



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

**Faculty of Shariah and Law  
Semester I, 2020/2021 Academic Session**

**Special Examination  
Question Paper**

**Course Code : LB3303**  
**Course Name : Equity and Trust I**  
**Course Level : Bachelor's Degree**  
**Time : 3 hours**

**Reference(s) allowed:  
SPECIFIC RELIEF ACT 1939 (CAP. 109)**

**Instructions:**

1. Answer any **four** of the following questions.
2. All answers, wherever relevant, must be supported by statutory provisions and case law.

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

**QUESTION 1 (15 Marks)**

✱ Explain the application of the following maxims with reference to case law:

- (a) He who comes to equity must come with clean hands. (5 Marks)
- (b) Equity will not permit a statute to be used as an engine of fraud. (5 Marks)
- (c) Equity acts *in personam*. (5 Marks)

**QUESTION 2 (15 Marks)**

*“In seeking to give some judicial protection to the practical realities of family property, a variety of equitable devices have been employed to answer the question relating to property entitlements in the home” Pearce and Stevens, Trusts and Equitable Obligations (2014), p282.*

Critically examine the use of proprietary estoppel as an ‘equitable device’ which cohabitants can use to establish an equitable interest in a home that is in the sole name of their partner.

**QUESTION 3 (15 Marks)**

- (a) Benjamin Hong contracted to sell his shares in a public listed company and a house to Jeremy Leong, but later on refused to do so alleging that he will suffer from hardship as a result of selling the two properties to Jeremy Leong. Benjamin Hong raised the issue of hardship due to the fact that his fruit business was not doing well. Benjamin Hong offered to pay adequate compensation to Jeremy Leong, but Jeremy Leong insisted to have the shares and the house. Jeremy Leong applied for specific performance against Benjamin Hong.

Advise Jeremy Leong.

(10 Marks)

- (b) Mat Rahman contracted to sell his house to Mat Rahim, but instead of selling it to him, sold it to Madura Jaya Sdn. Bhd. Mat Rahim is claiming specific performance. Madura Jaya Sdn. Bhd. claims to have bought the house for good consideration and without notice of the contract for sale between Mat Rahman and Mat Rahim. Mat Rahman is the majority share holder in Madura Jaya Sdn. Bhd. and is in control of it.

Advise Mat Rahim.

(5 Marks)

#### **QUESTION 4 (15 Marks)**

- (a) Explain **Four (4)** grounds upon which the equitable remedy of rescission may be granted by the court. Support your answer with relevant sections of the Specific Relief Act 1939 (Cap. 109).

(7½ Marks)

- (b) Explain **Four (4)** grounds upon which the equitable remedy of rescission may be lost. Support your answer with relevant case law.

(7½ Marks)

#### **QUESTION 5 (15 Marks)**

Explain the differences between the following types of injunctions:

- (i) Mandatory and prohibitory injunction. Support your answer with relevant case law and sections of the Specific Relief Act 1939.

(7½ Marks)

- (ii) Interlocutory and perpetual. Support your answer with relevant case law and sections of the Specific Relief Act 1939.

(7½ Marks)

#### **QUESTION 6 (15 Marks)**

Discuss the essentials of the two injunctions which deal with “prevention of removal and destruction of incriminating material” and “prohibiting the defendant from leaving the jurisdiction of the court pending settlement of a claim”.