

Bus 241 - Winter 2015 -- Exam No. 2 (MC)

You have 130 minutes to complete this examination. The is a CLOSED book exam. All other study materials, including back packs and purses, must be placed on the floor. NO OLD EXAMS OR PRACTICE EXAMS SHOULD BE VISIBLE. FAILURE TO FOLLOW THESE DIRECTIONS MAY RESULT IN YOU RECEIVING A ZERO SCORE FOR THE EXAM

Please be sure to answer all questions on the exam. There are eleven (11) pages to the multiple choice section and 66 questions to this exam -- 60 multiple choice and six essay questions. Count to make sure that you have all the pages and review your exam to make sure that you do not miss answering any pages or questions of the exam.

PLEASE BE SURE TO TURN IN THE EXAM WITH YOU NAME ON THE FIRST PAGE OF THE EXAM YOU WERE GIVEN. IF YOU FAIL TO PUT YOUR NAME ON A COPY OF THE EXAM, YOU MAY BE GIVEN A -0- FOR THE EXAM.

Multiple Choice:

MULTIPLE CHOICE ANSWERS SHOULD BE ENTERED ON THE MACHINE READABLE FORM. PLEASE BE SURE TO USE PENCIL SO THAT YOUR ANSWERS CAN BE READ BY THE GRADING MACHINE. PLEASE BE SURE TO ALSO INCLUDE YOUR STUDENT ID NUMBER ON THE ANSWER SHEET.

You should try and provide answers for all questions, as there is no penalty for a wrong answer, and it counts the same as an omitted question. There are often two answers which may appear to potentially be correct. You must choose the response which answers the question the best. Each multiple choice question is worth two (2) points.

You must use a number 2 pencil when filling out the exam. Failure to use a pencil will result in a 5 point penalty. There are two versions to this exam. You must indicate "1" in special codes for version A and "2" in special codes for version B, AND "3" for version C. Failure to provide this information on your answer sheet will result in 10 point penalty. You must put your student id number in where the answer sheet provides for "social security number" Failure to follow these directions will result in a 10 point penalty.

Essays:

You must pick and answer three out of the six essay questions. PLEASE NOTE THAT THERE ARE THREE GROUPS OF TWO -- YOU MUST PICK ONE ESSAY OUT OF EACH GROUP. If you need additional space to answer, please use the backside of the page which the essay question is on. In the essay section each question is worth ten (10) points.

Any lack of clarity with regard to your answer choice may result in you not being awarded points for your answer.
Good Luck.

Multiple Choice

Identify the choice that best completes the statement or answers the question.

- _____ 1. Sal assures Tom that she will deliver a truckload of hay to his cattle ranch. A person's declaration to do a certain act is part of the definition of
 - a. a prediction
 - b. an expectation
 - c. a promise
 - d. a moral obligation
- _____ 2. A letter-of-credit agreement between Rural Feed Corporation and Soybean Farms, Inc., requires Rural Feed's bank to pay Soybean Farms on receipt of invoices. This letter of credit is
 - a. a formal contract
 - b. an implied contract
 - c. no contract
 - d. a quasi contract
- _____ 3. Signe offers to sell Thomas her textbook but conditions the sale on Thomas accepting the offer by March 1. Signe may revoke the offer
 - a. before Thomas accepts the offer.
 - b. before March 1, whether or not Thomas has accepted the offer.
 - c. only after March 1.
 - d. only after Thomas accepts the offer.
- _____ 4. Yvon tells Zack, "I would be willing to sell you one of my fishing rods" This is
 - a. not a valid offer because the terms are not definite.
 - b. not a valid offer because Zack did not respond.
 - c. a valid offer.
 - d. not a valid offer because Yvon did not state an intent.

