

# BUSINESS LAW & ETHICS

## (265)

### REGIONAL – 2019

#### Multiple Choice & Short Answer 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 ten (10) minutes orientation

No more than (60) minutes testing time

No more than ten (10) minutes wrap-up

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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.**

1. A court has appellate jurisdiction if it has the authority to hear appeals from other courts.
2. Federal circuit courts of appeal, exists for each of the fifty states.
3. A whistleblower is one who calls attention to unpleasant conditions at the workplace.
4. Ethical and moral beliefs and standards are derived from law
5. To be successful in an intentional tort, the plaintiff must show that the defendant intended to harm the plaintiff.
6. *Stare Decisis* is a legal term used to mean: “let the decision stand,” the policy of courts to abide by or adhere to principles established by decisions in earlier cases.
7. A contract must show mutual agreement, which is also referred to as "a meeting of the minds."
8. In most states, minors, those under the age of 18, lack the capacity to enter into a contract.
9. An offeree is the party making an offer and the offeror is the party receiving the offer.
10. Intellectual property is protected through the use of trade secrets, trademarks, copyrights, and patents.
11. A trademark protects creators of literary, creative, or artistic works.
12. An invention may be considered a trade secret.
13. A power of attorney is a document that gives an agent authority to sign legal documents on behalf of the principal.
14. If an instrument fails to qualify as a negotiable instrument, it means that the instrument fails to be an enforceable contract.
15. The words "pay to the order of" are sufficient words of negotiability.
16. There is no difference between an employee and an independent contractor.
17. According to the doctrine of employment at will, only the employer, and not the employee, may choose to terminate the employment relationship at any time.
18. Transferring funds from one bank account to another, changing students' grades in college computer files, and crediting accounts for purchases made are not instances of unauthorized use of computers.

19. The Federal Trade Commission is an independent federal agency whose goal is to protect consumers.
20. The major disadvantage of setting up a business as a sole proprietorship is the fact that the owner of the establishment has limited liability.

**Multiple Choice**

21. If someone commits an act against the public, they will be violating what type of law?
- Civil law
  - Criminal law
  - Procedural law
  - Civil law and procedural law, but not criminal law
22. In the United States, the federal Constitution gives \_\_\_\_\_.
- unlimited powers exclusively to the federal government
  - unlimited powers to both the federal and state governments
  - reasonable powers exclusive to state governments
  - reasonable powers to the federal government
23. Decisions made by the U.S. Supreme Court must \_\_\_\_\_ by other courts.
- not be followed
  - be followed
  - not be referred to
  - be reviewed
24. The federal district courts have original jurisdiction in cases involving \_\_\_\_\_.
- criminal matters
  - probate matters
  - federal questions
  - cases in which state law conflicts with county ordinances
25. The authority or power of a court to hear cases, as granted by a constitution or legislative act, is known as the court's \_\_\_\_\_.
- jurisdiction
  - ratio decidendi
  - obiter dicta
  - quotient
26. Today's business professionals involved in global markets are sometimes faced with ethical predicaments because of different:
- modes of transport.
  - languages.
  - standards of ethics.
  - values of money.

27. Ethical issues involving the Internet and computer technology have prompted people to consider ethical issues such as:
- governance.
  - privacy.
  - discrimination.
  - apartheid.
28. The actions of corporations that are intended to demonstrate the corporate wish to behave responsibly take many forms and are conducted under the banner of:
- corporate liability.
  - national mandate.
  - patriotic duties.
  - corporate responsibility.
29. The following are types of torts:
- A civil or criminal action in state court.
  - A breach of contract.
  - A wrong or injury to another, other than a breach of contract.
  - None of these.
30. The tort of \_\_\_\_\_ is the spreading of damaging words or ideas in written form.
- slander.
  - libel.
  - conversion.
  - negligence.
31. The common defenses to charges of defamation are:
- insanity and privilege.
  - truth and falsehood.
  - truth and privilege.
  - privilege and falsehood.
32. A term that is used in cases involving the negligence of professionals is:
- false imprisonment.
  - vis major.
  - mifefasance.
  - malpractice.
33. Entering into a contract with persons of legal age and normal mentality is considered within the element of:
- legality of purpose.
  - capacity of the parties.
  - mutual agreement.
  - proper form.

