

BOARD'S WRITTEN TEST

MARYLAND BAR EXAMINATION

Tuesday, July 25, 2017

Morning Session - 3 Hours

**The Multistate Performance Test is printed in a separate booklet.
Questions 1, 2, and 3 are printed in this booklet.**

IMPORTANT PROCEDURES

- 1. Sit in your assigned seat.** Occupy the place marked with the seat number assigned to you by the State Board of Law Examiners. Scores will be assigned by seat number, and no names shall appear on the answer booklets. If you are hand writing, check each of your answer booklets at once to be sure that each bears your seat number. If you find a discrepancy, immediately contact a proctor for assistance.
- 2. Write or type each answer in the book or answer field designated for the question.** The morning session of the Board's Written Test has the Multistate Performance Test (MPT) and three essay questions numbered one through three. There is a separate answer booklet/answer field for the MPT and each numbered question. One team of graders scores all of the answers to a single question. Hence, your answer to a question will not be seen by the grading team and will not be graded unless it appears in the proper booklet or answer field.
- 3. Allocate the suggested writing time as you desire.** Each numbered essay question is intended to carry equal weight in the final grade. The MPT carries one and a half times the weight of an essay question. The suggested time to answer each essay question is 25 minutes. The suggested time to answer the MPT is 90 minutes. **Although these suggested times total 2 hours 45 minutes, you will have 3 hours to work on the morning session. You may allocate the difference (15 minutes) in any manner you deem appropriate.**
- 4. Handwriters will be allowed one answer booklet for each question.** Begin each answer at the top of a page. Do not copy the questions. Use one side of the page only until you have filled the booklet. Then turn the booklet over and write from back to front if you need more pages. **Do not tear pages from your booklets.** You also may use your test questions (including the MPT) and statutory extract for scratch work.
- 5. Develop your reasoning fully and write legibly.** The Board will not grade an illegible answer. Print your answers if your handwriting is difficult to read.
- 6. Obtain Board Staff assistance at the end of the test session if you write an answer in the wrong booklet or type in the wrong answer field.** Do not waste testing time trying to fix the administrative mistake. **When the morning test session concludes, you will be given an opportunity to have the Board's Staff assist you in correcting the problem. Thereafter, any answer appearing in the wrong booklet or field may not be graded.**
- 7. You must turn in all test answer booklets, scratch workbooks, and the MPT Question Book to your proctor.**
- 8. You may keep the Board's essay test questions and statutory extract when testing ends.**

QUESTION 1 (Tan Answer Book/Tan SofTest™ Header)
(25 minutes)

In April 2016, Ralph and Alice found a parcel of land in Honeymoon, Maryland, on which to operate a bed and breakfast. They paid \$50,000 to Seller, signing a contract to pay the remaining amount of \$200,000 at closing. Ralph and Alice signed the contract in the name of “To The Moon Limited Partnership” (“TTM”), the business entity they intended to form within the following days. Knowing they wouldn’t have the money in time for the closing, Ralph and Alice convinced The Credit Union (“TCU”) to loan TTM \$200,000, payable in one year, with a security interest in the property in Honeymoon, Maryland. TTM was able to settle on the property on May 1, 2016.

On May 2, 2016, Ralph and Alice contacted six friends (“Friends”) and convinced each to invest in TTM for the low price of \$30,000 per share. The Friends each paid \$30,000 and signed a document ratifying the contract with TTM and the Seller. On May 10, 2016, Ralph and Alice filed the certificate of limited partnership with the State Department of Assessments and Taxation. Ralph and Alice were the named general partners, and the Friends were the named limited partners.

Due to zoning issues, the bed and breakfast has not yet been able to open. TTM has only repaid \$50,000 to TCU as of the due date for repayment of the loan and has spent all but \$20,000 of the invested monies renovating the building. On May 15, 2017, TCU notified Ralph that TTM was in default on the loan, and Ralph was granted a two-week extension. That evening Ralph decided to take the last \$20,000 of the money provided by the Friends to gamble at the local casino in a last-ditch effort to win money to repay the debt. His effort failed. On May 29, 2017, CU notified Ralph, Alice, and the Friends that it intended to foreclose on the property and hold them responsible for any deficiency.

