Private Law

1. In the list of possible statements, which of the following statements is true?
    A. Contrary to criminal law, Ethiopian extra contractual liability law disregards the defendant's mental state when determining whether or not he is at fault.
    B. Even if there is actual or perceived substantial loss to the plaintiff's interest, remedies may still be available under Ethiopian extra contractual liability law when the defendant's negligence is established.
    C. According to Ethiopian extra-contractual liability law, insanity is not a defense that can exempt a person from liability.
    D. All
    E. A & B
2. Which of the following asserts, out of the options provided, is incorrect?
    A. According to Ethiopian tort law, there must be damage in order to hold a perpetrator accountable.
    B. The Ethiopian tort law allows a perpetrator to avoid responsibility if it is uncertain how much damage was actually done.
    C. Under Ethiopian tort law, causation is generally a requirement for strict liability for damage.
    D. A and B
    E. All
3. Contracting parties have complete "freedom to carry out” any of the following acts, with the exception of:
    A. Choosing the appropriate payment method.
    B. Determining the fungibility of things.
    C. Establishing the location, timing, and manner of the contract's performance.
    D. Providing a grace period to a non-performing party.
    E. Determining a contract's requirements regarding legality of a contract
4. Which of the following assertions, out of the options provided, is correct?
    A. Unlike criminal law, Ethiopian extracontractual liability law disregards the defendant's mental state when determining whether or not he is at fault.

B. When the defendant's negligence is shown, remedies may be available, regardless of whether there is actual or perceived material damage to the plaintiff's interest. This is true under Ethiopian extracontractual liability law.
C. According to Ethiopian extra-contractual liability law, insanity is not a defence that can exempt a person from liability.
D. All
E. A & B

5. Which of the following asserts, out of the options provided, is incorrect?
    A. According to Ethiopian tort law, there must be damage in order to make a tortfeasor accountable.
    B. Uncertainty as to the exact amount of damage caused is a defense for a perpetrator to escape liability under the Ethiopian tort law.
    C. Under Ethiopian tort law, causation is generally a requirement for strict liability for damage.
    D. A and B.
    E. All.
6. Which of the following claims, out of the alternatives, is false?
    A. The only form of compensation under Ethiopian tort law is monetary compensation.
    B. The existence or absence of intention is never relevant under Ethiopian law when determining whether the defendant is at fault.
    C. The Ethiopian Law of Strict Liability prohibited the assessment of fault on the part of either of the parties in a tort case.
    D. All.
    E. None.
7. Which of the following reasons for contract extinction requires unanimous consent from both contractual parties?
    A. Cancellation
    B. Set- off
    C. Termination
    D. Novation

E. All

8. Which of the following concepts is unrelated to Ethiopian tort law?
    A. Injunction
    B. Compensation
    C. Enforcement of parties' commitment
    D. Restitution
    E. None
9. Which one of the following statements is correct about formation of contracts under the Ethiopian law of contracts?
    A. Contract can be formed without the expression of consent of the contracting parties as long as there is meeting of mind of the contracting parties
    B. Contract cannot be formed unless the contracting parties meet physically and sign the contract in person
    C. A contract can be formed even between absent parties so long as there are appropriate offer and acceptance between the contracting parties
    D. Any valid contract is said to be formed where the formal requirements are completely satisfied by the contracting parties.
    E. Under the law of contracts, any valid contract cannot be formed unless the contract is duly signed by the parties
10. Which one of the following is incorrect in relation to extra contractual liability under Ethiopian law?
    A. There must be a proximate cause and effect relationship between the faulty act and an interest harmed
    B. The interest harmed must be a legitimate one
    C. There must be a breach of duty on the part of the tortfeasor
    D. There must be normally be damage to an interest
    E. The interest harmed must have always a monetary value
11. One of the following statements is not true about the applicability of the Civil Code on the status and activities of traders
    A. The Civil Code provisions of general contract law apply to the formation of contracts between traders

B. The Commercial Code is a self – contained law on traders and there is no need for the application of the Civil Code on traders
C. The applicability of the Civil Code on traders can be excluded if otherwise provided in the Commercial Code
D. The Civil Code provisions other than the general contract law can also apply to traders

