

Faculty of Shariah and Law Semester II, 2017/2018 Academic Session

Final Examination Question Paper

Course Code: LB 3304

Course Name: Equity and Trust II

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. All answers, wherever relevant, must be supported by statutory provisions and case law.

بسم الله الرحمن الرحيم

QUESTION 1 (15 Marks)

Timothy has created a bequest. You are approached by Timothy's cousin, Kennedy to determine the validity of Timothy's bequest. Explain and state your reasons:

(i) "B\$150,000.00 to my sister Ann on trust, to spend as she pleases so that she can live out her days in comfort, and secondly, to leave what is left to her children, Jacob and Nicholas".

(5 Marks)

(ii) "To let my cousin Kennedy enjoys one of my flats on trust and receive a reasonable income from my other properties".

(5 Marks)

(iii) "B\$200,000.00 to my brother Tim, together with a note saying; I wish you to use this sum towards educating your two children".

(5 Marks)

QUESTION 2 (15 Marks)

Discuss **THREE** (3) exceptions to the general rule that 'equity will not assist a volunteer or perfect and imperect gift'. Support your answer with relevant case law.

QUESTION 3 (15 Marks)

Jackson owns a house in Bunut. He agrees to allow his long term girlfriend Juliet, to live there. It is plain from all the circumstances that Jackson means Juliet to be able to stay there for the rest of her life. Jackson visits Juliet regularly. Juliet makes many improvements to the house, without asking Jackson but with his knowledge. She installs a new bathroom and central heating and has the whole interior redecorated. Jackson then runs into financial difficulties. He wants to sell the house. Raymond, Juliet's cousin, tells Juliet that on his view of the law she has now an interest in the house.

Is Raymond's view of the law correct? Comment.

QUESTION 4 (15 Marks)

Discuss FOUR (4) circumstances giving rise to constructive trusts. Support your answer with relevant case law.

QUESTION 5 (15 Marks)

Advise Celia, who is considering including the following dispositions in her will:

i. B\$250,000.00 to my trustees for the promotion of spiritual well-being amongst children in hospices in Kuala Belait.

(5 Marks)

ii. B\$350,000.00 to my trustees for the protection of endangered species of parrots in the Temburong Forest Reserve.

(5 Marks)

iii. B\$450,000.00 to my trustees for the purpose of educating the residents of Kampung Kiarong about vegetarianism and encouraging young people in Kampung Kiarong to become vegetarian.

(5 Marks)

QUESTION 6 (15 Marks)

Discuss the rules governing the distribution of funds of unincorporated association both prior to dissolution and post dissolution. Support your answer with relevant case law.

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