

**SECTION I: MULTIPLE CHOICE
(25 %)**

**NATIONAL EDUCATIONAL ASSESSMENT
AND**

EXAMINATIONS AGENCY (NEAEA)

**AL EXIT EXAM FOR LL.B PROGRAMME
ITS**

**OF ETHIOPIAN LAW SCHOOLS
2015/2016 ACADEMIC YEAR**

PART I: PRIVATE LAWS

29 MARCH 2016

TIME ALLOWED: 3

HOURS

INSTRUCTIONS:

1. THIS EXAM HAS FIVE SECTIONS: ATTEMPT EACH
SECTION

ON THE BASIS OF SPECIFIC INSTRUCTIONS
INDICATED IN
EACH SECTION.

2. THIS IS A **CLOSED BOOK** EXAM **EXCEPT**
PERTINENT
ETHIOPIAN LAWS.

3. SUPPORT YOUR ARGUMENTS WITH PERTINENT
LEGAL
PROVISIONS WHENEVER APPROPRIATE.

4. PUT YOUR ANSWERS IN A SEPARATE ANSWER
SHEET

ATTACHED TO THE EXAM.

5. **YOU MAY ASSUME FACTS WHERE NECESSARY.**

6. WRITE LEGIBLY.

7. SWITCH OFF YOUR MOBILE PHONE.

**DO NOT TURN THIS PAGE UNTIL YOU ARE ALLOWED TO
DO SO.**

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T. D. B.

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568 CHOOSE THE BEST ANSWER FOR EACH QUESTION FROM THE ALTERNATIVES GIVEN

1. One of the following is **not true** about firm name and trade name under the Ethiopian commercial Code and Proclamation No. 86/2010 .
.....;d;~.~ name and trade name are the same.
e~ requirement of sh~ing th focn of business organization in trade.name.
C. The firm name usmess organi ationu should indicate the form of the business organizations. C , f)
~I The firm name for sole proprietorships can be the proprietor's name.
/" A trader can use the same name as firm name and trade name.
5. Which one of the following Ethiopian laws is l~t relevant from the perspective of protection of the family? . /
A. lliU:DRE Constitution.
B. FamilyLaw.~
C. Criminal Law.
D. The International Covenant on Civil and Political Rights. C...---
~LaborLaw.
3. Which one of the following statements is true under the Ethiopian law of contracts?
A. There are certain circumstances where a contract can be validly created even if the contracting parties are incapable.
B. In all circumstances, a valid contract cannot be created unless the formal requirement is satisfied.
C. As a matter of rule, place and time of performance of a contract are determined by theJaw
t~ugh the parties he ri~to determine place and time of performance of contract in) (/) r:
exceptional circumstances.
D. Cour~s of law do not have any power whatsoever to cancel or invalidate any contract under ..-rl
~ any Circumstance. Y\
1/E very agreement ~s not a contract whiCUle contract is an Agreement. r r'-W' ~L/
? V{!Yf-f/- !v~]
4. Which of the following is correct about usucaption in Ethiopia?
~
pPlies to both movableand immovable property.X,
~ e tax should be paid for 15.co"secntive years in the name of the possessor, not in the
C. name oftb&owner.~ r r-
D. It does not apply to vac<ant houses. r-
D. It is not applicable today anymore because it is not possible for nop-owner to effect payment of tax in his own name. /
E. Usucaption will have effect even though the taxes have been paid against objection bythe
~ r-~ ~

5. Which one of the following grounds of extinction of contract is primarily the outcome of the

agreement of the contracting parties? (~)

A. Merger. *d ~ \ & f ~ ~ ' - ? - r l - t L*

~ ~ .

~ Novation.

D. Termination.

E. Invalidation. *[*

6. One of the following is **not** true about joint ventures under the Commercial Code:

A. Their existence may be not disclosed to third parties. *~*

B. They are managed by their *~bers.* *<) ~ S J*

C. Unless disclosed to third parties, liability of the inactive partner can be limited. *' - -*

j 2 . . J They are not true business organizations. *- \ 1 - \ . ' .*

7. Which one of the following is **not** a mechanism of acquiring original title to things under Ethiopian laws?

A. Occupatio .

B. Usucapio .

C. *~ n ~ ' ' ' ' ' ' n - o o - - d f a i . - -*

D. Accession. *J*

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~ n s ~

C *~ ; / _ ~ (C t i f l*

8. Invalidation of a contract is the outcome of:

A. Non-formation of a contract by one or both of the contracting parties **X**

B. Death of one of the contracting parties.

*~*novation of the original contract through the agreement of the contracting parties.