12. Which one of the following aspects typically characterizes a joint venture form of business organization under the Ethiopian law
    A. It is not required to be registered
    B. It can be a commercial or non-commercial business organization
    C. It is managed by one partner
    D. It is useful especially for wealthy people who what to carry out business secretly
    E. If its existence is disclosed, it is regarded as a general partnership
13. Which one of the following is beyond the power of contracting parties?
    A. Setting the period of limitation
    B. Determining the object of the contract
    C. Determining time of performance
    D. Determining the place of performance
    E. Determining the respective rights and obligations of the parties
14. Which one of the following is different among the given alternatives?
    A. Strict liability
    B. Liability without fault
    C. Product liability
    D. Vicarious liability
    E. Liability for damage caused due to operation of motor vehicles
15. Hanna deposited her watch with Solomon on contract of bailment for two years but Solomon sold the watch to Yafet in open market in violation of terms of the contract. Yafet did not know Solomon lacks title against the watch. Which one of the following is correct?
    A. Hanna cannot claim the watch from Yafet

B. Hanna can claim the market price of the watch from Yafet
C. Yafet in no way acquire title against the watch
D. The contract between Solomon and Yafet is not a valid contract
E. Hanna cannot invoke the contract of bailment to claim remedy against Solomon

16. One of the following matters is not required by the Commercial Code to be indicated by the Memorandum of Association
    A. The capital of the company
    B. The general manager of the company
    C. The business purpose of the company
    D. The head office of the company
    E. The name of the company
17. Which one of the following is true about elements of business?
    A. Incorporeal elements, such as goods and equipments constitute the main element
    B. Corporeal elements, such as goods and equiipements constitute the main element
    C. Incorporeal elements, such as trade name and trade mark constitute the main element
    D. Patents and copyright constitute the main element
    E. All
18. Which of the following organ has the power to call general meeting of shareholders of Share Company?
    A. Liquidators
    B. Board of Directors
    C. Auditors
    D. Person nominated by the court
    E. All
19. Who are the founders of Share Company under the Commercial Code
    A. Persons who sign the MoA and AoA and subscribe the whole capital of the company

B. In the case of public Share Company, persons who sign prospectus
C. Any outsider who initiated the plans of facility for the formation of the company
D. All
E. None

20. Which of the following is not true about special meeting of shareholders in Share Company?
    A. Special meeting is a meeting in which all shareholders shall attend
    B. Special meeting must be called to approve decisions of general meetings modifying special right of share
    C. The rule of extra ordinary meeting as to quorum and majority is applicable to special meeting
    D. All
    E. B & C
21. Partnerships under Commercial Code of Ethiopia
    A. Are always legal persons
    B. Are either commercial or civil
    C. Have legal personalities
    D. Have maximum limit regarding number of partners
    E. None
22. General partnership
    A. Has unlimited liability
    B. Is a partnership whose partners are jointly, severally and personally liable to the firm's debt
    C. May be either commercial or civil
    D. All
    E. None
23. Joint venture is
    A. A partnership having legal personality
    B. A partnership whose partners are active in all business organizations
    C. The only business organization which is not legal entity

D. A partnership having firm name of its partners
E. A partnership which owes the property of its partners

24. Shares in private limited company
    A. Are freely transferred among their shareholders
    B. Need a majority vote of at least 75%to transfer them to outsiders
    C. Give preemption right to its shareholders
    D. Shall be transmitted to the heirs of the shareholders
    E. All

25. Companies under Commercial Code of Ethiopia are always
    A. Civil in nature
    B. Commercial in nature
    C. Either commercial or civil in nature
    D. Neither commercial nor civil in nature
    E. None

26. Which of the following is not true about a share?
    A. Share is either movable or immovable property.
    B. Share gives rights and liabilities to the holder.
    C. Share is the interest of the shareholders in the company measured by the sum of money
    D. Shareholder is a part-owner of the company.

27. What does the **"doctrine of privity"** of contract presupposes
    A. The government can benefit from a contract concluded between private parties even if the government is not a contracting party
    B. It is the contracting parties who enjoy rights and assume obligations from the contract they have concluded
    C. Third parties should benefit from a contract concluded by the contracting parties
    D. Third parties should assume obligations as a result of a contract concluded with other contracting parties
    E. A contract which has not contained consideration shall not be binding on contracting parties

