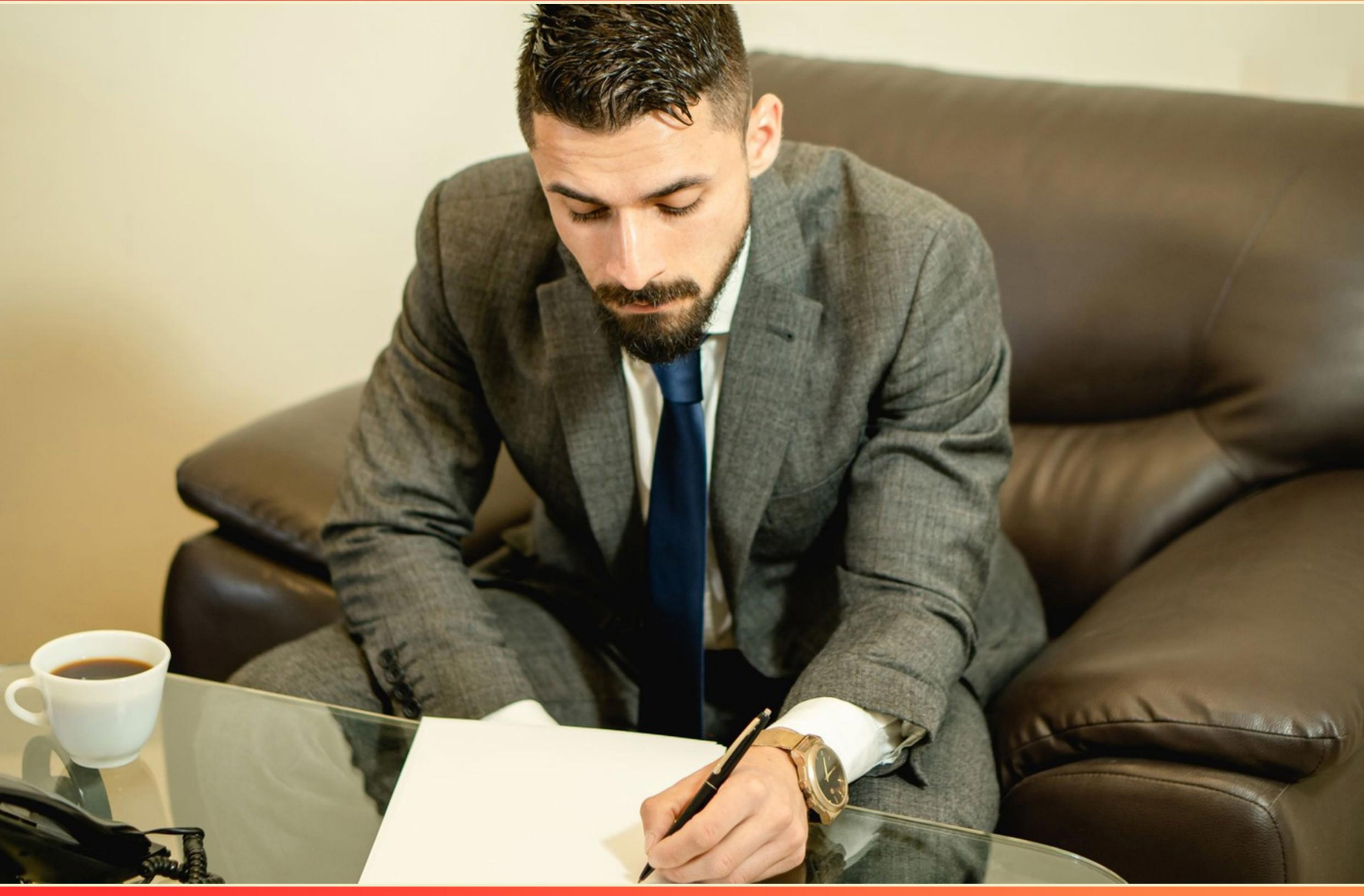
OBLIGATIONS AND CONTRACTS (OBLICON) PRACTICE EXAM (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

• Practice answering questions under realistic conditions,

• Improve accuracy and speed,

• Review explanations to strengthen weak areas, and

• Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

1. **What is condonation/remission?**
   - A. Gratuitous abandonment of the right by the creditor
   - B. Partial payment of the debt by the debtor
   - C. Court-ordered forgiveness of the debt
   - D. A lending of money at a lower interest rate

2. **If the debtor performs in contravention of the obligation, what remedies are available to the creditor?**
   - A. Damages
   - B. Specific performance at the debtor's expense
   - C. Damages; and the obligation undone at debtor's expense
   - D. Forfeiture of the contract

3. **Natural Obligation is derived from equity & justice and not enforceable by court action.**
   - A. Derived from equity and justice; not enforceable by court action.
   - B. Derived from positive law; enforceable by court action.
   - C. Derived from contracts; enforceable by court action.
   - D. Derived from quasi-contracts; enforceable by court action.

