

BUSINESS LAW & ETHICS

(265)

REGIONAL – 2020

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 ninety (60) minutes testing time
No more than ten (10) minutes wrap-up

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General Instructions

1. Answer the objective questions using the Scantron scoring sheet provided.
(OR electronically if available)
2. Your name or initials should NOT appear on any work you submit. Use your contestant number.
3. If you complete the event before the end of the time allotted, notify the proctor. Time could be considered a factor in determining a winner when there is a tie score.

PART 1 – True/False

Mark “**A**” if the statement is *TRUE*. Mark “**B**” if the statement is *FALSE*.

1. Battery and assault have the exact same meaning in reference to an intentional tort.
 - a. True
 - b. False
2. Libel is a spoken type of defamatory statement.
 - a. True
 - b. False
3. A drawee is the party ordered to pay a draft or check, such as a bank or financial institution.
 - a. True
 - b. False
4. Agents owe principals certain duties, these include duties related to compensation, cooperation, reimbursement and indemnification, and safe working conditions.
 - a. True
 - b. False
5. A hybrid form of business enterprise that offers the limited liability of a corporation and the tax advantages of a partnership is a Limited Liability Company.
 - a. True
 - b. False
6. Venture capital investments are usually considered to be low risk investments.
 - a. True
 - b. False
7. “Beyond a reasonable doubt” is the standard of proof used in criminal cases.
 - a. True
 - b. False
8. A check is not a type of promissory note.
 - a. True
 - b. False
9. Certain types of securities are exempt from the registration requirements of Securities Act.
 - a. True
 - b. False
10. Venue relates to the most appropriate physical location for a trial to be held.
 - a. True
 - b. False

11. The defendant is one against whom a lawsuit is brought, or the accused person in a criminal proceeding.
 - a. True
 - b. False
12. The basic idea that corporations can and should act ethically and be accountable to society for their actions is called corporate social responsibility.
 - a. True
 - b. False
13. When an action is brought against one or more people on behalf of a group, this is called a class-action lawsuit.
 - a. True
 - b. False
14. The CAN-SPAM Act does not regulate spam sent to Americans from other countries.
 - a. True
 - b. False
15. Under corporate law, a corporation must have a board of directors elected by the shareholders.
 - a. True
 - b. False
16. Acceptance of drafts can be done verbally.
 - a. True
 - b. False
17. A prospectus is a written disclosure document describing the security being sold.
 - a. True
 - b. False
18. If a firm makes, uses, or sells another's patented design, product, or process with the patent owner's permission, this would be considered a commitment of patent infringement.
 - a. True
 - b. False
19. The authority of a court to hear and decide a specific case is called jurisdiction.
 - a. True
 - b. False
20. Bankruptcy proceedings are governed by each states specific state laws.
 - a. True
 - b. False

PART 2 –Multiple Choice

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

21. An _____ can also be called a general partnership.
 - a. basic partnership
 - b. limited partnership
 - c. buddy collaboration
 - d. ordinary partnership

22. _____ are statements made by the plaintiff and the defendant that detail the facts, charges, and defenses of a case.
 - a. Statement of torts
 - b. Complaints
 - c. Pleadings
 - d. Disputes

23. UCC provides uniform sets of rules governing commercial transactions. UCC is the abbreviation for _____.
 - a. Uniform Code of Conduct
 - b. Uniform Commercial Code
 - c. United States Code of Conduct
 - d. Unified Collaboration Committee

24. The _____ is one against whom a lawsuit is brought, or the accused person in a criminal proceeding.
 - a. plaintiff
 - b. adjudicate
 - c. precedent
 - d. defendant

25. The _____ inform each party of the other's claims and specify the issues involved in the case.
 - a. pleadings
 - b. Statement of Record
 - c. Writ of Centiorari
 - d. litigation report

26. A _____ is sworn testimony by a party to the lawsuit or any witness.
 - a. confession
 - b. pleadings
 - c. deposition
 - d. interrogatory

