



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS**  
**SCHOOL OF LAW**  
**MAY/JUNE 2012 EXAMINATION**

LAW 423 - EQUITY AND TRUST I  
Time allowed: 3 Hours

*INSTRUCTIONS: Attempt any five questions. All questions carry equal marks.*

1. Explain the development of the doctrine of equity and how the conflicts between it and the common law rules were resolved.
2. Examine the introduction of doctrine of equity into the Nigerians' legal system and its impact on customary law in Nigeria.
3. a. What are the effects of the Judicature Act of 1873 to 1875 on the administration of justice? Support your answer with decided cases.  
b. Zion Bank acquires an equitable charge over Tade's property (worth N4million) as security for a loan of N1.5 million. Success Bank later takes a legal mortgage of the same Tade's property (still worth N4million), also to secure a loan of N1.5 million. Success Bank had no notice of Zion Bank's equitable charge when it lent the money, and now the value of Tade's property has depreciated to N2 million and in fact had been sold for N2 million. Advise the parties on their entitlement.
4. Discuss the doctrine of Tracing as it relates to the right of beneficiary under a trust.
5. In detail examine any seven (7) maxims of equity.
6. "The case is indeed in this respect like many which come before this court: one in which the Oloto family either by inadvertence or design sell or purport to sell the same piece of land at different times to different persons. It passes my comprehension how in these days, when such disputes have come before this court over and over again, any person will purchase land from this family without the most careful

investigation, for more often than not they purchase a law suit, and very often that is all they get.” per Verity, Ag. P. in *Ogunbambi v. Abowab* (1951) 13 W.A.C.A. 222 at 223. In the light of the statement discuss the application of the equitable doctrine of priority.

7. Write short note on the followings:

- a. chose in action
- b. Chose in possession
- c. Assignment
- d. Conversion and reconversion
- e. Election

8. a. Discuss the circumstances in which the doctrine of conversion is operative.

b. Mr, Koka Arbert who died in 2010 left a Will. In the Will he gave his duplex house in Ikoyi, Lagos to his younger brother, Mr. Smart Koka. He also gave Mr. Smart Koka’s bungalow at Ketu, Lagos State to his sister, Miss Koka Jane. Mr. Smart Koka is furious about this as he wants to take the duplex as well as retain his bungalow. Advise the parties.

9. Discuss the scope and effects of promissory estoppels as an equitable defence