

**BUSINESS AND COMPANY LAW**

**A. BUSINESS LAW**

NO	CONTENT	LEVEL OF KNOWLEDGE
<b>1.0</b>	<b>THE MALAYSIAN LEGAL SYSTEM</b>	<b>C</b>
<b>1.1</b>	<b>Introduction to Law</b> <ul style="list-style-type: none"> <li>- The role of law</li> <li>- The dual legal system of Malaysia</li> <li>- The Federal Constitution</li> <li>- The Role of Parliament</li> </ul>	
<b>1.2</b>	<b>Classification of Law</b> <ul style="list-style-type: none"> <li>- Public Law</li> <li>- Private law</li> <li>- International Law</li> </ul>	
<b>1.3</b>	<b>Sources of Malaysian Law</b> <ul style="list-style-type: none"> <li>- English common law and equity</li> <li>- Written law</li> <li>- Unwritten law</li> <li>- Muslim law</li> </ul>	
<b>1.4</b>	<b>The System of Courts and Administration of Justice</b> <ul style="list-style-type: none"> <li>- Subordinate courts in Peninsular Malaysia</li> <li>- Subordinate courts in East Malaysia</li> <li>- Superior courts in Malaysia</li> </ul>	
<b>2.0</b>	<b>LAW OF CONTRACT</b>	<b>A</b>
<b>2.1</b>	<b>Introduction</b> <ul style="list-style-type: none"> <li>- Contract defined</li> <li>- Law Applicable</li> </ul>	
<b>2.2</b>	<b>The formation of a contract</b> <ul style="list-style-type: none"> <li>- Proposal</li> <li>- Acceptance</li> <li>- Intention to create legal relations</li> <li>- Consideration</li> <li>- Certainty</li> <li>- Capacity</li> <li>- Free Consent</li> </ul>	
<b>2.3</b>	<b>Terms of Contract</b> <ul style="list-style-type: none"> <li>- Meaning</li> <li>- Classification</li> <li>- Conditions and warranties</li> </ul>	

	- Standard contracts and exemption clauses	
<b>2.4</b>	<b>Void, voidable and Illegal Contracts</b> <ul style="list-style-type: none"> <li>- Meaning</li> <li>- Vitiating factors: Coercion</li> <li>- Undue influence</li> <li>- Misrepresentation</li> <li>- Fraud</li> <li>- Mistake</li> <li>- Consequences of void or illegal agreements</li> </ul>	
<b>2.5</b>	<b>Discharge of Contract</b> <ul style="list-style-type: none"> <li>- Discharge by performance</li> <li>- Discharge by agreement</li> <li>- Discharge and effects of frustration</li> <li>- Discharge by breach</li> <li>- Section 65 Contracts Act 1950</li> </ul>	
<b>2.6</b>	<b>Remedies</b> <ul style="list-style-type: none"> <li>- Damages</li> <li>- Specific performance</li> <li>- Injunction</li> </ul>	
<b>2.7</b>	<b>E-Commerce Contracts</b> <ul style="list-style-type: none"> <li>- Introduction: A brief history of e-commerce</li> <li>- Definition of e-commerce contracts</li> <li>- Applicable law/ laws</li> <li>- Methods of contracting on-line</li> <li>- The contractual issues arising in the formation of an e-commerce contract</li> </ul>	
<b>3.0</b>	<b>SALE OF GOODS</b>	<b>A</b>
<b>3.1</b>	<b>Formation of the contract</b> <ul style="list-style-type: none"> <li>- Law Applicable</li> <li>- Definition of a Contract of Sale of Goods</li> </ul>	
<b>3.2</b>	<b>Terms implied</b> <ul style="list-style-type: none"> <li>- Classification of terms</li> <li>- Title</li> <li>- Quiet Possession</li> <li>- Free from encumbrances</li> <li>- Goods must correspond with the description</li> <li>- Goods must be reasonably fit for purposes for which the buyer wants them</li> <li>- Sale by sample</li> </ul>	
<b>3.3</b>	<b>Transfer of Property and Risk</b> <ul style="list-style-type: none"> <li>- The difference between property and title</li> <li>- The passing of risk and property</li> </ul>	
<b>3.4</b>	<b>Transfer of Title and the nemo dat rule</b> <ul style="list-style-type: none"> <li>- Meaning and effect of the nemo dat rule</li> </ul>	

