

International Islamic University Chittagong

Final Examination, Autumn-2022

Department of Law

Program: LL.B (Hons.), Semester: 3rd

Course Code: Law-2103

Course Title: Equity & Law of Trust

Time: 2.5 hrs.

Marks: 50

Figures in the margin indicate full marks. Answer any 5 (five) questions of the followings.

1. a) "A trust is the binding of the conscience of one to the intention of another." Define trust in the light of the statement. State the history of the origin and development of trust.
b) Explain the procedure for creation a trust and the Trust Act. 10
2. Who can appoint a trustee? Explain the duties of a trustee under the Trust Act, 1882.
A, trustee of certain land for X, Y and Z, is authorized to sell the land for a specified sum. X, Y and Z being competent to contract, consent that A may sell the land to C for a less sum. Can A sell the land accordingly? 7+3
3. Explain the liabilities of a trustee for breach of trust. What are the remedies for breach of trust? How can a trustee be discharged from his office? 10
4. a). 'A trustee cannot do everything by his personal whims but he has to follow the directions of the author as well as law of trust properly.'—explain the statement mentioning the activities which cannot be done by a trustee due to his disabilities. 7
b). 'A' is a trustee for 'B' of a policy of insurance, has funds in his hand for payment of the premiums. 'A' neglects to pay the premiums and the policy is consequently forfeited. Assess the liabilities. 3
5. a) Under what circumstances a trustee may be removed from his office? State the procedure for appointment of a new trustee. 7
b) Mr. X offered by Y, the settlor, to be a trustee. X accepted the offer and took charges of the trust as a trustee. Now he wants to disclaim the office, is it possible? 3
6. (a) Define the term 'Extinction of Trusts'. Under what circumstances a trust may be extinguished? 7
b) A conveys property to B to sell the same and pay out of the proceeds the claims of A's creditors informed the matter and A wants to revoke the trust, is it possible? 3
7. Write short note on the followings: (10)
 - a) Settlor, Trustee and Beneficiary;
 - b) Instrument, Subject matter of trust;
 - c) Three certainties of trust; and
 - d) Executed and executory trust.