



UTHM

Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

FINAL EXAMINATION

SEMESTER II

SESSION 2013/2014

COURSE NAME : CONSTRUCTION LAW
COURSE CODE : BPD 20302
PROGRAMME : 2 BPC
EXAMINATION DATE : JUNE 2014
DURATION : 2 HOURS
INSTRUCTION : ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF **THREE (3)** PAGES

- Q1** Bandung Reka Sdn. Bhd. has been appointed as the designer for a 35-storey office building project in Pulau Indah, Klang. Mr. Angus is the Superintending Officer (S.O) responsible in designing and managing the project. To ensure that the project could be delivered within the time stipulated by the Mentari Jaya Realty (Client), he was instructed to inform Advancekon Sdn. Bhd. (Main Contractor) of the special terms used in the construction contract such as practical completion, substantial completion and extension of time (EOT).
- (a) Explain the differences between practical completion and substantial completion. (10 marks)
- (b) Describe the relevant events as grounds that allow the contractor to extend the project completion date. (15 marks)
- Q2** Law of Tort is one of significant principles to protect plaintiff from any damages in construction project .
- (a) Explain **TWO (2)** factors contribute to negligence in construction project. (10 marks)
- (b) Discuss the case of **Hedley Byrne & Co. Ltd vs Heller (1964)** found in Law of Tort. (15 marks)
- Q3** Calista Sdn. Bhd. (Contractor) and Fasta Realty (Developer) are two parties who want to settle the dispute on the issue of payment claims by way of arbitration. Both parties are free to choose an arbitrator to resolve the dispute. However, there are some considerations that need to be taken into account particularly in the selection of arbitrators and arbitration methods.
- (a) Explain the qualification of an arbitrator. (10 marks)
- (b) Describe **THREE (3)** types of arbitration. (15 marks)

- Q4** Daun Builder is the main contractor in the construction of road works for a local council with using PWD 203A as contract form. Datin Airyn Khalida is recently appointed as Quantity Surveyor of the company. She is responsible to manage construction contract of the project. Project details are as indicates in Table Q3:

TABLE Q3: Project Details

Project name	Upgrading road at Jalan Sungai Janggut, Kuala Selangor.
Commencement date	1/3/2012
Completion date:	31/12/13
Extension of time	EOT no.1 up to 31/5/2014
Type of contract	PWD 203A/2010
Contract Sum	RM 46,300,300.00
Preliminaries	RM 1,500,000
Flexible pavement	RM 22,500,000
Provisional Sum	RM 12,500,000
P.C. Sum	RM 20,00,000
Earth Works	RM 4,600,000
Structural- 3 span Bridges	RM 3,200,000
Liquidated Ascertained Damages (LAD)	RM 2,500/day

Calculate:

- (a) Validity period of Bank Guarantee. (5 marks)
- (b) Maximum value of advance payment that has been approved for this project. (5 marks)
- (c) Validity period of the CAR Insurance that should be provided by the contractor. (5 marks)
- (d) Value of Liquidated Ascertained Damages (LAD) if the project completed on the 6th of June 2014. (5 marks)
- (e) Percentage of overall work done if the amount of claim as for 20/2/2014 is 28,500,000.00. (5 marks)

-END OF QUESTION-