28. In contractual relations, good faith of the contracting parties should be seriously considered by a court of law or an arbitral tribunal in relation to one of the following except
    A. The fulfillment of a conditional contract
    B. Interpretation of contracts
    C. Cancellation of contracts
    D. Novation of a contract
    E. Variation of contract
29. Which one of the following situations does not bring about extra-contractual liability for the author of an act even though his act causes material damage?
    A. A person intentionally fails to perform his contractual obligation
    B. A person diverted to his own benefit a power entrusted to him for the benefit of the public
    C. A doctor negligently misdiagnoses the plaintiff's illness
    D. A driver negligently caused accident on the plaintiff
    E. A person trespassed the property of the plaintiff
30. If compensation is associated with non-performance of a contract, invalidation is associated with
    A. Termination of a contract
    B. Defect in the formation of a contract
    C. Privity of contract
    D. Non-retroactivity of contract
    E. Novation of contract
31. Which one of the following cannot be embraced by the expression "vice of consent" under the Ethiopian law of contracts?
    A. Mistake
    B. Duress
    C. Fraud
    D. Immorality of object of contract
    E. False statement
32. One of the following is not a valid ground of dissolution of companies

A. Expiry of the period for which the company is established
B. Prohibition by law of the business activities for which the company is established
C. Death of both shareholders in a two member Private Limited Company
D. Loss of all the capital of the company
E. Institution of bankruptcy proceedings against the company

33. Under the Civil Code of Ethiopia contracting parties cannot use their freedom of contract to:
    A. Extend or shorten period of limitation determined by the law-maker and provide exceptions to the rule of evidence incorporated in the code concerning the admissibility of certain means of evidence
    B. Determine alternative obligations as that will be contrary to security of transaction
    C. Limit their liability and provide under their contract that they will not be liable unless they commit fault
    D. Extend their liability under the contract and provide that they will be liable for non-performance although performance is prevented by force majeure
    E. Make one of the contracting parties to assume a certain obligation and the other contracting party to assume no obligation at all.
34. Which one of the following obligation is true?
    A. Every juridical act is a contractual agreement while every contractual agreement is not a juridical act
    B. Every obligation is a contract while every contract may not necessarily entail an obligation
    C. Every agreement is a contract while every contract is not an agreement
    D. Every contract is an agreement while every agreement is not a contract
    E. Every contract imposes obligations on both the contracting parties
35. Non-performance of a contract cannot in any case entail
    A. Cancellation of the contract
    B. Criminal liability and forced labor

C. Payment of compensation
D. Variation of contract
E. Forced performance of a contract

36. Which one of the following statements is necessarily true about the rights of a guarantor as per the Ethiopian Civil Code of 1960?
    A. A guarantor who has paid to the creditor has the right to claim indemnity from the principal debtor under circumstances
    B. Generally speaking, the guarantor has the right to set up defenses that could be set up by the principal debtor against the creditor even if the principal debtor declines to raise such defenses
    C. The guarantor does not have the right to summon the creditor to proceed against the principal debtor before the maturity date of the obligation under all circumstances
    D. All
    E. None
37. Which one of the following statements is **not** true about subrogation under the Ethiopian Law of Contracts?
    A. It is exactly the same as the principle of indemnity in all circumstances
    B. It is created by the agreements of the contracting parties both in the case of surety and plurality of debtors
    C. It is applicable by virtue of the law
    D. It is created by judicial decision in the case of surety
    E. All
38. Which one of the following statements is not true about joint and several liabilities of co-debtors under the 1960 Civil Code of Ethiopia?
    A. One of the co-debtors cannot validly refuse performance of the contract though the creditor has the liberty to proceed against the co-debtors
    B. The creditor does have the right to claim the whole debt from one of the co-debtors irrespective of the amount of share of the co-debtors
    C. If the consent of any of the co-debtors was vitiated by any vice of consent during the formation of the contract, any of the co-debtors can raise such

defense against the creditor

D. All the co-debtors shall assume equal obligations towards the creditor where they fail to determine their respective shares of obligations in the contract
E. A & C

39. Art.1714 (2) of the 1960 Civil Code of Ethiopia stipulates that *the court may not make a contract under the guise of interpretation of the contract.* Which one of the following inferences can validly be made from this legal provision?
    A. Ethiopian courts are prohibited to interpret contractual provisions even if the provisions are vague, ambiguous or contradictory since it is the contracting parties who have the power to determine the contents of the contract
    B. Ethiopian courts are not prohibited from interpreting contracts where interpretation is genuinely called for because " of ambiguity, vagueness or contradiction of contractual provisions
    C. Contracts should come from interpretation where the parties have not clearly defined their respective contractual rights and obligations
    D. All
    E. B and C
40. Under the Ethiopian law of contracts, the validity of any contract necessarily requires the cumulative presence of:
    A. Object, form, consent and capacity
    B. Form, capacity and consent
    C. Consent, capacity and object
    D. Consent, object and form
    E. Capacity and consent
41. Which of the following juridical acts is not within the scope of application of the Ethiopian law of contract?
    A. Marriage contract
    B. Adoption agreement
    C. Contract involving earnest
    D. Conditional contract
    E. B & C