- _____ 5. Business Properties, Inc. (BPI), offers to sell a warehouse to Corporate Investments. Corporate says that it will pay BPI \$100 to hold the offer open for three business days. This
- makes the offer irrevocable for three days if BPI accepts.
 - creates an illegal contract by adding a clause to BPI's offer.
 - voids BPI's offer by extending the time term.
 - negates BPI's offer by changing the price term.
- _____ 6. Canada and the United States are signatories of the Berne Convention. Doug, a citizen of Canada, publishes a book first in Canada and then in the United States. Doug's copyright must be recognized by
- Canada and the United States only.
 - all of the signatories of the Berne Convention.
 - Canada only.
 - none of the choices.
- _____ 7. When Heste's car breaks down, she asks Insta-Tow, Inc., to tow it to Jerry's Repair Shop. There is no discussion of a price and Hester and Insta-Tow do not sign any documents. Later, Insta-Tow sends Hester a bill. With respect to Hester's obligation to pay the bill, this is
- an express contract.
 - an implied contract.
 - a quasi contract.
 - no contract.
- _____ 8. Venture Capital Corporation loans Wally \$15,000 to start a new business. Wally does not pay, but Venture fails to sue within the time prescribed by the applicable statute of limitations. Wally's promise to pay the debt even though recovery is barred
- is unenforceable regardless of any consideration.
 - needs new consideration.
 - needs legally sufficient *and* adequate consideration.
 - needs no consideration.
- _____ 9. Grant offers to sell his Honda Civic for \$10,000 to Ivy. Referring to the prices for similar Hondas, Ivy says, "I'll pay no more than \$5,000." Grant says, "Forget it." Grant's offer was terminated by
- Honda.
 - Grant.
 - Ivy.
 - no one—Grant's offer is still open.
- _____ 10. Cherry is injured in an accident caused by Bronco. Bronco agrees to pay Cherry \$2,500 if she agrees to release him from further liability. Cherry agrees. If Cherry's damages ultimately exceed \$2,500, she can
- not collect the balance from Bronco.
 - collect the balance from Bronco in a breach-of-contract suit.
 - collect the balance from Bronco on the ground of unforeseen events.
 - collect the balance from Bronco in a tort suit.
- _____ 11. Barrett filed a suit against City Moving Service for breach of contract, based on what Barrett claims was City Moving's offer. For a court to determine if a contract has been breached, under the common law, the offer must include terms that are
- exactly precise.
 - reasonably definite.
 - vague or uncertain.
 - unequivocally approximate.

Fact Pattern 12-1A

Jesse defends against a breach-of-contract suit by College Credit Corporation by claiming that their deal—a student loan accruing interest at a certain rate and payable beginning on a certain date—was unfair because the consideration for their contract was inadequate.

- _____ 12. Refer to Fact Pattern 12-1A. If, as Jesse claims, the consideration in this problem is inadequate, it may indicate a lack of
- "heft," "substance," or "weight" in the terms of the contract.
 - bargained-for exchange or mutual assent.
 - accord in Jesse's satisfaction with the value of the deal.
 - flexibility on the part of College Credit to accommodate Jesse's needs.
- _____ 13. Refer to Fact Pattern 12-1A. "Adequacy" of consideration refers to
- the substantiality of the consideration exchanged.
 - legally sufficient value in the eyes of the law.
 - the intangible value to a contracting party of a thing exchanged.
 - "how much" consideration is given.
- _____ 14. Refer to Fact Pattern 12-1A. A court is most likely to evaluate the adequacy of consideration if
- the items exchanged were of unequal value.
 - a thing exchanged has no intangible value to one of the parties.
 - something exchanged is not of direct economic or financial value.
 - there is a gross disparity in the value of the consideration exchanged.
- _____ 15. Homebuyers Mortgage Corporation's promise to pay its employees a year-end bonus "if it seems like a good idea at the time" is
- an enforceable contract.
 - a unilateral pact.
 - an unconscionable proviso.
 - an illusory promise.
- _____ 16. Standard Purchasing Corporation and Topmost Sales, inc., enter into a partnering agreement. Under a partnering agreement, parties agree
- to resolve all disputes without involving a third party.
 - to become partners.
 - to conduct transactions solely in electronic form.
 - in advance to terms that apply to their future e-transactions.
- _____ 17. Effervescent Egg Cream Compnay's trademark is used by Fizzy Drinks without its owner's permission. Fizzy's use of the mark is actionable provided that
- Fizzy and Effervescent are competitors.
 - consumers are confused.
 - Fizzy's use is intentional.
 - Effervescent's mark is registered.
- _____ 18. E-Shopping Corporation inserts Fiesta Mall, Inc.'s trademark as a meta tag in E-Shopping's Web site's key-words field without Fiesta's permission in a manner that suggests Fiesta authorized the use. This is
- copyright infringement.
 - trademark infringement.
 - patent infringement.
 - none of the choices.

