

# BUSINESS LAW & ETHICS - PILOT (265)

## REGIONAL – 2017

### True/False & Multiple Choice Section:

True/False (20 @ 2 points each) \_\_\_\_\_ (40 points)

Multiple Choice (30 @ 2 points each) \_\_\_\_\_ (60 points)

***TOTAL POINTS*** \_\_\_\_\_ (***100 points***)

**Failure to adhere to any of the following rules will result in disqualification:**

- 1. Contestant must hand in this test booklet and all printouts. Failure to do so will result in disqualification.**
- 2. No equipment, supplies, or materials other than those specified for this event are allowed in the testing area. No previous BPA tests and/or sample tests or facsimile (handwritten, photocopied, or keyed) are allowed in the testing area.**
- 3. Electronic devices will be monitored according to ACT standards.**

No more than sixty (60) minutes actual testing time

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**Identify the letter of the choice that best completes the statement or answers the question. Mark A if the statement is TRUE. Mark B if the statement is FALSE.**

**True/False**

1. The U.S. Constitution is the foundation for all laws in the United States.
2. Case law is another name for common law.
3. There is only *one* correct answer to an ethical dilemma.
4. Concurrent federal jurisdiction means that both state and federal courts have jurisdiction over a case.
5. Alternative Dispute Resolutions (ADR) give businesses less control over the resolution of a business dispute.
6. The burden of proof in a civil trial is preponderance of the evidence.
7. The courts generally hold that business owners have a duty to protect customers on their property.
8. Good Samaritan statutes impose liability upon people for refusing to stop at accident scenes.
9. The purpose of compensatory damages, when awarded in a civil trial, is to punish the defendant and deter future wrongdoers.
10. Real property includes land and everything permanently attached to it.
11. A license is a right to use another's property that is permanent and revocable.
12. A contract is a set of legally enforceable promises.
13. The two primary sources of contract law are the Uniform Commercial Code and Restatement of Contracts.
14. Capacity is the legal ability to enter into a binding contract.
15. As a general rule, parents *are* not liable for contracts entered into by their minor children.
16. State laws require that all contracts must be in writing to be enforceable in the courts.
17. In general, an oral contract for the sale of land is sufficient to prove terms of the agreement in court.
18. The UCC defines a negotiable instrument as a written document that is signed by the maker with an unconditional promise to pay back a sum certain in money on demand or at a time certain.
19. A power of attorney is a document that gives an agent authority to sign legal documents on behalf of the principal.
20. Employees are protected in the workplace by federal laws only.

**Multiple Choice**

1. What do business laws protect?
  - a. all contracts
  - b. employment decisions
  - c. payments to suppliers
  - d. all contracts, employment decisions, and payments to suppliers
  
2. The laws created by the legislative branch are referred to as \_\_\_\_\_.
  - a. administrative codes
  - b. statutes
  - c. uniform rules
  - d. executive orders
  
3. The expectations that a community places on the actions of a business are referred to as \_\_\_\_\_.
  - a. social responsibility of business
  - b. business ethics
  - c. values
  - d. standards of business conduct
  
4. \_\_\_\_\_ is the application of standards of moral behavior to business situations.
  - a. business structuralism
  - b. business contingence
  - c. business ethics
  - d. business sourcing
  
5. Assuming there are no vacancies, how many U.S. Supreme Court Justices are there?
  - a. 9
  - b. 12
  - c. 7
  - d. 8
  
6. Which of the following is *not* a type of Alternative Dispute Resolution?
  - a. Arbitration
  - b. Consultation
  - c. Negotiation
  - d. Mediation
  
7. The burden of proof in a criminal case is \_\_\_\_\_.
  - a. preponderance of the evidence
  - b. actus reus
  - c. actual malice
  - d. beyond a reasonable doubt

8. A(n) \_\_\_\_\_ is a hacker whose intention is the exploitation of a target computer or network to create a serious impact, such as the crippling of a communications network.
  - a. computer offender
  - b. cyber terrorist
  - c. network thief
  - d. fraud offender
  
9. Which Amendment provides the right to a speedy and public trial?
  - a. The Second Amendment
  - b. The Third Amendment
  - c. The Fourth Amendment
  - d. The Sixth Amendment
  
10. Which of the following is a tort?
  - a. a civil or criminal action in state court or federal court
  - b. a breach of contract
  - c. a wrongful act or injury to another, other than a breach of contract
  - d. none of these
  
11. \_\_\_\_\_ damages are compensation awarded in a civil lawsuit to punish the defendant.
  - a. nominal
  - b. compensatory
  - c. punitive
  - d. retaliatory
  