4. **Which statement about conventional subrogation is correct?**
   - A. It occurs by operation of law without debtor's knowledge.
   - B. It requires express consent of the debtor.
   - C. It involves consent of the original parties and a third person.
   - D. It does not involve any third party.

5. **If substitution has already been made, the debtor is liable for loss of the substitute in which situations?**
   - A. Delay, negligence, or fraud
   - B. Only if the creditor delays
   - C. Only if the substitute is damaged during transport
   - D. In all circumstances

6. In application of payment, the debts involved must be of what nature?

A. Different kinds

B. The same kind

C. Only secured debts

D. Only long-term debts

7. In a solidary obligation, the creditor can demand full performance from any one of multiple debtors.

A. True

B. False

C. Only if all debtors agree

D. It cannot be done

8. Tender of payment is best described as what?

A. A notice to creditors

B. A payment to the creditor with interest

C. An order from court to pay

D. An offer of what is due with a demand that the creditor accept it

9. Under the rules, if the latter installment is received without mention of prior installment, what is presumed?

A. Prior installment is paid

B. Prior installment is paid also

C. Prior installment is not paid

D. Only the latter installment is paid

10. Which statement about VIOLATION is most accurate?

A. It results from a voluntary acceptance of terms

B. It refers to the legitimate modification of a contract

C. It entails a mere delay in performance

D. It is a breach of a right, duty, or law; contrary to the terms of obligation

Answers

1. A
2. C
3. B
4. C
5. A
6. B
7. A
8. D
9. B
10. D

Explanations

1. What is condonation/remission?

A. Gratuitous abandonment of the right by the creditor

B. Partial payment of the debt by the debtor

C. Court-ordered forgiveness of the debt

D. A lending of money at a lower interest rate

Condonation or remission is the creditor's gratuitous forgiveness of the debt, releasing the debtor from payment and extinguishing the obligation. It's an act of liberality by the creditor—no payment or other consideration is required—and it can apply to the whole debt or to part of it. This is why it's the best choice: it centers on the creditor voluntarily relinquishing the right to demand payment. It is not about a partial payment, a court order, or a new loan at a lower rate.

2. If the debtor performs in contravention of the obligation, what remedies are available to the creditor?

A. Damages

B. Specific performance at the debtor's expense

C. Damages; and the obligation undone at debtor's expense

D. Forfeiture of the contract

When a debtor's performance does not conform to what was agreed, the creditor can seek both compensation for the breach and a restoration of the original position. Damages cover the harm caused by the wrong performance, while undoing the obligation (rescission) lets the creditor require the contract to be unwound and the property or benefits returned, with the debtor paying the costs to put things back as they were. This combination reflects the creditor's interest in being made whole and in restoring the situation to its pre-contract state if the agreed performance cannot be fulfilled properly. For example, if the debtor delivered something different or performed in a way that violates the agreement, the creditor may claim damages for the misperformance and also demand that the contract be undone, with the debtor bearing the expenses to restore or return what was received. Specific performance is not the correct remedy here because the issue is the wrong or non-conforming performance already given; the appropriate route is compensation plus restoration, not forcing the debtor to perform again under the same terms. Forfeiture of the contract is not the typical remedy for this scenario, as the usual options are damages and rescission.

3. Natural Obligation is derived from equity & justice and not enforceable by court action.

A. Derived from equity and justice; not enforceable by court action.

B. Derived from positive law; enforceable by court action.

C. Derived from contracts; enforceable by court action.

D. Derived from quasi-contracts; enforceable by court action.

Natural obligations come from equity and justice rather than from the written law giving a remedy in court. They exist as moral or ethical duties recognized by law, but they cannot be enforced through a court action to compel performance. The law treats them as obligations that bind in conscience; they are not the kind of obligations that give rise to a sue-for-breach remedy. This is what sets them apart from obligations arising from positive law or from contracts, which are enforceable by legal action. In short, natural obligations reflect a sense of duty recognized by equity, without creating a legally enforceable claim in court.

4. Which statement about conventional subrogation is correct?

A. It occurs by operation of law without debtor's knowledge.

B. It requires express consent of the debtor.

C. It involves consent of the original parties and a third person.

D. It does not involve any third party.

Conventional subrogation happens when a third person voluntarily pays or satisfies the creditor's claim with the agreement of the original parties—the creditor and the debtor—and that third person is substituted in the creditor's rights. The essence is a negotiated transfer of rights brought about by the consent of all involved: the debtor, the creditor, and the paying third party. Once the third party pays, they step into the creditor's shoes and can pursue the debtor for reimbursement or enforcement of the original claim. This is why the statement that best fits conventional subrogation is that it involves the consent of the original parties and a third person. It reflects the contractual, voluntary nature of conventional subrogation, as opposed to subrogation by operation of law (which can occur without the debtor's knowledge) or schemes that involve no third party or only partial consent.