- _____ 19. On behalf of of Bobble Head Manufacturing Company, Carmela types her name at the bottom of an e-mail purchase order and submits the order to Designer Parts Compnay. Under the UETA, Carmela's typed name qualifies as
- a preliminary negotiation.
 - a partnering agreement.
 - a "signature".
 - a statement of future intent.
- _____ 20. Trina pays Urban Edge Electronics store \$1,500 for a laptop computer. Under the UCC, this is
- a gift.
 - a sale.
 - a crime.
 - a lease.
- _____ 21. Sunny enters into a contract with Trey to act as his personal sports trainer. If a dispute later arises and the contract contains un-clear terms, the rules of contract interpretation will give effect to
- what the promisor claims was the parties' intent.
 - waht the parties no agree they intended.
 - the parties intent as expressed their contract.
 - what the promisee cliams was the parties intent.
- _____ 22. Kamal reproduces Lorena's copyrighted work "Musica" without paying royalties. Kamal is most likely excluded from liability for copyright infringement under the "fair use" doctrine if
- Kaml's use is for a commercial purpose.
 - Kamal copies the entire work.
 - Kamal's use has no effect on the market for Lorena's work.
 - Kamal distributed the copies without charge to the public.
- _____ 23. Ellen publishes a book titled *First Place*, which includes a chapter from Frank's copyrighted book *Great NASCAR Drivers* without his permission. Ellen's use of the chapter is actionable
- only if consumers are confused *and* Ellen and Frank are competitors.
 - only if consumers are confused.
 - only if Ellen and Frank are competitors.
 - regardless of whether consumers are confused or Ellen and Frank are competitors.
- _____ 24. Deb buys a song throught eSongs, an online music vendor. Before completing the purchase and downloading of the song, Deb must review a provision stating that she will not make and sell copies of the song and is required to click "I agree." This provision is
- a click-on agreement.
 - none of the choices.
 - a browse-wrap term.
 - a shrink-wrap agreement.
- _____ 25. Brady accepts what he believes is an offer to work for Canyon River Adventures, inc. as a tour and fishing guide. In determining whether a conract has been formed, an element of prime importance is
- the duration of the work.
 - the price to be paid.
 - the intent of the parties.
 - the subject of the contract.

- _____ 26. Lark promises to buy Max's used textbook for \$60. Lark is
- a promisor.
 - an offeror.
 - an offeree.
 - a promisee.
- _____ 27. GreatGro, Inc., makes genetically modified seeds with properties that are identical to Hearty Harvest Corporation's patented seeds, without Hearty Harvest's permission. This is most likely
- not infringement.
 - copyright indringement.
 - patent infringement.
 - trademark infringement.
- _____ 28. Rally Corporation enters into a contract to sell ski gear to SnoSportz Company, which sells a pair of the skis to Tyra, a consumer, who later sells them to Uli, another consumer. Article 2 of the UCC applies to the sales transactions between
- SnoSportz and Tyra only.
 - Rally and SnoSportz only.
 - Tyra and Uli only.
 - all of the buyers and sellers.
- _____ 29. Bild-Rite, Inc., is a Colorado-based firm that does business with clients throughout North America. Bild-Rite oversees construction projects, and buys and sells commercial buildings, undeveloped land, and construction supplies and other goods. Bild-Rite has had to deal with work-site theft and vandalism. With respect to these circumstances, the Uniform Commercial Code (UCC) provides a framework for
- international construction contracts.
 - domestic and foreign transactions in real estate.
 - prosecuting crimes against business interests.
 - commercial transactions for the sale of and payment for goods.
- _____ 30. Fresh Harvest, Inc., agrees to sell to Gina's Bed & Breakfast Inn a certain amount of locally grown produce each week but no mention is made of where the goods are to be delivered. In general, the UCC requires that the delivery take place at
- Fresh Harvest's place of business.
 - Gina's place of business.
 - a neutral place of business halfway between the parties' locations.
 - a "reasonable" place of delivery.
- _____ 31. In a dispute over a sale involving a bicycle, Dain argues that as to this deal Emory's Hobby Shop, where Dain bought the bike, is a merchant. A court may determine whether Emory's is a merchant by assessing whether
- it holds itself out by occupation as having knowledge or skill unique to the bike in the transaction.
 - it subscribes to *Bike*, a biweekly trade magazine.
 - it has sold any bikes within the last year.
 - its owner enjoys biking.

