

Contestant Number: _____

Time: _____

Rank: _____



BUSINESS LAW & ETHICS

(265)

REGIONAL 2021

CONCEPT KNOWLEDGE:

True/False (20 @ 2 point each) _____ (40 points)

Multiple Choice (30 @ 2 points each) _____ (60 points)

TOTAL POINTS _____ (***100 points***)

Test Time: 60 minutes

PART 1 – OBJECTIVE QUESTIONS – True/False

DIRECTIONS: Instructions: Mark “A” if the statement is TRUE. Mark “B” if the statement is FALSE.

1. Constitutional law are laws enacted by legislative bodies at any level of government, such as statutes passed by Congress or by state legislatures.
A. True
B. False
2. The right to own and enjoy assets is known as property rights.
A. True
B. False
3. A trial occurs when the parties agree to resolve their dispute out of court.
A. True
B. False
4. A settlement is an oral hearing of the issues by a judge alone, or by a judge and jury to render a judgment on the matter.
A. True
B. False
5. An appeal must be requested within a certain time limit, usually within 30 days after the trial court renders its decision.
A. True
B. False
6. Alternate dispute resolution would includes Negotiation, Arbitration and Mediation.
A. True
B. False
7. The word tort means right.
A. True
B. False
8. Battery and assault have the exact same meaning about an intentional tort.
A. True
B. False
9. Intentional torts occur when a person intentionally acts in some ways.
A. True
B. False
10. NAFTA stands for the Native American Free Trade Agreement.
A. True
B. False

11. Legality insurance is a contract in which an insurance company agrees, in exchange for a price, to pay damages on behalf of a person who incurs liability.
 - A. True
 - B. False

12. Defamation is a false and derogatory statement in spoken or written form.
 - A. True
 - B. False

13. Under capitalism, maximizing profits comes from a focus on higher purposes and harmonizing the interests of various stakeholders.
 - A. True
 - B. False

14. Bankruptcy is the statutory procedure, usually triggered by insolvency, by which a person is relieved of most debts and undergoes a judicially supervised reorganization or liquidation for the benefit of the person's creditors.
 - A. True
 - B. False

15. A copyright is an exclusive right to make, use, or sell an invention for a specified period.
 - A. True
 - B. False

16. A patent is a word, phrase, logo, or other graphic symbol used by a manufacturer or seller to distinguish its product or products from those of others.
 - A. True
 - B. False

17. At trial, the first order of business is to select a jury.
 - A. True
 - B. False

18. Arbitration is when the parties use a private decision maker, the arbitrator, and the rules of procedure are considerably more relaxed than those that apply in the courtroom.
 - A. True
 - B. False

19. A drawee is the party ordered to pay a draft or check, such as a bank or financial institution.
 - A. True
 - B. False

20. The Fifth Amendment states that "Congress shall make no law...abridging the freedom of speech, or of the press."
 - A. True
 - B. False

PART 2 –Multiple Choice

Select the letter of the answer that *best* answers the question or completes the statement.

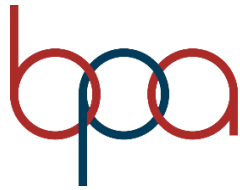
21. In a strict liability tort, it is necessary to prove that _____.
A. the other person intended to do the specific act
B. the other person intended to do the specific act and, in some cases, that the person intended harm
C. a reasonable person would not have acted that way
D. the specific act occurred
22. A(n) _____ is a business arrangement by which two or more individuals agree to share in all assets, profits and financial and legal liabilities of a jointly owned business structure.
A. general partnership
B. limited partnership
C. buddy collaboration
D. ordinary partnership
23. A _____ is the nonperformance of a contractual duty.
A. condition precedent
B. breach of conduct
C. breach of contract
D. novation
24. A _____ is a rejection of an original offer and the simultaneous making of a new offer.
A. Rejected
B. Counteroffer
C. Compromised offer
D. Failure to close
25. _____ is an intentional tort which involves reasonable belief that threat of offensive bodily contact is imminent.
A. Assault
B. Battery
C. False imprisonment
D. Nuisance
26. A term that is used in cases involving the negligence of professionals is _____.
A. false imprisonment
B. vis major
C. misfeasance
D. malpractice

27. The method of termination of an offer occurring when the offeree responds with a willingness to enter into a contract but on different terms is _____.
A. lapse
B. revocation
C. rejection
D. counter offer
28. Entering into a contract with persons of legal age and normal mentality is considered within the element of _____.
A. legality of purpose
B. capacity of the parties
C. mutual agreement
D. proper form
29. _____ is the method of discharge which involves making minor changes to the terms of a contract and providing fresh consideration.
A. Condition precedent
B. Rescission
C. Variation
D. Novation
30. The remedy for breach which compensates the victim for the time, effort, and expenditure wasted in preparation for performance of the contract is _____.
A. reliance damages
B. expectation damages
C. account of profits
D. nominal damages
31. One individual carrying on business on his or her own is known as _____.
A. Sole Proprietorship
B. Limited Corporation
C. Balanced Partnership
D. Limited Partnership
32. The term “holding out” refers to _____.
A. the principal having legal capacity to enter into contracts
B. authority that is implied by the conduct of the principal, such as paying for the goods
C. authority that is implied by the usual authority given to someone in that position
D. conduct where the principal represents that someone has authority to act as an agent and bind him or her