12. All of the following are examples of torts, *except* \_\_\_\_\_.
  - a. breach of contract
  - b. malpractice
  - c. defamation
  - d. assault
  
13. A \_\_\_\_\_ is a distinctive mark, word, design, picture, or arrangement that is used by a producer in conjunction with a product and tends to cause consumers to identify the product with the producer.
  - a. copyright
  - b. patent
  - c. trade secret
  - d. trademark
  
14. In the intellectual property arena, the term \_\_\_\_\_ refers to the overall appearance of a product or its packaging that signify the source of the product.
  - a. product appearance
  - b. trade dress
  - c. design fabrication
  - d. trade appearance

15. The six elements of a contract include all *but* one of these \_\_\_\_\_.
- offer
  - illegality
  - acceptance
  - capacity
16. The law of contracts used today originated from \_\_\_\_\_.
- Switzerland
  - Netherlands
  - England
  - Rome
17. A \_\_\_\_\_ contract is commonly defined as a promise in exchange for a promise.
- unilateral
  - trilateral
  - complete
  - bilateral
18. Which of the following is sometimes referred to as an implied-in-law contract?
- quasi-contracts
  - express contracts
  - express contracts and implied-in-fact contracts
  - express contracts and quasi-contracts
19. Historically, which of the following were considered people with limited or no capacity?
- minors and married women
  - single women over 18 and insane persons
  - minors and insane persons
  - minors, insane persons, and married women
20. Guardians may be appointed for which of the following?
- only those who are determined insane by a judge or court
  - only those whose judgment has been impaired because of a condition such as Alzheimer's
  - those who are determined insane by a judge/court or those whose judgment has been impaired because of a condition such as Alzheimer's, but not those who are habitual drunkards or drug addicts
  - those who are determined insane by a judge/court, those whose judgment has been impaired because of a condition such as Alzheimer's, and also those who are determined by a court/judge to be habitual drunkards and drug addicts
21. Which of these types of contracts does *not* fall within the statute of frauds?
- contracts not performed within 6 months
  - promises made in consideration of marriage
  - agreements related to an interest in land
  - sale of goods over \$500

22. Which of the following is needed in order to satisfy the UCC's requirement for a written document?
- The contract or memorandum needs only to state the price of the goods.
  - The contract or memorandum needs only to state the quality of the goods.
  - The contract or memorandum needs only to state the quantity to be sold.
  - The contract or memorandum needs to state the price of the goods and the quality of the goods, but not the quantity to be sold.
23. In contracts other than those governed by the Uniform Commercial Code, which of the following are *required* elements for a writing to be considered sufficient under the statute of frauds?
- Identification of the parties to the contract
  - Identification of the subject of the agreement
  - Identification of the parties to the contract, identification of the subject of the agreement, and identification of the penalties for nonperformance
  - Identification of the parties to the contract and the subject of the agreement, but not penalties for nonperformance
24. The \_\_\_\_\_ rule is a common law rule that addresses the admissibility of oral evidence as it relates to written contracts.
- oral admissibility
  - oral evidence
  - parol evidence
  - frauds evidence
25. Which of the following are *examples* of negotiable instruments?
- checks and oral agreements
  - drafts and stocks
  - notes and oral agreements
  - checks, drafts, and notes
26. If a negotiable instrument is payable to whoever possesses the instrument, then it is a(n) \_\_\_\_\_ instrument.
- demand
  - bearer
  - transactional
  - order
27. Agency laws are relevant to \_\_\_\_\_ relationship.
- principal-agent
  - employer-employee
  - principal-agent, employer-employee, and employer-independent contractor
  - principal-agent and employer-employee, but not employer-independent contractor

28. Which of the following is *false* regarding the employer-employee relationship?
- the employee is subject to the control of the employer
  - independent contractors fall under the employer-employee relationship
  - generally, all employees are considered to be agents of the employer
  - employees who are not legally authorized to enter into contracts binding their employer are considered agents
29. \_\_\_\_\_ protects employees against discrimination and harassment based upon race, color, religion, national origin, and sex.
- the Civil Rights Act of 1964-Title VII
  - the Pregnancy Discrimination Act of 1987
  - the Age Discrimination in Employment Act of 1967
  - the American with Disabilities Act of 1990
30. \_\_\_\_\_ is a federal law regulating the payment of wages and overtime.
- The Fair Pay Act
  - The Fair Labor Standards Act
  - The Regulatory Wage Act
  - The Legal Pay Act