- _____ 32. Liz offers to sell Max her iPad for \$200. Max says "Okay, but only if you include the case and other accessories." Max has
- made a counteroffer without rejecting the offer.
 - rejected the offer without making a counteroffer.
 - rejected the offer and made a counteroffer.
 - accepted the offer.
- _____ 33. NoGas, Inc., designs and make a non-fuel propulsion system that copies parts of Omni Momentum Corporation's designs without Omni's permission. This is most likely
- patent infringement.
 - copyright infringement.
 - not infringement.
 - trademark infringement.
- _____ 34. Sunshine Cell Phone Company offers to buy a laser printer, with a case of paper and an extra cartridge, from Office Products, Inc. (OPI), for \$200. Paul, OPI's representative, says, "Okay, but no paper and no extra cartridge." Paul has
- rejected the offer without making a counteroffer.
 - accepted the offer.
 - rejected the offer and made a counteroffer.
 - made a counteroffer without rejecting the offer.
- _____ 35. Rene operates The Spicy Chocolatier Cafe chain of restaurants. "The Spicy Chocolatier Cafe" is
- a certification mark.
 - none of the choices.
 - a service mark.
 - a trade name.
- _____ 36. Sales Marketing Corporation and Tech Support., Inc. negotiate a contract. If the contract has all of the elements necessary for one of the parties to enforce it in court, it is
- an unenforceable contract.
 - a void contract.
 - a voidable contract.
 - a valid contract.
- _____ 37. Crafted Metal Works, Inc., offers to design, make, and sell Downtown Transit Agency fourteen streetcars. Crafted Metal authorizes a particular mode of communication, but Downtown transit send an acceptance via a substituted means. this acceptance is effect when it is
- sent.
 - in transit.
 - written.
 - received.
- _____ 38. Quick Transport, Inc., offers to sell a truckload of pallets to Rapid Delivery Company. Before accepting the offer, Rapid learns that the pallets have been sold to Speedy Trucking Corporation. Quick is
- not liable, because the sale revoked the offer to Rapid.
 - liable to Rapid for breach of contract.
 - liable to Speedy for breach of contract.
 - not liable, if Quick offers substitute goods to Rapid.

- _____ 39. Mallory promises to buy illegal digital copies of movies from Napoleon, who promised to deliver on October 31. These promises are most likely
- valid.
 - enforceable.
 - void.
 - voidable.
- _____ 40. Like most successful companies, Pads & Phone, Inc. (P&P), has trade secrets. The law protects those secrets if
- P&P employees do not divulge the information to outside parties.
 - the information is unique and has value to a competitor.
 - P&P employees do not handle confidential documents.
 - P&P employees never leave the company.
- _____ 41. Naomi tells Ogden, who has no knowledge of Shakespearean comedy, that she will tutor him in the subject for \$50. As an offer, this is
- not effective because comedy is not a serious subject.
 - no effective because Naomi's tutoring will be subjective.
 - not effective because Ogden has no knowledge of the subject.
 - effective.
- _____ 42. Octavio receives a catalogus from Pastry Dough, Inc., and a "personalized" letter inviting Octavio to buy any item at the advertised price. This is
- an offer because there is no room for price negotiation.
 - an offer because of the "personalized" letter.
 - not an offer.
 - an offer only if Octavio previously bought items from Pastry Dough.
- _____ 43. Eve tells Finlay that she will pay him \$50 if he unloads her truck. Finlay's acceptance is complete
- once Finlay starts to unload the truck.
 - when Finlay hears Eve's offer.
 - as soon as Finlay says he will unload the truck.
 - only after Finlay unloads the truck.
- _____ 44. RiteMade Machinery, Inc., designs, makes, and sells a drill press. Steel Equipment Company copies the design without RiteMade's permission. Steel's conduct is actionable provided
- Steel's conduct is intentional.
 - consumers are confused.
 - RiteMade's design is patented.
 - Steel's conduct reduces the value of RiteMade's design.
- _____ 45. Ric designs a new computer hard drive, which he names "Sci Phi." He also writes the operating manual to be included with each final product. Ric could obtain patent protection for
- the name only.
 - the hard drive only.
 - the operating manual only.
 - the hard drive, the name, and the operating manual.

