



UTHM

Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

FINAL EXAMINATION SEMESTER II SESSION 2021/2022

COURSE NAME : CONSTRUCTION LAW

COURSE CODE : BPD 20302

PROGRAMME CODE : BPC

EXAMINATION DATE : JULY 2022

DURATION : 2 HOURS

INSTRUCTION : 1. ANSWER ALL QUESTIONS
2. THIS FINAL EXAMINATION IS CONDUCTED VIA **CLOSED BOOK**.
3. STUDENTS ARE **PROHIBITED** TO CONSULT THEIR OWN MATERIAL OR ANY EXTERNAL RESOURCES DURING THE EXAMINATION CONDUCTED VIA CLOSED BOOK

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

TERBUKA

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Q1 Duta Juta Sdn. Bhd. is a main contractor in the construction of State Hospital for a local council with using PWD203 contract form. Miss Sheila Adnan is recently appointed as a Contract Manager in the company. She is responsible for making a claim for construction projects that were carried out for 3 months.

(a) Explain the following terms to her in ensuring the monthly claim can be prepared accurately:

- (i) Advanced Payment Bond
- (ii) Interim Payment
- (iii) Material on site
- (iv) Provisional Sum
- (v) Prime Cost Sum

(10 marks)

(b) Explain **FIVE (5)** changes in construction that permit contractor to claim under variation order clauses with example.

(15 marks)

Q2 Disputes are common and unavoidable in any construction project. These must be resolved in a timely manner lest they adversely affect time and cost aspects of the project and even affect its economic viability.

Arbitration has been used as a means of dispute resolution as it is considered to be a speedier and more cost-effective way of conflict resolution than litigation. However, the arbitration process has often been marred by delays leading to time and cost escalation, thereby failing to meet the very purpose of relevant legislation. With the construction sector undertaking more complex projects, disputes will require an efficient redressal mechanism.

(Source: Moza and Paul,, 2015)

Referring to the above statement:

(a) Explain roles of arbitrator in construction project dispute.

(5 marks)

(b) Outline **FIVE (5)** advantages of arbitration as a dispute resolution.

(20 marks)

Q3 Bahgia Design Architect is a consultant for a 30-storey commercial building with sustainable concept in Kuantan, Pahang. Mr. Nick has been appointed as an architect cum a project manager who is responsible in designing for the project as initiated and funded by the BEST Realty Sdn, Bhd. (client). He has been working for more than 20 years and has an extensive experience in the design of high-rise buildings. To ensure the project can be practically completed within time that spelled out by the construction contract, he was instructed to explain Bonda Bina Jaya Sdn. Bhd. (main contractor) several terms used in the construction



contract (CIDB Form of Contract) particularly in regards to liquidated ascertained damages (LAD) and extension of time (EOT).

- (a) Explain **TWO (2)** situations of liquidated ascertained damages (LAD) provisions in construction projects that can be imposed by the client with example.

(10 marks)

- (b) Propose **THREE (3)** events that grant the contractor to claim an extension of time (EOT) in projects with example.

(15 marks)

Q4 The land use above the shore-line can be classified under National Land Code 1965 (NLC 1965). Main objective of the Code is to ensure uniformity of law and policy with respect to land tenure, registration of titles relating to land, transfer of land, leases and charges in respect of land, easements and other rights and interests in land. To these ends, the Code introduces in the form of a National Code a uniform system within the States of Johore, Kedah, Kelantan, Malacca, Negeri Sembilan, Pahang, Penang, Perak, Perlis, Selangor and Terengganu. As a project executive of Budiman Insan Sdn. Bhd.(Developer), you are required to present the following information to your project team before the project begins.

- (a) Explain the definition of land based on NLC 1965.

(5 marks)

- (b) Discuss the following type of land use based on NLC 1965 with example.

- (i) Residential area
- (ii) Industrial area
- (iii) Institutional area
- (iv) Park

(20 marks)

-END OF QUESTIONS-