34. Contracts can be created for:
- only one specific purpose.
  - one or two purposes.
  - only for agreements that involve monetary transactions.
  - any number of purposes.
35. If an agreement imposes a legal obligation, then it is a(n):
- unenforceable contract.
  - enforceable contract.
  - a negated concurrence.
  - a void contract.
36. The document that lists the general powers of a corporation is called the:
- memorandum of hierarchy.
  - memorandum of association.
  - articles of entrepreneurship.
  - articles of incorporation.
37. A limited partner will be deemed by the courts to be a general partner if he or she:
- constantly refuses to sign a proxy.
  - participates regularly in the duty of loyalty and duty of care.
  - participates in the overall management of the business.
  - unintentionally violates the duty of care owed to the corporation.
38. The limited liability company provides all of the owners with:
- limited authority.
  - limited liability.
  - limited profits.
  - limited reputation.
39. Symbols used to identify services, as distinguished from goods, are called \_\_\_\_\_.
- service marks
  - patents
  - copyrights
  - trade dress
40. Under the current copyright law, a created work is protected for the lifetime of the creator plus:
- 30 years.
  - 40 years.
  - 50 years.
  - 70 years.

41. A distinctive, nonfunctional feature, which distinguishes a merchant's or manufacturer's goods or services from those of another, is known as a:
- trade dress.
  - trademark.
  - design patent.
  - copyright.
42. In a(n) \_\_\_\_\_ relationship, the agent is authorized to act for and on behalf of the principal, who hires the agent to represent him or her.
- authority
  - principality
  - agency
  - decreed
43. An instrument with an unconditional written promise to pay, or pay to the order of another party, a certain sum of money on demand or at a definite time is known as a:
- garnishee order.
  - negotiable instrument.
  - stop-payment order.
  - restraining order.
44. A written note or letter in which one person promises to pay a certain amount of money to another at a definite time is known as a:
- cashier's check.
  - promissory note.
  - certified check.
  - demand draft.
45. An instruction a depositor gives to his or her bank not to pay a particular check is known as a(n):
- stop-payment order.
  - garnishee order.
  - endorsed order.
  - temporary protective order.
46. \_\_\_\_\_ is the act of fraudulently making or altering a note, check, draft, or some other document, causing the financial loss of another.
- Forgery
  - Larceny
  - Conversion
  - Robbery

47. The Electronic Communications Privacy Act (ECPA) states that individuals may not gain access to a(n) \_\_\_\_\_ without permission.
- fund transfer system
  - cyberspace privacy system
  - electronic communication system
  - antivirus organization
48. A person who gains unauthorized access to computers, either for mischief or with criminal intent, is called a(n):
- imposter.
  - achiever.
  - genius.
  - hacker.
49. The Equal Credit Opportunity Act makes it illegal for creditors to deny credit to individuals on the basis of \_\_\_\_\_.
- race, national origin, color, sex, marital status, or age
  - race, religion, national origin, color, sex, or age
  - race, religion, national origin, color, or sex
  - race, religion, national origin, color, sex, marital status, or age
50. An employer is \_\_\_\_\_ for an employee's torts committed within the scope of employment;
- not responsible
  - rewarded
  - responsible
  - ostracized



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**Multiple Choice & Short Answer:**

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

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

**Graders: Please double check and verify all scores and answer keys!**

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**T/F ANSWERS**

1. T
2. F
3. T
4. F
5. T
6. T
7. T
8. T
9. F
10. T
11. F
12. T
13. T
14. F
15. T
16. F
17. F
18. F
19. T
20. F

**MULTIPLE CHOICE ANSWERS**

21. B
22. D
23. B
24. C
25. A
26. C
27. B
28. D
29. C
30. B
31. C
32. D
33. B
34. D
35. B
36. D
37. C
38. B
39. A
40. D
41. B
42. C
43. B
44. B
45. A
46. A
47. C
48. D
49. D
50. C