42. Which of the following statements is correct among the given alternatives?
    A. Non-performance of one's duty may entail either contractual or extra contractual liability of the defaulted person based on the source of that duty
    B. The basis for vicarious liability is the fault of a person who is answerable for the act of another person.
    C. The source of duty breached by the defendant is the key factor distinguishing the victim's cause of action in tort or contract
    D. A & B
    E. A & C
43. Which of the following statements is correct among the given alternatives?
    A. Fault of the victim totally exempts the tortfeasor at least reduces the extent of liability that the latter owes to the victim
    B. Existence or non-existence of fault on the part of either the victim or the defendant is absolutely irrelevant in the assessement of compensation in case of strict liability under Ethiopian law
    C. A person is liable under the Ethiopian tort law for damage caused due to his negligence unless the law provides otherwise
    D. A & B
    E. All
44. Under the Ethiopian law of contracts, assignment of obligatory rights
    A. Is the same as stipulation of a beneficiary in all respects
    B. May be made gratuitously in which case the assignor is not required to guarantee the existence of the right
    C. Can be made for consideration though the assignor is not required to guarantee the existence of the right at the time of the assignment
    D. Is not possible as it violates the principle of privity of contract which is the nucleus of the Ethiopian contract law
    E. Is made before the conclusion of the contract to be assigned to the beneficiary
45. In the Ethiopian law of contracts, the essence of joint and several liability of co-debtors is that

A. One of the debtors may validly refuse performance of the contract as the creditor has the liberty to proceed against the meaning co-debtors
B. The creditor has the right to claim the whole debt from one of the creditors irrespective of the share of shareholders
C. If the consent of one of the co-debtors was vitiated by any vice of consent during the formation of the contract , any of the co-debtors can raise such defense against the creditor
D. All the co-debtors shall assume equal obligations towards the creditor irrespective of the agreement of co-debtors as between themselves
E. B & C

46. What is the status of oath under the Civil Code of Ethiopia in relation to proof of contracts?
    A. It is used to proof contracts that need to be made in writing provided that the document establishing the contract was lost
    B. Because the moral standards of the people of Ethiopia have been greatly eroded, oath does not have any significance to prove a contract in Ethiopia today
    C. It is a useful tool to rebut the presumption of payments incorporated in the Ethiopian Civil Code
    D. It has been expressly made unlawful since the adoption of the FDRE constitution
    E. A & C
47. Immorality or unlawfulness of object of a contract leads to_____ while non – performance of a contract may lead to _____
    A. Forced performance / cancellation
    B. Cancellation / invalidation
    C. Invalidation / compensation
    D. Specific performance / compensation
    E. Termination / cancellation
48. Which of the following statement is incorrect among the given alternatives?
    A. The prime purpose of strict liability law is to ensure deterrence for potential

wrongful acts

B. Courts in Ethiopia may apply equity only in specified circumstances to fix the amount of compensation that the victim of a tort is entitled to
C. Vicarious liability is a source of tort liability that does not generally require either intention or negligence on the part of the person who actually carryout the wrongful act
D. A & B
E. A & C

49. Which of the following statements is correct among the given alternatives?
    A. A plaintiff in tort is required invariably to prove the existence of damage.
    B. The test for "standard of good conduct" that a judge applies in relation to a professional regarding the practicing of his profession must be the same as the one applicable for a lay-person in relation to the same actor omission
    C. There exists joint and several liability of the employee and the employer in case of vicarious liability in the Ethiopian tort law
    D. A & B
    E. A & C
50. Which one of the following grounds of extinction of contracts does **not** necessarily invite the involvement of the court?
    A. Invalidation
    B. Novation
    C. Termination
    D. Cancellation
    E. Set- off
51. Which one of the following statements is true about invalidation of contracts under the Ethiopian Civil Code?