	<ul style="list-style-type: none"> <li>- Exceptions to the nemo dat rule:</li> <li>- Estoppel</li> <li>- Sale by mercantile agent</li> <li>- Sale by one of the joint owners</li> <li>- Sale under a voidable title</li> <li>- Sale by a seller in possession after sale</li> <li>- Sale by a buyer in possession</li> </ul>	
<b>3.5</b>	<b>Remedies of the buyer and seller</b> <ul style="list-style-type: none"> <li>- Remedies of the buyer</li> <li>- Remedies of the seller</li> </ul>	
<b>4.0</b>	<b>LAW OF AGENCY AND PARTNERSHIP</b>	<b>A</b>
<b>4.1</b>	<b>Law of Agency</b> <ul style="list-style-type: none"> <li>- Nature and creation of Agency</li> <li>- Rights and duties of Agent and Principal</li> <li>- Termination of Agency</li> </ul>	
<b>4.2</b>	<b>Law of Partnership</b> <ul style="list-style-type: none"> <li>- Formation; Definition and elements of partnership</li> <li>- Relationship of partners to outsiders</li> <li>- Relationship of partners to one another</li> <li>- Dissolution of partnership</li> </ul> <b>Limited Liability Partnerships</b> <ul style="list-style-type: none"> <li>- Characteristics of limited liability partnerships</li> <li>- Formation of LLP</li> <li>- Comparison between conventional partnership and LLP</li> </ul>	
<b>5.0</b>	<b>PROFESSIONAL NEGLIGENCE</b> <ul style="list-style-type: none"> <li>- The definition of negligence</li> <li>- Duty of care</li> <li>- Breach of duty of care</li> <li>- Causality and remoteness of damage</li> <li>- Defences to Negligence</li> <li>- Professional Negligence</li> </ul>	<b>A</b>

## **B. COMPANY LAW**

<b>NO</b>	<b>CONTENT</b>	<b>LEVEL OF KNOWLEDGE</b>
<b>1.0</b>	<b>COMPANY FORMATION &amp; CONSTITUTION OF COMPANY</b>	
<b>1.1</b>	<b>Company Formation</b>	<b>B</b>
<b>1.1.1</b>	<b>The Company as a Corporation</b>	

	<ul style="list-style-type: none"> <li>- Effects of registration</li> <li>- The company as a separate person</li> <li>- Lifting the corporate veil</li> </ul>	
<b>1.1.2</b>	<b>Procedure for Incorporation</b> <ul style="list-style-type: none"> <li>- Pre-incorporation procedures</li> <li>- Post-incorporation procedures</li> <li>- Promoters</li> </ul>	
<b>1.1.3</b>	<b>Classification of Companies</b> <ul style="list-style-type: none"> <li>- Limited company</li> <li>- Unlimited company</li> <li>- Public company</li> <li>- Private company</li> <li>- Holding company</li> <li>- Subsidiary company</li> <li>- Foreign company</li> <li>- Investment company</li> <li>- Trustee company</li> </ul>	
<b>1.2</b>	<b>The company constitution</b>	<b>A</b>
<b>1.2.1</b>	<ul style="list-style-type: none"> <li>- The non-necessity for a company constitution under CA 2016</li> <li>- Existing M/A and A/A to be treated as company constitution</li> <li>- Unlimited capacity and the lack of requirement for an objects clause</li> <li>- Abolishment of constructive notice and the effect of unauthorized corporate transactions</li> <li>- Effect of ultra vires doctrine on companies which retain an objects clause</li> </ul>	
<b>1.2.2</b>	<b>Effect of Constitution</b> <ul style="list-style-type: none"> <li>- Contractual nature</li> <li>- Contract between company and members</li> <li>- Contract between members</li> <li>- Not binding on outsiders</li> </ul>	
<b>1.2.3</b>	<b>Alteration of constitution</b> <ul style="list-style-type: none"> <li>- Statutory requirements for alteration</li> <li>- Other constraints on alteration</li> </ul>	
<b>2.0</b>	<b>Corporate Financing: Share capital, Loan capital and Capital maintenance rules</b>	<b>A</b>
<b>2.1</b>	<b>Share Capital</b> <ul style="list-style-type: none"> <li>- Power to issue shares</li> <li>- The legal nature and classes of shares</li> <li>- Allotment and issue of shares</li> <li>- Prospectus</li> <li>- Maintenance of Capital:</li> </ul>	

