**QUESTION 2:**

Karim bought a second hand Toyota Hilux from Jamin Baik Sdn Bhd. On 15 January 2012, he signed a hire-purchase agreement for the car with OUR Bank. The hire purchase agreement contained all the standard terms of a hire purchase agreement. Karim started paying the installments since February 2013. In October 2012, Karim met an accident and was hospitalized for 5 months. As a result of the accident, Karim who carried on his own business faced financial difficulties and failed to make three consecutive payments of the installment.

a) Advice OUR Bank on the legal action which they could take against Karim and the procedures which they should follow before repossession of the car.

b) Discuss Karim’s legal rights under the Hire Purchase Act 1967 if OUR Bank repossesses the car.