    A. In Ethiopia, invalidation of a contract may not be sought after a passage of a certain period of time provided by law irrespective of the nature of the defect of the contract
    B. Invalidation of a contract may be requested only by one of the contracting

parties irrespective of the nature of the defect leading to invalidation

C. In Ethiopia, it is only void contracts that are to be invalidated while voidable contracts cannot be invalidated
D. In Ethiopia, invalidation of contracts made by the contracting parties does not have any retrospective effect
E. A and C above

52. The bedrock of every contractual obligation is
    A. The decision of the government
    B. The agreement of the parties
    C. The law
    D. Religious edict
    E. Moral obligation
53. Which one of the following alternatives represents defense available to the defendant under the Ethiopian Extra-contractual Liability Law?
    A. Insanity
    B. Age
    C. Illiteracy
    D. Victim's (plaintiffs) fault
    E. Ignorance of law

54. In the normal course of circumstances, the normal way of extinction of a contract is
    A. Variation of the contract
    B. Termination of the contract
    C. Merger of the contract
    D. Novation of the contract
    E. Performance of the contract
53. Which one of the following incidents may not bring about strict liability on the defendant under the Ethiopian law?
    A. The defendant's dog seriously bites the plaintiff
    B. The defendant's building collapsed and caused damage to the property of the plaintiff
    C. The defendant's car had a faulty break which made the car to collide with and

cause damage to the property of the plaintiff

D. The defendant's child inflicted damage to the property of the plaintiff by setting fire negligently
E. The defendant manufactured food which caused serious health injury on the plaintiff

54. In Ethiopia, a contract of surety is an accessory obligation because:

A. Of the presence of plurality of guarantors
B. It can be established without obtaining the consent of the guarantor and the creditor
C. It cannot be established in the absence of a principal legal or contractual obligation and it normally dies concomitant to the death of the principal obligation
D. It is an obligation imposed by the law to insure security of transactions with a view to enhance confidence of the contracting parties
E. It remains valid even after the extinction of the principal obligation which necessitated the creation of the contract of surety

55. Which of the following statements is incorrect among the given alternatives?

A. Notionally, a suit for defamation will not succeed if the allegedly defamatory statement is communicated to a third party or to the public by the plaintiff himself instead of the defendant
B. The Ethiopian Extra-contractual Liability law governs issues relating to unlawful detention of a person and the consequent damage
C. Professional fault is a source of strict liability under the Ethiopian Extra-contractual Liability Law
D. Unlawful competition is not a source of strict liability under the Ethiopian Extra-contractual Liability Law
E. Existence or otherwise of damage is necessary for vicarious liability under the Ethiopian Extra-contractual Liability Law

56. What roles do courts of law play in relation to contracts?

A. Courts play some roles in the formation of contract where the parties fail to come to terms as to the final terms and conditions of the contract.

B. Courts play some roles for the variation and novation of contracts
C. Courts do have the power to make contracts by positive interpretation of a contract containing vague terms and conditions
D. Courts play some roles with regard to variation, termination and set of contracts in accordance with the relevant provisions of the Civil Code
E. Courts assist the intending contracting parties during the time of offer and acceptance

57. A secondary guarantor:
A. Is a guarantor who guarantees towards the guarantor the effectiveness of his indemnity claim against the principal debtor
B. Is established only for conditional contracts whose performance date is uncertain
C. Is created without the knowledge of the creditor since such guarantee is created in favor of the first guarantor
D. Is obliged to discharge the obligation of the debtor where the debtor or the first guarantor fails to discharge the obligation owed to the creditor
E. Is not recognized under the Civil Code of Ethiopia

60. Unilateral cancellation of contracts by one party is possible where:
A. A party in default fails to discharge his contractual obligation within a period of grace granted to him by a court of law
B. The contract is a contract of diligence or a contract of result
C. The other contracting party dies or becomes insolvent before the due date of the contract
D. There is an undue delay of the performance of the contract for whatever reason

61. Unilateral cancellation of contracts by one party is possible where:
A. A party in default fails to discharge his contractual obligation within a period of grace granted to him by a court of law
B. The contract is a contract of diligence or a contract of result
C. The other contracting party dies or becomes insolvent before the due date of the contract

D. There is an undue delay of the performance of the contract for whatever reason

E. The other party fails to discharge his obligation after a default notice

60. Which one of the following situations always excludes entitlement for compensation to the plaintiff under the Ethiopian Extra-contractual Liability Law?