27. If a homeowner defaults, the lender has the right to _____ on the mortgaged property.
 - a. foreclose
 - b. increase the interest rates
 - c. charge penalties
 - d. demand immediate payment in full

28. The threat of immediate harm or offensive contact is termed as _____.
- probable cause
 - defamation
 - assault
 - battery
29. A(n) _____ is a withdrawal of an offer by the offeror that terminates the offer.
- revocation
 - revised offer
 - refusal
 - counteroffer
30. An insurance contract is called a _____.
- premium
 - warranty
 - offer
 - policy
31. The _____ is a federal administrative agency that is primarily responsible for regulating the safety of meat, poultry, and other food products.
- Federal Trade Commission
 - U.S. Department of Agriculture
 - Federal Association of Food Safety
 - Consumer Product Safety Commission
32. A(n) _____ is a transfer of funds through the use of an electronic terminal, a telephone, a computer, or magnetic tape.
- Traditional Check Transfer
 - Direct Transfer
 - Business to Business Transfer
 - Electronic Fund Transfer
33. A limited partnership is a _____ in the state in which it is organized.
- domestic limited partnership
 - standard corporation
 - sole proprietorship
 - Limited Liability Corporation
34. The _____ elects members of the board of directors for a corporation?
- corporate officers
 - shareholders
 - executive team
 - the CEO

35. The _____ is the basic governing document of a corporation which must be filed with the secretary of state of the state of incorporation.
- articles of incorporation
 - certificate of authority
 - rules of engagement
 - standard corporation documentation
36. The Sixth Amendment guarantees the accused a right of trial by a(n) _____.
- registered attorney
 - appellate court
 - impartial jury
 - certified judge
37. The monetary compensation given to a party at the end of a trial or other proceeding is called a(n) _____.
- balance due
 - verdict
 - award
 - appeal
38. The acquisition of control over a corporation through the purchase of a substantial number of the voting shares of the corporation is referred to as a _____.
- buyout
 - foreclosure
 - release of control
 - merger
39. _____ are corporations which have shareholders and whose securities are often traded on national stock exchanges.
- Non-profit corporations
 - Publicly held corporations
 - Group corporations
 - National corporations
40. A(n) _____ is a member of a board of directors who is not an officer of the corporation.
- corporate officer
 - outside director
 - chief executive officer
 - corporate liaison
41. If a professional violates his or her duty of care toward a client, the professional may be sued for _____.
- fraud
 - intentional harm infraction
 - proximate cause
 - malpractice

42. A _____ is the nonperformance of a contractual duty.
- condition precedent
 - breach of conduct
 - breach of contract
 - novation
43. A _____ is a rejection of an original offer and the simultaneous making of a new offer.
- rejected
 - counteroffer
 - compromised offer
 - failure to close
44. _____ gives an employee a legal right to receive pension benefits at some future date when he or she stops working.
- Vesting
 - COBRA
 - Medicare
 - FUTA
45. _____ prohibits government employers, private employers, and unions from discriminating against people because of their religious beliefs.
- ADEA
 - Title VI
 - Title VII
 - HIPPA
46. The _____ & _____ Amendments indicate no person shall be deprived of “life, liberty, or property, without due process of law.”
- Second & Fifth
 - First & Eighth
 - Fifth & Seventh
 - Fifth & Fourteenth
47. The _____ was passed by Congress in the wake of terrorist attacks of September 11, 2001.
- USA Protection Right
 - Freedom Act
 - USA Patriot Act
 - Federal Privacy Act
48. The _____ is abbreviated and commonly known as the “FTC.”
- Federal Taxation Collation
 - Federal Trade Commission
 - Federal Trade Congress
 - Financial Transaction Committee

49. _____ exists when the connection between an act and an injury is strong enough to justify imposing liability.
- a. Malpractice
 - b. Intent
 - c. Proximate cause
 - d. Liability
50. A(n) _____ is the most common term for the transfer of funds through the use of a smart phone, electronic terminal, computer, tablet or telephone.
- a. iBank Transfer
 - b. Technology Assisted Transaction
 - c. Electronic Fund Transfer
 - d. Electronic Financial Transaction