	<ul style="list-style-type: none"> <li>- Reduction of capital</li> <li>- Purchase by company of own shares</li> <li>- Financial assistance for purchase of own shares</li> <li>- Rules on payment of dividends</li> </ul>	
<b>2.2</b>	<b>Loan Capital</b> <ul style="list-style-type: none"> <li>- Borrowing powers of companies</li> <li>- Definition of Debentures</li> <li>- Borrowers and Duties of borrowers</li> <li>- Trustees and Duties of Trustees</li> <li>- Company charges</li> <li>- Crystallization of floating charges</li> </ul>	
<b>3.0</b>	<b>Corporate Management: Rights, Duties and liabilities of Directors and Company secretaries ( including role and responsibilities of Auditors)</b>	<b>A</b>
<b>3.1</b>	<b>Directors</b> <ul style="list-style-type: none"> <li>- The role of directors</li> <li>- Qualifications/Disqualifications of Directors</li> <li>- The appointment and removal of directors</li> <li>- Powers and duties of directors</li> </ul>	
<b>3.2</b>	<b>Company Secretary</b> <ul style="list-style-type: none"> <li>- The appointment of company secretary</li> <li>- Powers and duties and liabilities of company secretary</li> </ul>	
<b>3.3</b>	<b>Auditors</b> <ul style="list-style-type: none"> <li>- Qualification and Appointment of auditors</li> <li>- Removal and resignation of auditors</li> <li>- Powers, rights, duties and liabilities of Auditors</li> </ul>	<b>A</b>
<b>4</b>	<b>Meetings</b>	<b>A</b>
<b>4.1</b>	<b>Types of Meeting</b> <ul style="list-style-type: none"> <li>- Members meetings - AGM and other meetings</li> <li>- Board meetings</li> <li>- Class meetings</li> <li>- Committee meetings</li> </ul>	
<b>4.2</b>	<b>Notice of Meetings</b> <ul style="list-style-type: none"> <li>- Length of notice of meetings and resolutions</li> <li>- Persons entitled to receive notices</li> <li>- Effect of lack of notice of meetings</li> </ul>	
<b>4.3</b>	<b>Proceedings at Meetings</b> <ul style="list-style-type: none"> <li>- Quorum</li> <li>- Chairman</li> <li>- Voting</li> <li>- Proxies</li> <li>- Resolutions</li> <li>- Minutes</li> </ul>	

<b>5.0</b>	<b>CORPORATE GOVERNANCE AND ETHICS</b>	
<b>5.1</b>	<b>Corporate Governance</b> <ul style="list-style-type: none"> <li>- Definition of corporate governance (CG) <ul style="list-style-type: none"> <li>o Principles or rules based?</li> </ul> </li> <li>- Key issues and concepts in CG <ul style="list-style-type: none"> <li>o Shareholder and stakeholder rights</li> <li>o Compliance issues</li> <li>o Financial reporting and disclosure</li> <li>o Transparency</li> <li>o Independence</li> <li>o Accountability</li> <li>o Responsibility</li> </ul> </li> <li>- Interaction of CG and company law <ul style="list-style-type: none"> <li>o The Malaysian Companies Act 1965</li> <li>o The Malaysian Code on CG 2017</li> </ul> </li> </ul>	<b>B</b>
<b>5.2</b>	<b>Ethics</b> <ul style="list-style-type: none"> <li>- Definition of ethics <ul style="list-style-type: none"> <li>o Values and attitudes for professional accountants</li> </ul> </li> <li>- Relevancy of professional ethics to the accountancy profession <ul style="list-style-type: none"> <li>o By Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants</li> </ul> </li> </ul>	<b>B</b>
<b>6.0</b>	<b>COMPANY TRANSFORMATION, RECEIVERSHIP AND WINDING – UP</b>	
<b>6.1</b>	<b>Company transformation</b>	<b>B</b>
<b>6.1.1</b>	<b>Reconstruction</b>	
<b>6.1.2</b>	<b>Schemes of Arrangement</b>	
<b>6.1.3</b>	<b>Mergers, Acquisition and Take-Over</b> <ul style="list-style-type: none"> <li>- Sources of law</li> <li>- Objectives of the Takeovers Code</li> <li>- Procedure for Takeovers</li> </ul>	
<b>6.2</b>	<b>Receivership and winding-up</b>	<b>B</b>
<b>6.2.1</b>	<b>Receivership</b>	
<b>6.2.2</b>	<b>Qualification and Appointment of Receiver</b>	
<b>6.2.3</b>	<b>Duties and Liabilities of Receiver/Managers</b> <ul style="list-style-type: none"> <li>- Common law duties</li> <li>- Statutory duties</li> <li>- Liabilities</li> </ul>	
<b>6.2.4</b>	<b>Types of Winding-Up</b> <ul style="list-style-type: none"> <li>- Voluntary Winding-up</li> <li>- Compulsory Winding-up</li> <li>- Effect of Winding-up</li> <li>- Dissolution of the company</li> </ul>	

	<ul style="list-style-type: none"> <li>- Liquidators appointment, qualification/ disqualification</li> <li>- Powers, duties and liabilities</li> </ul>	
<b>6.2.5</b>	<b>Other Corporate Rescue Mechanisms under CA 2016 (Not implemented yet)</b> <ul style="list-style-type: none"> <li>- Corporate voluntary arrangement</li> <li>- Judicial Management</li> </ul>	