SECTION A

1. Equity came to fulfill the law, not destroy it.

Discuss.

2. The analysis of the cases shows that the principle of *restitutio in integrum* is not applied with its full rigour in equity and that transactions may be set aside although it is impossible to place parties in the position in which they were before.

*With reference to rescission of contracts, critically examine the above statement.*

3. Compensation has become an increasingly nebulous concept. Historically, the courts have drawn a clear distinction between compensatory relief and restitution. Recent cases however have cast doubt on this division.

*To what extent has Lord Cairns' Act contributed to or impacted on the blurring of the distinction between compensatory relief and restitution?*

SECTION B

4. Phillip owns a small shop in a high traffic area of town. The building is in a state of disrepair as a result of years of neglect. Phillip, who is in poor health, decides to sell the building. To that end, he enters into negotiations with Rex, the business manager of Matt, with a view to selling the building to Matt. Matt pays Phillip a substantial down payment towards the purchase of the property.

PLEASE TURN OVER
The purchase price has not yet been finalized but Matt is anxious to start work so as to convert the building into a base for his adult escort operations. Matt immediately begins making significant cosmetic changes as well as structural repairs to the building.

A week ago, Phillip is approached by Terry, a well-known and respected entrepreneur. Terry offers to purchase the property at a price far in excess of its market value. Terry intends to open a high end restaurant at the premises. Phillip, who is in desperate need of money, and whose health has taken a sudden turn for the worse, accepts a substantial cash down-payment from Terry for the purchase of the property. He then calls Rex and tells him that he no longer wishes to rent his building to Matt and that Matt must vacate the premises by the following day. Matt is anxious to hold Phillip to his agreement and seeks your advice.

Advise Matt.

5. Caribbean Construction Limited (CCL) is a locally incorporated firm which carries on the business of real estate development. A year ago, CCL successfully bid on a very lucrative contract, to construct on behalf of a consortium, over one hundred townhouses on the outskirts of the capital city. CCL sub-contracted the finishing works to Beautiful Interiors (BI), a firm of architects, who specialize in interior works.

B I completed the finishing works two weeks ago but CCL has refused to pay the firm, alleging breach of contract. CCL knows that they will not have any defence to a claim by BI.

BI has learned, from a private investigator who they hired, that CCL has remitted over 30 million dollars, which they received by way of payment from the consortium, to personal bank accounts in Miami and that CCL is in the process of relocating to another island where they are shortly to begin construction work on a new housing project.

BI fears that unless immediate action is taken against CCL before they leave the island, that they will not be able to recover the monies owing to them.

Advise BI.

6. In applying the *American Cyanamid* guidelines, judicial opinion appears to be divided as to the interpretation to be accorded to those guidelines in respect of the grant and discharge of an interlocutory injunction.

Discuss with particular reference to Caribbean case law.

END OF PAPER.