- _____ 46. Mary promises to pay her assistant Ned \$10,000 in consideration of the services he provided over the years. Mary never pays Ned. Mary is
- liable for payment of the \$10,000.
 - not liable, because the consideration was unintentional.
 - not liable, because the consideration is in the past.
 - liable only if Ned still works for Mary.
- _____ 47. **The idea for “Prices & Profit,” an app that businesses can use to control their revenue, profits, and payrolls, is protected by**
- copyright law
 - trade secrets law
 - patent law
 - trademark law
- _____ 48. Shasta offers to sell a used hay baler to Roberto, but receives a letter of acceptance from Quito, who has no relation to Roberto. A valid contract exists between
- Shasta and Roberto.
 - Shasta and Quito.
 - none of the choices.
 - Roberto and Quito.
- _____ 49. Gold and Sweet Company bottles and sells maple syrup from its plant in Vermont. On the labels is a logo that states “100% genuine New England Maple Syrup Certified by the Northeast Maple Syrup Harvesters Association.” This logo is
- none of the choices.
 - a service mark.
 - a certification mark.
 - trade dress.
- _____ 50. Standard Corporation can *not* claim a trademark in the phrase “Quality Is Standard” if the phrase
- has a secondary meaning.
 - is generic.
 - is memorable.
 - is descriptive.
- _____ 51. Sincere Forms, Inc., uses, in its ads, a trademark that is similar, but not identical, to the famous, registered mark of Desired Objects, Inc. Sincere's unauthorized use of the mark constitutes trademark dilution provided
- Sincere and Desired are competitors.
 - Sincere's use lessens the value of Desired's mark.
 - consumers are confused.
 - Sincere's use is intentional.
- _____ 52. Jen questions whether there is consideration for her contract with Isaac to exchange her catering services for his payment of a certain amount. To constitute consideration, the value of whatever is exchanged must be
- objectively worthy.
 - practically sound.
 - legally sufficient.
 - grossly inadequate.

- _____ 53. Herm promises to pay Nixie to work as an assistant buyer for his Organic Foods stores. Nixie agrees and quits her job with Pic-U Grocery, but Herm does not hire her. Herm is most likely liable to Nixie under
- a. the doctrine of promissory estoppel.
 - b. no circumstances.
 - c. the concept of accord and satisfaction.
 - d. the preexisting duty rule.
- _____ 54. Kay and Leo enter into a contract that falls within the provisions of the UETA. Under the UETA, “an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record” is
- a. a record.
 - b. an e-transaction.
 - c. an e-document.
 - d. an e-signature.
- _____ 55. Nate tells Opal, "I might sell the skis that I bought last fall since I haven't used them and the skiing season is almost over." This is
- a. an offer.
 - b. an acceptance of an offer.
 - c. an invitation to accept an offer.
 - d. a statement of future intent.
- _____ 56. Under a contract with Bucolic Farms, Agro Excavation, Inc., begins digging an agricultural pond. In mid-project, Agro asks for \$15,000 over the contract price, claiming an increase in the "cost of doing business." Bucolic agrees but later refuses to pay. Their agreement is
- a. unenforceable because Agro's performance was a preexisting duty.
 - b. enforceable.
 - c. unenforceable because Bucolic's promise was illusory.
 - d. unenforceable because its performance is unforeseeably difficult.
- _____ 57. Odell invents “Profits Unbound”, a new stock-trading algorithm software, and applies for a patent. If Odell is granted a patent, his invention will be protected for
- a. forever.
 - b. ten years.
 - c. for the life of the inventor plus seventy years.
 - d. twenty years.
- _____ 58. Following negotiations, Office Park, Inc., enters into an informal contract with Quality Janitorial Company for custodial services for Office Park’s buildings. This means that the parties’ contract
- a. requires no special form.
 - b. is not yet completely formed.
 - c. is subject to change by either party, within reason.
 - d. is freely open to either party’s interpretation
- _____ 59. Quik Fix-It, Inc., offers Pam a job as a plumber. No time for acceptance is specified in the offer. The offer will terminate
- a. after a reasonable period of time.
 - b. never.
 - c. after a typical work week (five business days).
 - d. after a usual month (thirty calendar days).