*~*effect in the formation of the contract. *.*

E. Unfair bargaining between the contracting parties at the time of the formation of the contract.

10. Which one of the following is **true** about the right of creditors of inheritance

partiti
A. Cr?
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B.
C.
D.

coming after
on.

editors have the right to divide and forward their claim to the co-heirs
in proportion to the
value of the share received by each. --
Creditors cannot claim payment from any of the co-heirs..^

A

s the co-heirs are jointly and severally liable, creditors can claim the whole payment
from

any of the ~.?

Creditors have better right than the personal creditors of the co-partitioners in as much
as the

property of the succession is concerned.

E. There is no any exceptional situation whereby creditors may claim from a
co-heir more than
the value of the share the latter received.

~ ~ one of the following is ~ ground for judicial appointment of

/
62
1

Immon

Cancellation

liquidator?

Replacement of a testamentary appointed liquidator. ~
Replacement of liquidator "Who is a minor." O
The fact that all the heirs-at-law declare that they renounce the succession ~

~. The fact that the deceased left no heir at all and the succession is to be
taken by the state. L----

L-E. Replacement of a testamentary appointed inactive liquidator. '----- ,,-'

9 ~c one of the following concepts includes all the rest?

- A. extinction of obligations
- . Cancellation ~,
- C. Termination ----..
- D. Merger

E. Set-off -- f\ Y

12. The best affirmative defense that may be raised by a non-performing debtor to avoid
payment of

compensation, when *helsheit* is sued by the creditor is:

A. showing absence of fault on the part of such debtor.

- B. bringing a counter claim suit against the plaintiff.
- C. invoking force majeure if it prevented performance of the contract.
- D. set-off.
- E. strike or lock-out.

13. In Ethiopia, where a contract is **not** performed by a debtor, the recourse available to the creditor _____

- A. is only the one stipulated in the contract at the time of conclusion of the contract
- B. is always sought by bringing suit against the debtor before a court of law.
- C. is clearly provided in the law of contract although the recourse may be modified by the parties at the time of the conclusion of the contract.
- D. is to be determined by the court after a legal suit is brought to the court.
- E. cannot be ascertained since the law of contract has not contained provisions in this regard.

14. Which of the following laws is **least** relevant from the perspective of governing property relationship in the Ethiopian legal system?

- A. The FDRE Constitution.
- B. The Commercial Code.
- C. The FDRE Criminal Code.
- D. The FDRE Revised Family Code.
- E. The Federal Civil Servants Proclamation.

17. Which of the following persons can **never** make a valid will?

- ~~A~~. Minors.
- B. Judicially interdicted persons.
- ~~C~~. Legally interdicted persons.
- D. Insane persons.
- ~~E~~. Persons under violence.

16. Which one of the following statements is **not** true about obligations?

- ~~A~~. Both capable and incapable persons may be obliged by law to assume a certain obligation.
- B. No obligation can be imposed by law on a person against his/her/its will.
- C. Although a contractual obligation is created by the consent of the contracting parties,
such contract may be invalidated where the object of the contract is unlawful or immoral.
- D. All contracts are obligations as there are no contracts which are created without obligations at least to be discharged by one of the contracting parties.
- E. Failure to observe both contractual and legal obligations does produce certain consequences though the nature of the consequences may vary.

Which one of the following statements is true about the law of contracts?

The law of contracts plays remarkable roles both in the advanced economies and in developing economies.

The law of contracts is a modern law which appeared in the world concomitant to the industrial revolution in Europe.

The existence of the law of contracts hinders active economic transactions since it unduly interferes with freedom' of the contracting parties.

18. Which of the following is **not** affected by classification of goods in Ethiopia in to movables and immovables?
The presence of law of contract is not as such necessary to control or assist the contracting parties during the formation or the performance of the contract.

Because the law of contract is the reflection of liberal ideology, its

- A. Transfer of ownership.
- B. Establishment of real security and collateral.
- C. Loss of ownership.
- D. Power of liquidator in succession.
- E. Prove of the existence of property rights in relation to things.



T. II



19. One of the following cannot be the possible reason for the non-regulation of betrothal under the Federal Family Code.

- A. The recognition by the parliament that betrothal is not a precondition to marriage.
- B. The recognition by the parliament that the practice of betrothal does not exist at all in Addis Ababa and Dire Dawa. /
- C. The recognition by the parliament that property exchange through gift as a consequence of betrothal, if any, could be governed by other provisions of the Civil Code.