A. Where there are a group of people involved in the incident and it becomes difficult who among those involved caused the damage.

B. When the exact monetary amount of the damage is difficult to assess, though it is sure that damage occurs

C. When it is uncertain as to whether or not future damage will occur

D. When the act of the defendant which caused the damage is not intentional

E. When the defendant is mentally unstable person

61. Which one of the following statements is correct?

A. The truthfulness of a defendant's statement may not in any case save him from liability for defamation in the Ethiopian law

B. The existence or otherwise of intention, according to the Ethiopian law, is not totally irrelevant to decide whether or not the defendant is at fault

C. Apart from the issue of fault, the absence of intention on the defendant's part may never be taken into consideration in his favour

D. A & B

E. B & C

62. Which one of the following statement is incorrect?

A. Impossibility in the assessment of the exact amount of damage, according to the Ethiopian extra contractual liability law, relieves the defendant from the obligation to compensate the victim

B. Remedies in the extra contractual liability law of Ethiopia are sometimes available when defendant's fault is proved regardless of an actual or perceived material damage occurs to the plaintiff's interest

C. The scope of protection of extra contractual liability law covers interests which are only individual in nature; it has nothing to do with interests shared in group.

D. A & B
E. A & C

63. Which one of the following statements is correct?
    A. Though the existence of damage is a general and important element of the extra-contractual liability law of Ethiopia, not all types of damages are compensable
    B. An employer in Ethiopia is always free from vicarious liability where one of his employees cause damage to another person in a different place and time than the worker is normally employed
    C. Under the Ethiopian extra contractual liability law, the fact that it is impossible to prove the fault of the defendant exempts him from strict liability
    D. A & B
    E. A & C
64. Mr Girma agreed to pay Meles, his son, 8000 birr if the latter scores 4.00 points in National Examination. An agreement between Mr. Girma and his son is not a contract because _____.
    A. father and a son cannot enter into contract
    B. The agreement created unilateral obligation
    C. Mr. Girma had no intention to be bound
    D. Meles had no obligation under the agreement
65. In cases of non-performance of a contract, a creditor may claim _____.
    A. Forced performance in addition to cancellation
    B. Invalidation in addition to specific performance
    C. Compensation in addition to cancellation
    D. Cancellation in addition to invalidation
66. In which one of the following statements a mistake is not a ground for invalidation of a contract?
    A. A party donated her house thinking that she was selling it.
    B. A party sold a house thinking that she signed contract of lease.
    C. A party donated her house to Mr. Y thinking that she was donating to Mr. X

D. A party bought an item from Mr. M thinking that she was buying from Mr. N

67. Nine years ago, Mr N lent Mr D 23000 birr. Which one of the following agreement interrupts the period of limitation?
    A. An agreement that Mr Z pays the loan if Mr D fails
    B. An agreement that Mr D sells a house mortgaged for the loan to Mr C
    C. An agreement that Mr N sells his car to Mr D at 23000 birr
    D. An agreement that Mr D sells his house to Mr N
68. Mr A has undertaken to deliver either a house or a car to Mr B for a price of 170,000 birr. If the house is totally destroyed by flood after the conclusion of the contract, then __
    A. Mr A will be relieved from paying damages as flood is a force majeure
    B. Mr B can cancel the contract as the obligation to deliver a house became impossible
    C. Mr A would not be relieved of paying damages if he fails to perform the contract
    D. Any party can claim invalidation of the contract as its object is impossible
69. In which one of the following a creditor can claim forced performance?
    A. An agreement to write a book
    B. An agreement to work as an accountant
    C. An agreement to deliver a thing
    D. An agreement to teach in a college
70. Which one of the following merger extinguishes the obligation of suretyship?
    A. Merger of the debtor and creditor
    B. Merger of the creditor and surety
    C. Merger of debtor and surety
    D. All of the above
71. Which of the following is not a principle governing the holding of rights of personality by physical persons?
    A. All persons are absolutely equal in respect of the holding of rights and duties
    B. Rights of personality cannot be the object of legal transaction
    C. Individuals are not free to renounce rights of personality

D. All
E. None

72. Under the Ethiopian law of contracts, assignment of obligatory rights_____
    A. Is the same as stipulation of a beneficiary in all respects.
    B. May be made gratuitously in which case the assignor is not obliged to guarantee the existence of the right.
    C. Can be made for consideration though the assignor is not required to guarantee the existence of the right at the time of the assignment.
    D. Is not possible as it violates the principle of privity of contract which is the nucleus of the Ethiopian law of contract.
    E. Is made before the conclusion of the contract to be assigned to the beneficiary.