Name: _____

ID: A

- _____ 60. Mark is creating Nu2U.com, a Web site through which he will enter into contract over the Internet. Important terms to include in his offers include
- a. a detailed history of his business.
 - b. glowing reviews from former customers.
 - c. provisions specifying the remedies if the contract is breached.
 - d. his educational background.

Bus 241 - Winter 2015 -- Exam No. 2 (MC)
Answer Section

MULTIPLE CHOICE

1. ANS: C	PTS: 1		
2. ANS: A	PTS: 1		
3. ANS: A	PTS: 1		
4. ANS: A	PTS: 1	REF: p. 227	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
5. ANS: A	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank B	TYP: =		
6. ANS: B	PTS: 1	REF: p. 168	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
7. ANS: B	PTS: 1		
8. ANS: D	PTS: 1	REF: p. 252	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: N		
9. ANS: C	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: N		
10. ANS: A	PTS: 1	REF: p. 249	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
11. ANS: B	PTS: 1		
12. ANS: B	PTS: 1	REF: p. 245	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
13. ANS: D	PTS: 1	REF: p. 245	NAT: AACSB Analytic AICPA Legal
KEY: Test Bank A	TYP: =		
14. ANS: D	PTS: 1	REF: p. 245	NAT: AACSB Analytic AICPA Legal
KEY: Test Bank A	TYP: =		
15. ANS: D	PTS: 1	REF: p. 248	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
16. ANS: D	PTS: 1		
17. ANS: B	PTS: 1		
18. ANS: B	PTS: 1	REF: p. 157	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
19. ANS: C	PTS: 1		
20. ANS: B	PTS: 1	REF: p. 358	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: +		
21. ANS: C	PTS: 1		
22. ANS: C	PTS: 1		
23. ANS: D	PTS: 1	REF: p. 163	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
24. ANS: A	PTS: 1		
25. ANS: C	PTS: 1		
26. ANS: A	PTS: 1		
27. ANS: C	PTS: 1		
28. ANS: D	PTS: 1	REF: p. 361	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		

29.	ANS: D	PTS: 1	REF: p. 356	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
30.	ANS: A	PTS: 1	REF: p. 363	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: +		
31.	ANS: A	PTS: 1	REF: p. 361	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
32.	ANS: C	PTS: 1		
33.	ANS: A	PTS: 1		
34.	ANS: C	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank B	TYP: =		
35.	ANS: D	PTS: 1		
36.	ANS: D	PTS: 1		
37.	ANS: D	PTS: 1		
38.	ANS: A	PTS: 1	REF: p. 229	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank B	TYP: =		
39.	ANS: C	PTS: 1		
40.	ANS: B	PTS: 1		
41.	ANS: D	PTS: 1		
42.	ANS: C	PTS: 1		
43.	ANS: D	PTS: 1	REF: p. 232	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank B	TYP: =		
44.	ANS: C	PTS: 1	REF: p. 161	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
45.	ANS: B	PTS: 1	REF: p. 158	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
46.	ANS: C	PTS: 1	REF: p. 246	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
47.	ANS: B	PTS: 1		
48.	ANS: C	PTS: 1		
49.	ANS: C	PTS: 1		
50.	ANS: B	PTS: 1	REF: p. 155	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
51.	ANS: B	PTS: 1	REF: p. 153	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: +		
52.	ANS: C	PTS: 1	REF: p. 243	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
53.	ANS: A	PTS: 1	REF: p. 249	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
54.	ANS: D	PTS: 1		
55.	ANS: D	PTS: 1	REF: p. 224	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
56.	ANS: A	PTS: 1	REF: p. 245	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
57.	ANS: D	PTS: 1		
58.	ANS: A	PTS: 1		
59.	ANS: A	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		

60. ANS: C PTS: 1

A 5.