D. The recognition by the parliament that it can continue in its cultural form as long as no legal constraints are imposed on the practice of betrothal.

20. In the Ethiopian context, which one of the following statements is false

- A. The law-maker is concerned in contractual dealings? the law-maker actively participates in the formation of big contractual transactions in Addis Ababa and Dire Dawa.
- B. The role of the law-maker is confined to providing mandatory provisions of the law while permissive provisions of the law of contract are always stipulated by subordinate (delegated) legislation.
- C. The law-maker determines the amount of compensation to be awarded to a contracting party in the case of non-performance of contract irrespective of the nature of the contract.

21. Which one of the following is a peculiar feature of holographic will compared to public will?

- A. It has to be attested by four witnesses.
- B. It should be read in the presence of four witnesses.
- C. It should be entirely written by the testator.
- D. It should be dated.
- E. It should not contain cancellations.
- F. Cancellation of a contract is different from termination of a contract because: the law-maker actively oversees whether contractual dealings are performed by the contracting parties as equitably as possible.
- G. The former is the result of non-performance of a contract while the latter is the result of defect in the formation of a contract.
- H. The former does have a retroactive effect while the latter does not have retroactive effect.
- I. The former may be made without giving notice to the other party while the latter is always made after a default notice.
- J. The latter is the result of non-performance of a contract while the former is the result of defect in the formation of a contract.
- K. In the case of the former, there may be judicial involvement while courts of law play no role whatsoever in the case of the latter.

23. When there is non-performance of a contract, which one of the following consequences

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24. If the object of a contract is **not** sufficiently defined or the object is unlawful or immoral, such contract:
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risonment.
E. Liquidated damages.
- A. May be cancelled either by the court or one of the contracting parties.
B. May be invalidated by the court of law upon the request of one of the contracting parties or any interested third party.
C. May be terminated by the court of law upon the request of one of the contracting parties or any interested third party.
D. May be novated by the court of law upon the request of one of the contracting parties or any interested third party.
E. May be cancelled by the court of law upon the request of one of the contracting parties or any interested third party.
25. A provisional document that a share company gives to its subscribers until share certificates are issued is known as:
- A. Share warrant.
B. Bearer share.
C. Debenture.
D. Prospectus.
E. Registered share.
- .yi"if

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SECTION II: MATCHING (10%)

MATCH THE ITEMS UNDER 'A' WITH THOSE UNDER 'B' .

A_

1. Per head partition **u-**

f-) 2. Opening of
succession **M**

T 3. Personal effect of
marriage

~rtificate of marriage

~ontracts between spouses after marriage

. Pecuniary effect of
marriage

~ 7. Joint consent of
spouse **U**

8. Contracts between spouses before
marriage

ANSWER THE FOLLOWING QUESTIONS IN NOT MORE THAN 4 LINES **r-I u~ .-/"**
Collation {0 „(

11 10. Precondition to succeed \ ~ '\) .

3.1. Does the declaration of absence of one of the spouses result in the **auto1l@:jr)V sS!!**
Htion of the marriage of the absentee or does it requires further formality **a1fe'r** the
declaration of **...1.**
absence like making an application to the court for the dissolution of them~iage?
(5% ~ ~ **C~**)

3.2. Briefly explain the major communalities **Survivorship** between ~ ii, q; 1nd right in
N. Legitimacy of an heir

personan? %) **r ~ . -~)**
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~1~J

3.3. In princip e, the relationship between co- ~ ~ garding succession will com**7f8** an end
up
on partition.ofgiccession. Mention t o exceptional circumstances under which such
relation may be extended **gfter partition**)(5%) , **trt t~ rf**

B

¥,Common property

/~ringing back a donated
property

C. Alienation of personal
immovable
property

Ai Does not need court
approval

/ **1-** Validity requirement of
marriage

F. Proof of marriage

G. **Stirpes** partition

H. Momen
t of death

1. Support

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immovable

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K. **f...erE!E!ta** partition

7 Needs court

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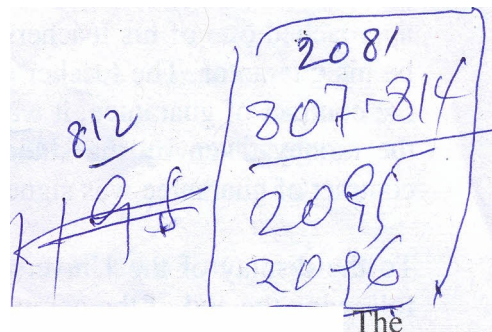
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SECTION IV: SHORT ESSAY (20%)