33. Dividends are _____.
- A. established in the incorporation certificate and represent tax deductible capital repayments
 - B. declared by management and represent interest owed on shares
 - C. declared by the directors and represent capital repayments not tax-deductible by the corporation
 - D. declared by the directors and represent capital repayments owed on shares
34. The _____ requires equal pay for work of equal value for women and men.
- A. Equal Pay Act
 - B. Human Rights equity
 - C. Employment Standards Act
 - D. Employee Insurance
35. A(n) _____ is a contract between the seller and the carrier of goods.
- A. Bill of Lading
 - B. Commercial Load
 - C. Insurance
 - D. Commercial Invoice
36. Under the current copyright law, a created work is protected for the lifetime of the creator plus _____.
- A. 30 years
 - B. 40 years
 - C. 50 years
 - D. 70 years
37. An employer makes significant changes to a contracted employee's job status or responsibility without their consent. This constitutes _____.
- A. wrongful dismissal
 - B. constructive dismissal
 - C. insufficient notice
 - D. none of the above making such changes is an employer's prerogative
38. The form of ownership involving two or more people having an equal undivided interest in the property with the right of survivorship, is _____.
- A. joint tenancy
 - B. tenancy in common
 - C. condominium
 - D. cooperative

39. The Federal Trade Commission, like most administrative agencies of the federal government, is part of _____.
- A. the executive branch of government
 - B. the legislative branch of government
 - C. the judicial branch of government
 - D. the administrative branch of government
40. David works for Data Systems Ltd. and may be liable for larceny if he steals _____.
- A. a competitor's trade secrets
 - B. company computer time
 - C. the use of Data Systems' Internet for personal business
 - D. any of the above
41. You find a laptop in the guest parking lot of your employer's property. If you cannot find the rightful owner of the laptop, the laptop will _____.
- A. belong to you as the finder because it was found on public property
 - B. belong to the employer because it was found on the public part of your employer's property
 - C. belong to you as the finder because it was found on the private part of the employer's property
 - D. belong to you no matter what because you found the laptop
42. Under the appropriate legislation, the longest-running protection is provided to registered _____.
- A. copyrights
 - B. trademarks
 - C. patents
 - D. the protection is the same for all intellectual property.
43. Pat, age 65, is driving down Main Street when he suffers the first seizure of his life. He loses control of his vehicle and runs into three people on the sidewalk. Which statement is *true*?
- A. He is liable for an intentional tort.
 - B. He is liable for a negligent tort.
 - C. He is not liable for a negligent tort.
 - D. He is liable under strict liability, because driving a car is abnormally dangerous.
44. An implied contract _____.
- A. must be in writing
 - B. is one in which the terms are spelled out
 - C. is one inferred from the actions of the parties
 - D. is imposed by law to avoid an unjust result
45. An unenforceable contract is _____.
- A. void, not a contract at all
 - B. one that a court will not enforce for either side because of a rule of law
 - C. unenforceable by one party but enforceable by the other
 - D. one that has been performed by one party but not the other

46. When bankruptcy occurs, which of these has priority?
- A. Secured creditors
 - B. Preferred creditors
 - C. General unsecured creditors
 - D. Employees owed wages
47. In general, under the Uniform Commercial Code, a purchaser becomes responsible for risk of loss or damage to goods he has purchased when _____.
- A. the purchaser makes the contract with the vendor, even if the vendor still has something to do to put the goods into a deliverable state
 - B. the purchaser notifies the vendor he is ready to receive delivery
 - C. the purchaser schedules delivery
 - D. passing of property has occurred
48. The _____ is a labor law that obligates employers to provide information, training, and instruction, as well as gives employees a right to refuse unsafe work.
- A. Employment Standards Act
 - B. Occupational Health and Safety Act
 - C. Employment Insurance Act
 - D. Workers Compensation Act
49. An acceptance is generally considered effective _____.
- A. when a letter is received by the offeror
 - B. when a letter is mailed
 - C. when the offeree is silent
 - D. only when the acceptance is transmitted in writing
50. Misrepresentation that does *not* go to the core of a contract is _____.
- A. fraud in the execution
 - B. fraud in the inducement
 - C. undue influence
 - D. an example of mistake



**BUSINESS
PROFESSIONALS**
of **AMERICA**
Giving Purpose to Potential



BUSINESS LAW & ETHICS

(265)

REGIONAL 2021

CONCEPT KNOWLEDGE:

True/False (20 @ 2 point each) _____ (40 points)

Multiple Choice (30 @ 2 points each) _____ (60 points)

TOTAL POINTS _____ (***100 points***)

Test Time: 60 minutes

PART 1 – OBJECTIVE QUESTIONS – True/False

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

PART 2 – OBJECTIVE QUESTIONS – Multiple Choice

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