76. Which one of the following statements is correct?
    A. The truthfulness of a defendant's statement may not in any case save him from liability for defamation in the Ethiopian law
    B. The existence or otherwise of intention, according to the Ethiopian law, is not totally irrelevant to decide whether or not the defendant is at fault
    C. Apart from the issue of fault, the absence of intention on the defendant's part may never be taken into consideration in his favour
    D. A & B
    E. B & C

77. Which one of the following is different from others?
    A. Novation
    B. Termination
    C. Variation
    D. Set – off
    E. Merger

78. Which one of the following alternatives represents defense available to the defendant under the Ethiopian extra contractual liability law?
    A. Insanity
    B. Age

C. Illiteracy
D. Plaintiffs fault
E. Ignorance of law

79. Which one of the following is different from the rest?
    A. Machinery
    B. Tape recorder
    C. Air craft
    D. Motor vehicles
    E. Ships
80. Assume that A AND B borrowed money from C inn one contract. When the contract was due, neither of them paid any amount of money to the creditor. In this case the creditor:
    A. Can bring suits against borrowers without giving any default notice since notice is not necessary in the case of plurality of debtors
    B. Can bring suit against A for the whole amount of money by putting in default only B
    C. Can cancel the contract unilaterally without giving any default notice to either of the borrowers
    D. Is compelled to sue any of the debtors limiting his claim to the share of the defendant
    E. Is obliged to put both borrowers in default by a default notice before he brings sue against any one of them
81. Which of the following is correct regarding transfer of ownership of immovable things through contract of sale in Ethiopia?
    A. The contract will not have any effect unless entered in writing, attested by witnesses, authenticated by notary, and registered
    B. The contract will be binding between the contracting parties as long as it is written (and signed by parties)
    C. The contract will have a binding effect between parties only when it is entered in writing and authenticated
    D. An owner who has entered in to a written contract (which is also

authenticated) to transfer title to one party can enter in to valid contract of sale with second party over same immovable and transfer valid title to such party

E. C & D

82. Which of the following statements is correct among the given alternatives?
    A. The fact that a person is legally declared liable for the act of the tortfeasor, according to the Ethiopian law, is not a bar for a plaintiff to have a claim against the doer of the act
    B. The Ethiopian Law of strict liability always provides surrender options
    C. Third party creditors, under Ethiopian law, may claim compensation from a tortfeasor as legal representatives of the victim irrespective of the nature of the damage the plaintiff suffers
    D. A & B
    E. A & C
83. Which one of the following statements is not true about subrogation under the Ethiopian Law of Contracts?
    A. It is exactly the same as the principle of indemnity in all circumstances
    B. It is created by the agreements of the contracting parties both in the case of surety and plurality of debtors
    C. It is applicable by virtue of the law
    D. It is created by judicial decision in the case of surety
    E. All
84. Which one of the following statements is incorrect among the given alternatives?
    A. Damage is a necessary and sufficient condition to hold a perpetrator liable under the Ethiopian tort law
    B. Uncertainty as to the exact amount of damage caused is a defense for a perpetrator to escape liability under the Ethiopian tort law
    C. Causation is a general precondition for strict liability for damage under the Ethiopian tort law
    D. A and
    E. All

85. A contract duly created by the contracting parties:
    A. May establish the value of exchange
    B. Defines the respective rights and obligations of the contracting parties
    C. Enables the contracting parties to allocate risks in advance as between themselves
    D. All
    E. A and B
86. Which one of the following statements is not true about joint and several liabilities of co-debtors under the 1960 Civil Code of Ethiopia?
    A. One of the co-debtors cannot validly refuse performance of the contract though the creditor has the liberty to proceed against the co-debtors
    B. The creditor does have the right to claim the whole debt from one of the co -debtors irrespective of the amount of share of the co debtors
    C. If the consent of any of the co-debtors was vitiated by any vice of consent during the formation of the contract, any of the co-debtors can raise such defense against the creditor
    D. All the co-debtors shall assume equal obligations towards the creditor where they fail to determine their respective shares of obligations in the contract
    E. A and C
87. Which of the following concepts is unrelated to Ethiopian tort law?
    A. Restitution
    B. Injunction
    C. Enforcement of parties' commitment
    D. Compensation
    E. None
88. Under the Ethiopian contract law, a contract may be invalidated where
    A. The object of the contract is not sufficiently defined
    B. The contracting parties are below 20 years of age
    C. The contracting parties fails to perform the contract in accordance with the terms or conditions of the contract