WRITE SHORT ESSAYS FOR THE FOLLOWING QUESTIONS IN NOT MORE THAN 10 LINES

4.1. Discuss the distinction between commercial and non-commercial business organizations under Ethiopian Commercial Code. (11 %)

4.2. Explain the adage *demo dat quod non habet* in contradistinction with rules of acquisition of title through possession in good faith. (9%)



SECTION V: HYPOTHETICAL CASES (30%)

5.1. HYPOTHETICAL CASE I (15 %)

The morning of June 27, 2015 was cloudy after a heavy rain throughout the previous night:

asphalt road held water and it was slippery. Samuel was driving a Toyota automobile that he borrowed from his friend, Mr. The automobile was in a good condition. Samuel checked everything before he started driving the automobile and he was convinced that it was fit for drive. He was in the middle of his journey to office while the automobile suddenly failed to stop due to something went wrong with the brake. He tried very hard to control it and not to cause any harm to persons and properties. He came to realize that he would end up killing several people.

Samuel decided to take quick measure in order to reduce the number of casualties and turned the automobile left and collided with metal fence that separates the railroad from the asphalt road.

Unfortunately, the old boy, Beilu, who was jumping the fence, was run

over and killed by the automobile that Samuel was driving. The accident also caused serious

damage on the fence
which worth 250, 000 birr. Samuel survived the accident only by miracle.

The father of u, Ato Kefyalew, intend to institute Tort liability claim against
[c() Samuel and Alazar for the death of his son. Ato Kefyalew insisted that he had
sufficient evidence

~ that Bedilu used to support him by earning income from his employment as an
assistant

~ (Woyala) to taxi drivers. Ato Kefyalew had evidence that Bedilu used to give him 550
birr per

month on average. He wanted to know his chance of success if he brings a claim
before the court

against both Samuel and Alazar. At the same time, Samuel and Alazar are
preparing themselves

for any possible litigation against them by Ato Kefyalew. They are not sure if
they can be

relieved of any liability or at least a way out for reduction of their liability.

Discuss exhaustively

about the likely outcome of the litigation assuming that a suit is filed in the
Federal First Instance

court and the parties sufficiently prepared their case. (15%)

~fWL-~

5.2. HYPOTHETICAL CASE II (15%) , /~~

Bayabil Bekalu was a student at the College of Law and Governance Studies of Renaissance University which was established by the FDRE Government in 2005. Because he was an outstanding student, he was selected to participate in an international moot competition, which was to be conducted in October 2015 in New York. ~ "IJ ~fo/c!!ic~GO~t ~, CJ)~~fyPv.~ ~~

The University allocated 140,000.00 Birr to this student so ~ he would ~ his expenses / during his stay in New York. However, the University required the student to produce the surety who would guarantee the due utilization of the money by the student. Therefore, the student approached one of his teachers called Ato Azagnu and earnestly requested him (the teacher) to be his guarantor. The teacher agreed and signed a contract of guarantee with the University. In the contract of guarantee, it was stated that the guarantor would guarantee the money taken by the student for use only for educational purposes. In addition, the contract of guarantee was signed by on on

To the dismay of the University and the guarantor, Bayabil Bekalu did not come to Ethiopia following the end of the competition. Instead, he sought a political asylum from the government of the USA and has remained there thus far. Because of this, the University has brought suit against Ato Azagnu claiming that the latter has to pay 140,000.00

g.B.:ir~r.:to:..t.:h.:e~f.:or:..m.:e.:r.:.

If you are the advocate of the defend an
client? (15%)

- Art 1920
1924(2)
① Contract of surety was not valid
② I am a simple guarantor
I have a benefit of discussion
③ I am only liable to the extent of the portion for conducting

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Answer Sheet Cover Page

Part I: Private Law LL.B Exit Exam

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Directions:

Please read the following directions carefully before starting to work on the examinations.

1. Write your first Name, Father's Name, and Grand Father's in BLOCK letters on the space provided below.
2. Write the name of Your University in BLOCK letter and your Identification Number on the space provided below.
3. Do not write your Name, Registration number, or any other information regarding yourself inside the answer sheet.
4. The box that says Code Number is for use by the National Educational Assessment and Examinations Agency (NEAEA).

First
Name

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Name

Grand Father's
Name

Registration Number _____

University _____

Code Number (To be filled by NEAEA) _____