 C 19.

 A 26.

 B 12.

 C 27.

 B 6.

 B 20.

 D 13.

 D 28.

 B 7.

 C 21.

 D 14.

 D 29.

 D 8.

 C 22.

 D 15.

 C 1.

 C 9.

 D 23.

 A 30.

 D 16.

 A 2.

 A 10.

 A 24.

 A 31.

 B 17.

 A 3.

 B 11.

 C 25.

 B 18.

 A 4.

C 32. C 39. C 46. A 53. C 60.

 A 33. B 40. B 47. D 54.

 C 34. D 41. C 48. D 55.

 D 35. C 42. C 49. A 56.

 D 36. D 43. B 50. D 57.

 D 37. C 44. B 51. A 58.

 A 38. B 45. C 52. A 59.

Bus 241 - Winter 2015 -- Exam No. 2 (MC)

You have 130 minutes to complete this examination. This is a CLOSED book exam. All other study materials, including back packs and purses, must be placed on the floor. NO OLD EXAMS OR PRACTICE EXAMS SHOULD BE VISIBLE. FAILURE TO FOLLOW THESE DIRECTIONS MAY RESULT IN YOU RECEIVING A ZERO SCORE FOR THE EXAM

Please be sure to answer all questions on the exam. There are eleven (11) pages to the multiple choice section and 66 questions to this exam -- 60 multiple choice and six essay questions. Count to make sure that you have all the pages and review your exam to make sure that you do not miss answering any pages or questions of the exam.

PLEASE BE SURE TO TURN IN THE EXAM WITH YOUR NAME ON THE FIRST PAGE OF THE EXAM YOU WERE GIVEN. IF YOU FAIL TO PUT YOUR NAME ON A COPY OF THE EXAM, YOU MAY BE GIVEN A -0- FOR THE EXAM.

Multiple Choice:

MULTIPLE CHOICE ANSWERS SHOULD BE ENTERED ON THE MACHINE READABLE FORM. PLEASE BE SURE TO USE PENCIL SO THAT YOUR ANSWERS CAN BE READ BY THE GRADING MACHINE. PLEASE BE SURE TO ALSO INCLUDE YOUR STUDENT ID NUMBER ON THE ANSWER SHEET.

You should try and provide answers for all questions, as there is no penalty for a wrong answer, and it counts the same as an omitted question. There are often two answers which may appear to potentially be correct. You must choose the response which answers the question the best. Each multiple choice question is worth two (2) points.

You must use a number 2 pencil when filling out the exam. Failure to use a pencil will result in a 5 point penalty. There are two versions to this exam. You must indicate "1" in special codes for version A and "2" in special codes for version B, AND "3" for version C. Failure to provide this information on you answer sheet will result in 10 point penalty. You must put your student id number in where the answer sheet provides for "social security number" Failure to follow these directions will result in a 10 point penalty.

Essays:

You must pick and answer three out of the six essay questions. PLEASE NOTE THAT THERE ARE THREE GROUPS OF TWO -- YOU MUST PICK ONE ESSAY OUT OF EACH GROUP. If you need additional space to answer, please use the backside of the page which the essay question is on. In the essay section each question is worth ten (10) points.

Any lack of clarity with regard to your answer choice may result in you not being awarded points for your answer. Good Luck.

Multiple Choice

Identify the choice that best completes the statement or answers the question.