D. One of the contracting parties becomes incapable after the formation of the contract
E. One of the contracting parties dies after the formation of the contract

89. One of the following persons cannot be both the agent of a trader and a trader itself at the same time
    A. Commercial manager
    B. Commercial agent
    C. Commercial broker
    D. Commission agent
    E. Broker
90. A shareholders general meeting cannot be chaired by
    A. Directors of the company
    B. Auditors of the company
    C. The chairman of the board of directors
    D. Secretary of the company
    E. An officer of the court who calls the meeting
91. Which one of the following statements is true about obligations in general?
    A. The source of every obligation is the law everywhere in the world
    B. The source of an obligation is a contract everywhere in the world
    C. In contractual obligations, entry into obligation is consensual while legal obligations may be assumed against the will of the obligor
    D. Legal obligations are imposed only on legal persons while contractual obligations may be assumed both by legal persons and physical persons
    E. Obligations cannot in any case be extinguished once they are created in accordance with the requirements of the law
92. In case of doubt, a contract is expected to be interpreted against the party who stipulates an obligation and in favor of the debtor in the case of:
    A. All commutative contracts
    B. Adhesive contracts
    C. Aleatory contracts
    D. Synallagmatic contracts

E. Conditional contracts

93. In contractual relations, good faith of the contracting parties should be seriously considered by a court of law or an arbitral tribunal in relation to one of the following except:
    A. The fulfillment of a conditional contract
    B. Interpretation of contracts
    C. Cancellation of contracts
    D. Novation of a contract
    E. Variation of contracts
94. Which of the following statements is true about private limited companies (PLCs)?
    A. In Ethiopia PLCs can be used to undertake any business activity
    B. In Ethiopia PLCs exhibit the characteristics of share companies and partnerships
    C. The law regulating PLCs is unnecessarily detailed and complicated
    D. There is no separate law regulating PLCs, and the law is scattered everywhere
    E. PLCs are non-liability limited partnerships in company form
95. Which one of the following cannot be embraced by the expression "vice of consent" under the Ethiopian Law of Contracts?
    A. Mistake
    B. Fraud
    C. Duress
    D. False statement
    E. Immorality of object of contract
96. Which of the following statements is correct among the given alternatives?
    A. A person, who suffers from damage due to a traffic accident, and who is entitled to compensation, will always have a cause of action in tort under the Ethiopian law
    B. Equity does not play any role in the assessment of compensation under the Ethiopian extra-contractual liability law

C. Uncertainty as to the existence of damage is a defense for a perpetrator to escape liability under the Ethiopian tort law
D. For a statement to be defamatory, it is necessary that it has to be broadcasted on electronic media
E. A person who causes damage to the claimant is always relieved from liability if the act is ordered by his superior

97. One of the following is not a valid ground of dissolution of companies:
A. Expiry of the period for which the company is established
B. Prohibition by law of the business activities for which the company), is established
C. Death of both shareholders in a two member private limited company
D. Loss of all the capital of the company
E. Institution of bankruptcy proceedings against the company

98. Which of the following statements is correct among the given alternatives?
A. A person, who suffers from damage due to a traffic accident, and who is entitled to compensation, will always have a cause of action in tort under the Ethiopian law.
B. Equity does not play any role in the assessment of compensation under the Ethiopian extra-contractual liability law
C. Uncertainty as to the existence of damage is a defense for a perpetrator to escape liability under the Ethiopian tort law
D. For a statement to be defamatory, it is necessary that it has to be broadcasted on electronic media
E. A person who causes damage to the claimant is always relieved from liability if the act is ordered by his superior

99. If compensation is associated with non-performance of contract invalidation is associated with:
A. Termination of a contract
B. Defect in the formation of a contract
C. Privity of contract
D. Non-retroactivity of contract

E. Novation of contract

100. Which one of the following cannot be embraced by the expression "vice of consent" under the Ethiopian Law of Contracts?

A. Mistake
B. Fraud
C. Duress
D. False statement
E. Immorality of object of contract