A. Alice and Friends come to you, a licensed Maryland attorney, for advice as to any defense she, TTM, or Friends may have if TCU filed an action for any deficiency. What would you advise?

B. Alice and Friends also ask what recourse they may have against Ralph for his actions. What would you advise?

Explain your answers fully.

AN EXTRACT HAS BEEN PREPARED FOR YOUR USE IN ANSWERING QUESTION 2. IT HAS BEEN PRINTED SEPARATELY. IF YOU DID NOT RECEIVE A COPY OF THE EXTRACT, PLEASE CONTACT YOUR PROCTOR AND OBTAIN A COPY BEFORE ANSWERING THE QUESTION.

QUESTION 2 (Green Answer Book/Green SofTest™ Header)
(25 minutes)

In May 2014, Shaky Foundations, a licensed home-improvement contractor, installed a patio at Abel's residence in Carroll County, Maryland. Abel immediately paid the contractor the full contract price of \$15,000 at the site of the work. In June 2014, the patio began to erode, and in September 2014, the patio completely disintegrated due to unsuitable materials and faulty workmanship. Abel immediately demanded a refund. Shaky blamed the problem on the soils in Abel's yard and denied responsibility.

Shaky Foundations is a registered trade name for Shiftless Partners, a general partnership without any office, in which Baker, Charlie Inc., and Dubious LLC are the partners. Baker is a resident of Anne Arundel County. Charlie Inc. is a Maryland corporation with a principal place of business in Howard County. Dubious LLC is a limited liability company that ordinarily conducts business in Maryland in both Montgomery and Frederick Counties.

On July 1, 2017, Abel retained you to obtain the refund. Your research establishes that this is not a sale of goods.

- A. In what court(s) can Abel file an action for breach of contract?**
- B. Upon whom must process be served in order to obtain personal jurisdiction over the defendant(s)?**
- C. Based on these facts, what, if any, affirmative defense(s) can be raised by the defendant(s)? If so, how can the defense(s) be raised?**

QUESTION 3 (Yellow Answer Book/Yellow SofTest™ Header)

(25 minutes)

Al and Beth had been married for ten tumultuous years filled with acrimony and discord. Beth retained an attorney, Charles, to file a Complaint for Absolute Divorce in the Circuit Court for Prince George's County, Maryland, where they both lived. The Complaint was grounded in Al's alleged infidelity and mental and physical cruelty. In the Divorce Complaint, Beth sought her fair share of marital property and alimony from Al.

Beth told Charles that Al had treated his first wife just like she had been treated. Beth also told Charles that Al had told her during their marriage that he had successfully hidden marital assets from his first wife when they were divorced. Beth knows that Dave is Al's accountant for his business, and he is familiar with Al's sources of income.

At trial, Charles attempts to introduce the following evidence which he proffers to the Court:

A. Beth's testimony that Al told Beth during their marriage that he had successfully hidden marital assets from his first wife.

B. Testimony from Fred, Al's attorney in his first divorce, that Al admitted to treating his first wife cruelly.

C. Testimony from Sam, Al's drinking buddy, awaiting trial for perjury, that Al had bragged that he had been unfaithful to Beth during their marriage.

D. Testimony from Dave, licensed certified public accountant for Al's solely-owned company, concerning the profit and loss of Al's company, and Al's history of his annual income during their marriage.

E. The testimony of George, Al's doctor, that Al had contracted a sexually transmitted disease during the year prior to the parties' separation.

F. Testimony from Beth that, in her opinion, the parties' jointly-held marital property had a value of \$1,000,000.

Al's divorce lawyer objects to the proffer in each instance.

How should the Court rule on each objection and why? Explain your answers fully.