



جامعة السلطان الشريف علي الإسلامية  
UNIVERSITI ISLAM SULTAN SHARIF ALI  
SULTAN SHARIF ALI ISLAMIC UNIVERSITY

**Faculty of Shariah and Law**  
**Semester I, 2015/2016 Academic Session**

**Examination Question Paper**

**Course Code : LB 3303**

**Course Name : Equity & Trust 1**

**Course Level : Bachelor of Laws (LL.B) & Bachelor of  
Shariah Law (BSL)**

**Time : 3 hours**

Notes:

1. Answer any **four** of the following questions.
2. - Support your answer with relevant statutory provisions and decided cases.

**Question 1 (15 marks)**

a) Explain the role of 'Istihsan' in Islam.

[6 marks]

b) Do you think that equity and law have fused together with the enactment of Judicature Act of 1873?

Discuss.

[9 marks]

**Question 2 (15 marks)**

a) Equity will not enforce an unconscionable contract.

Explain.

[6 marks]

b) Imran is a trustee of a trust while Ahmad, a fifteen year child, is a beneficiary. One day Ahmad approached Imran informing him that he has already attained the age of majority and all the benefits of the trust should be transferred to him. Believing Ahmad, Imran handed over all the property and incidental benefits to Ahmad. After three years Ahmad instituted a suit against Imran to recover the property and incidental benefits for the second time.

Advise Imran.

[9 marks]

**Question 3 (15 marks)**

a) Explain the legal maxim “Equity is Equality”.

[6 marks]

b) Bilal was working as an officer in Royal Brunei Armed Forces. In 2005, he suffered an internal body injury while fighting pirates on high seas rendering him disabled for active army service. Consequently, Bilal claimed a disability pension from the army. The War Office of the army informed Bilal that his disability has been accepted as due to military service. Relying on this statement, Bilal decided not to obtain an independent medical opinion. Recently, the War Office has advised Bilal to submit the medical report but he is no longer in a position to supply the necessary evidence.

Advice Bilal in relation to his pension claim?

[9 marks]

**Question 4 (15 marks)**

a) Discuss the elements of equitable assignment.

[6 marks]

b) Amir, under a written agreement of sale and purchase, purchased a piece of land from Aziz. Amir was required on the execution of said agreement to pay 10% of the purchase price by way of forfeitable deposit and the balance was to be paid by him within six months from the date of execution with provisions for extension of time for completion. Aziz granted several extensions to Amir. However after three and half years, Aziz wrote to the

Amir about the termination of the agreement for failure of Amir to complete the purchase of the said land. Amir entered a caveat against the said land and filed an application for specific performance of the contract on the basis that time was no longer the essence of the contract.

Advise Aziz.

[9 marks]

**Question 5 (15 marks)**

(a) Explain any three principles applicable to specific performance of the contract.

[6 marks]

a) Rahim died recently leaving a total of 12 landed properties. His son Ahmad, the only legal heir, sold two landed properties within three months after the death of Rahim. Recently Sabir decided to buy all the estate of Rahim. In the draft agreement, two landed properties sold earlier were included by mistake but subsequently Ahmad got them deleted. The agreement was duly signed by Sabir and Ahmad. Sabir has now realized that agreement shows only ten landed properties whereas according to him it should be 12 landed properties.

Sabir is now seeking your legal advice for rectification of the document on the ground of common mistake.

Advise Sabir.

[9 marks]

**Question 6 (15 marks)**

- a) Explain the principles relating to issuance of interlocutory injunctions as laid down in *American Cyanamid Co. v Ethicon Ltd* [1975] AC 396

[6 marks]

- b) ABC Hotel is a seven floor building. In May 2011, the hotel owner let the third floor of the hotel building to XYZ Co to run a recreation centre for a term of 3 years. XYZ carried out renovations for an amount exceeding BND 100, 000. Recently the hotel owner has informed XYZ Co that he has decided to close down the hotel business and there would be no clients requiring recreational facilities.

XYZ Co engages you as a lawyer for claiming B\$5 million as damages for wrongful repudiation of contract and also for applying for Mareva Injunction.

Advise XYZ Co.

[9 marks]

بالتوفيق والنجاح