5. If substitution has already been made, the debtor is liable for loss of the substitute in which situations?

A. Delay, negligence, or fraud

B. Only if the creditor delays

C. Only if the substitute is damaged during transport

D. In all circumstances

When a debtor substitutes a performance with something else, that substitute becomes the subject of the obligation and the debtor must deliver it in the agreed condition and timeframe. The debtor bears the risk of loss of the substitute if the loss occurs due to his fault, specifically in cases of delay, negligence, or fraud. If the substitute is lost or damaged because the debtor delays delivering it, handles it carelessly, or engages in deceitful misrepresentation or the use of a inferior substitute, he is liable for the loss. It isn't limited to situations where the creditor delays or where the substitute happens to be damaged during transport, and it isn't automatic in all circumstances, because liability arises from the debtor's fault in the substitution process.

6. In application of payment, the debts involved must be of what nature?

A. Different kinds

B. The same kind

C. Only secured debts

D. Only long-term debts

Application of payment deals with how a debtor's money is distributed among multiple debts. The rule is that the debts involved must be of the same kind. This uniformity prevents mixing different types of obligations (for example, a monetary debt with a performance obligation) in a single allocation, which could change the nature or treatment of the obligations. When the debts are of the same kind, the creditor (or the debtor if allowed) can designate or the law can determine how to apply the payment consistently to those similar obligations. The other options aren't correct because the requirement isn't limited to secured debts or to long-term debts, and the key idea is the similarity in the nature of the debts.

7. In a solidary obligation, the creditor can demand full performance from any one of multiple debtors.

A. True

B. False

C. Only if all debtors agree

D. It cannot be done

In a solidary obligation, each debtor is bound for the whole obligation. This means the creditor may demand the entire performance from any one of the debtors, not just from all of them together. The purpose is to ensure the creditor can obtain full satisfaction even if some debtors are unwilling or unable to pay. If the debtor who pays the full amount later seeks reimbursement, he can turn to the other debtors for their shares, typically in proportion to what each owed, unless there's a separate agreement about contributions. For example, if two debtors owe $100 total, the creditor can require one of them to pay the full $100; that payer then has the right to recover the other $50 (or the applicable share) from the other debtor. This is why the statement is correct.

8. Tender of payment is best described as what?

A. A notice to creditors

B. A payment to the creditor with interest

C. An order from court to pay

D. An offer of what is due with a demand that the creditor accept it

Tender of payment is the debtor's readiness to perform by offering to pay the exact amount due and asking the creditor to accept it as satisfaction of the obligation. This is more than a mere notice or a payment with interest or a court order—the essence is the dual act of presenting what is due and demanding that the creditor accept it. If the creditor refuses without just cause, the debtor has still shown willingness to perform and may resort to proper lawful steps to discharge the obligation. In short, it's an offer of what is due with a demand that the creditor accept it.

9. Under the rules, if the latter installment is received without mention of prior installment, what is presumed?

A. Prior installment is paid

B. Prior installment is paid also

C. Prior installment is not paid

D. Only the latter installment is paid

When a debt is payable in installments and a payment is made for a later installment without specifying which part of the debt it covers, the payment is presumed to apply to all installments that were due up to that date. That means the prior installments are considered paid as well. This rule protects the creditor by treating an ambiguous payment as satisfying the debt up to the point of payment, unless the debtor clearly states otherwise. If the debtor wants the payment to apply only to the later installment, he must indicate that intention.

10. Which statement about VIOLATION is most accurate?

A. It results from a voluntary acceptance of terms

B. It refers to the legitimate modification of a contract

C. It entails a mere delay in performance

D. It is a breach of a right, duty, or law; contrary to the terms of obligation

Violation in obligations and contracts means a breach of the obligation—failure to perform or performing in a way that goes against what is required by the contract or by law. This focuses on whether the party has met the exact terms of the obligation and, if not, whether the conduct violates the right, duty, or legal standard tied to that obligation. The statement that best captures this is that violation is a breach of a right, duty, or law, contrary to the terms of the obligation. It emphasizes that the core issue is not consent to terms or a legitimate change in the contract, nor merely a delay; it is failing to comply with what the obligation requires or doing something that the obligation forbids.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://oblicon.examzify.com

We wish you the very best on your exam journey. You've got this!