

UNIVERSITY EXAMINATION

March 2021

FACULTY OF LAW

**BACHELOR OF LAWS (LLB) YEAR II END OF SEMESTER ONE FINAL
ASSESSMENT ACADEMIC YEAR 2020/2021**

EQUITY AND TRUSTS

LLB

DATE: Friday, 12th March 2021

TIME: 9:30 AM– 1: 00 PM

DURATION: 3 & HALF HRS

Instructions:

1. Carefully read through ALL the questions before attempting
2. This examination is composed of eight (8) questions. Answer any four (4) questions, selecting at least one question from each section.
3. This is a **STRICTLY CLOSED BOOK** examination. No printed or written materials in any form should be taken into the examination room and/ or looked at therein.
4. No **names** should be written anywhere on the examination book.
5. Ensure that your **Registration number** is indicated on all pages of the examination answer booklet.
6. Ensure your work is **clear** and **readable**. Untidy work shall be penalized
7. **Clarity of expression, provision of relevant authorities/examples and logical arguments will earn you extra marks**
8. Any type of examination Malpractice will lead to automatic disqualification
9. Do not write anything on the questions paper.
10. Use the exam answer booklet for all your rough work

SECTION A

QUESTION ONE

How does equity relate to trusts in the general life of people according to the law of your country-Uganda?

Explain at length giving examples where necessary

QUESTION TWO

Discuss the historical evolution and the nature of equity and how the common law contributed/assisted in its development. (25Marks)

QUESTION THREE

Basically equity comes as a relief in circumstances where appropriate legal remedy is lacking, hence “equitable action” per an LLB II year student of Uganda Martyrs University in Uganda. In response to the above assertion, critically analyse the origins, rationale and nature of equitable remedies with particular references to the remedies of specific performance, rescission and injunctions. (25Marks).

QUESTION FOUR

Either

Some special rules apply to charitable trusts; describe the rules that relate to charitable trusts

Or

With the aid of relevant authorities, please explain the three categories of jurisdiction enjoyed by Equity (25Marks)

SECTION B

QUESTION FIVE

John Muggaga was a very successful businessman and during his working life he had been a director of a number of large companies. John died recently and his will contained the following clauses:

- (a) Shillings 500m to my trustees to provide educational assistance to any family member of employees of any company of which I have been a director;
- (b) Shillings 50m to my trustees to apply the income in maintaining my German Sheppard dogs and subject thereto to apply the capital to promote the music of my favourite Band, “the Afrigo Band”;
- (c) Shillings 500m on trust to support a bird sanctuary on the outskirts of Lincoln;
- (d) Shillings 200m to my trustees to provide and maintain a mini-bus for the use of the local charity, Help the Homeless.

One month after John died; Help the Homeless was disbanded, as it could not find sufficient volunteers to carry out its work.

Advise the trustees as to whether the above clauses create valid charitable trusts.

QUESTION SIX

Write short notes on any five of the following:

- a) Private trusts
- b) Resulting trusts
- c) Constructive trusts
- d) Implied trusts
- e) Charitable trusts
- f) Discretionary trusts
- g) Executed trusts
- h) Executory trusts

QUESTION SEVEN

Explain the differences between the different pairs:

- a) Bailment and trust
- b) A trust and a debt
- c) Trust and agency
- d) Contract and trust

QUESTION EIGHT

Write explanatory notes on any four maxims of equity, explaining how they have been used and interpreted in the courts in Uganda.