



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**

**Final 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 maxims of equity, if any, would be applicable in the following cases:

Richard Seow, Peter Lim and Henry Chong are the three co-owners of a joint business. They obtained from Bank Islam Brunei Darussalam (BIBD), a joint loan of BND120,000.00 on condition that they would be liable individually as well as jointly to BIBD to repay the loan amount. There was default in the repayment and BIBD forced Richard Seow to pay BND120,000.00 all alone. Which maxim of equity could help Richard Seow get from Peter Lim and Henry Chong the sum of BND80,000.00?

Peter Lau, who is an actor filed a suit against his manager six years later claiming account of earnings that his manager had wrongfully retained. Peter Lau accused his manager of using the proceeds to buy a shop lot in Kiulap.

Mat Rahim owned the maximum 80 acres of rubber land in Tutong, which is allowed under the law. To circumvent the law to acquire an additional 40 acres of land, Mat Rahim acquired the land and then transferred it to his son to hold it as his nominee. When Mat Rahim wanted to sell this subsequently acquired 40 acres of land, the son refused to give him the power of attorney. Mat Rahim filed a suit against his son.

Could he succeed? Discuss with reasons.

**QUESTION 2 (15 Marks)**

Henry Teoh and Elizabeth Lim have recently split up, having lived together for 28 years. They never married. They have a daughter, Ashly Teoh, who is 19 years old. Henry Teoh purchased the family home 22 years ago and it was registered in his sole name. When, at the time of the purchase, Elizabeth Lim suggested that the house should be registered in their joint names. Henry Teoh said, "We don't need a bit of paper! You trust me, don't you?"

Henry Teoh provided the deposit. The balance of the purchase price was funded by a mortgage loan in his name. Henry Teoh has paid all the mortgage instalments. Elizabeth Lim used the sale of proceeds of her studio flat to furnish the new house.

Shortly before Ashly Teoh was born, Elizabeth Lim gave up her job as a legal secretary and did not work again until 2007, when she got part-time work back at her old firm. Her wages were a welcome addition to the family finances because Henry Teoh's business was going through a bad period. Henry Teoh continued to meet the mortgage payments, but, since 2007, Elizabeth Lim has paid all other household bills.

Advise Elizabeth Lim on whether she can claim a share in the family home based on proprietary estoppel.

### **QUESTION 3 (15 Marks)**

- (a) Mat Salleh contracted to sell his shares in a private listed company and a house to Mat Hitam, but later he refused to do so alleging that he will suffer from hardship as a result of selling the two properties to Mat Hitam. Mat Salleh raised the issue of hardship since his restaurant business was not doing well. Mat Salleh offered to pay adequate compensation to Mat Hitam, but Mat Hitam insisted to have the shares and the house. Mat Hitam applied for specific performance against Mat Salleh.

Advise Mat Hitam.

(10 Marks)

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

Advise Zabidi on the success of his claim for specific performance.

(5 Marks)

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

*“Rescission is not a judicial remedy, for a contract may be rescinded by act of the parties. Parties have freedom to make a contract as well as to rescind it, provided there are some reasons, recognized by law or equity, to do so”.*

Discuss.

**QUESTION 5 (15 Marks)**

- (a) Nicholas Leong, a famous television presenter, appointed Martin Koh as his manager. The contract of service stated that Nicholas Leong shall not appoint anybody as his manager during the period of 3 years. A year after the contract, Nicholas Leong wrote to Martin Koh informing him that he no longer needs Martin Koh as his manager. Martin Koh is seeking an injunction to prevent the termination of the contract of service.

Advise Martin Koh on the issue of whether an injunction can be granted in this case.

(5 Marks)

- (b) An-Najihun Nasyid Sdn. Bhd. (An-Najihun Nasyid) entered into an agreement with a popular nasyid singer, Amar Zain, where Amar Zain agreed to perform at Marhaban Nasyid Centre for 8 months. The agreement also stipulated that Amar Zain was not to perform at any other Centres in Tutong during the duration of the agreement. Five months later, Amar Zain received a better offer from Raudha Nasyid Centre in Tutong and abandoned his earlier commitment with Marhaban Nasyid Centre.

An-Najihun Nasyid Sdn Bhd applied for an injunction restraining Amar Zain to perform at Raudha Nasyid Centre.

Advise An-Najihun Nasyid Sdn Bhd.

(10 Marks)

**QUESTION 6 (15 Marks)**

Halim Metussin is a Bruneian businessman based in Kuala Lumpur, where he owns considerable assets. Halim Metussin does not own any property in Brunei except a small office in Bandar Seri Begawan worth a market value of BND2 million. He came to Brunei Darussalam and on the basis of his goodwill, he took supplies worth BND2 million from a Bruneian company and shipped it to Kuala Lumpur. Before paying for the supplies, he planned to leave for Kuala Lumpur. Halim Metussin had promised to pay for the supplies/goods within three weeks, but now it is nearly two months since he was supplied with goods by the Bruneian company.

What legal action could the Bruneian company take against Halim Metussin to ensure payment of the BND2 million?

بالتوفيق والنجاح