- _____ 1. E-Shopping Corporation inserts Fiesta Mall, Inc.'s trademark as a meta tag in E-Shopping's Web site's key-words field without Fiesta's permission in a manner that suggests Fiesta authorized the use. This is
- trademark infringement.
 - copyright infringement.
 - patent infringement.
 - none of the choices.
- _____ 2. Nate tells Opal, "I might sell the skis that I bought last fall since I haven't used them and the skiing season is almost over." This is
- an offer.
 - a statement of future intent.
 - an acceptance of an offer.
 - an invitation to accept an offer.
- _____ 3.
- Sunny enters into a contract with Trey to act as his personal sports trainer. If a dispute later arises and the contract contains un-clear terms, the rules of contract interpretation will give effect to
- the parties intent as expressed their contract.
 - what the promisee cliams was the parties intent.
 - waht the parties no agree they intended.
 - what the promisor claims was the parties' intent.

- _____ 4. GreatGro, Inc., makes genetically modified seeds with properties that are identical to Hearty Harvest Corporation's patented seeds, without Hearty Harvest's permission. This is most likely
- not infringement.
 - copyright indringement.
 - trademark infringement.
 - patent infringement.
- _____ 5. Signe offers to sell Thomas her textbook but conditions the sale on Thomas accepting the offer by March 1. Signe may revoke the offer
- only after Thomas accepts the offer.
 - before Thomas accepts the offer.
 - before March 1, whether or not Thomas has accepted the offer.
 - only after March 1.
- _____ 6. Under a contract with Bucolic Farms, Agro Excavation, Inc., begins digging an agricultural pond. In mid-project, Agro asks for \$15,000 over the contract price, claiming an increase in the "cost of doing business." Bucolic agrees but later refuses to pay. Their agreement is
- unenforceable because Agro's performance was a preexisting duty.
 - unenforceable because Bucolic's promise was illusory.
 - enforceable.
 - unenforceable because its performance is unforeseeably difficult.
- _____ 7. Standard Corporation can *not* claim a trademark in the phrase "Quality Is Standard" if the phrase
- is generic.
 - is memorable.
 - has a secondary meaning.
 - is descriptive.
- _____ 8. Effervescent Egg Cream Compnay's trademark is used by Fizzy Drinks without its owner's permission. Fizzy's use of the mark is actionable provided that
- Fizzy and Effervescent are competitors.
 - Effervescent's mark is registered.
 - Fizzy's use is intentional.
 - consumers are confused.
- _____ 9. Cherry is injured in an accident caused by Bronco. Bronco agrees to pay Cherry \$2,500 if she agrees to release him from further liability. Cherry agrees. If Cherry's damages ultimately exceed \$2,500, she can
- collect the balance from Bronco on the ground of unforeseen events.
 - not collect the balance from Bronco.
 - collect the balance from Bronco in a tort suit.
 - collect the balance from Bronco in a breach-of-contract suit.
- _____ 10. Ellen publishes a book titled *First Place*, which includes a chapter from Frank's copyrighted book *Great NASCAR Drivers* without his permission. Ellen's use of the chapter is actionable
- regardless of whether consumers are confused or Ellen and Frank are competitors.
 - only if Ellen and Frank are competitors.
 - only if consumers are confused.
 - only if consumers are confused *and* Ellen and Frank are competitors.

- _____ 11. Rally Corporation enters into a contract to sell ski gear to SnoSportz Company, which sells a pair of the skis to Tyra, a consumer, who later sells them to Uli, another consumer. Article 2 of the UCC applies to the sales transactions between
- Tyra and Uli only.
 - Rally and SnoSportz only.
 - SnoSportz and Tyra only.
 - all of the buyers and sellers.
- _____ 12. Quik Fix-It, Inc., offers Pam a job as a plumber. No time for acceptance is specified in the offer. The offer will terminate
- never.
 - after a reasonable period of time.
 - after a usual month (thirty calendar days).
 - after a typical work week (five business days).
- _____ 13. Bild-Rite, Inc., is a Colorado-based firm that does business with clients throughout North America. Bild-Rite oversees construction projects, and buys and sells commercial buildings, undeveloped land, and construction supplies and other goods. Bild-Rite has had to deal with work-site theft and vandalism. With respect to these circumstances, the Uniform Commercial Code (UCC) provides a framework for
- commercial transactions for the sale of and payment for goods.
 - prosecuting crimes against business interests.
 - domestic and foreign transactions in real estate.
 - international construction contracts.
- _____ 14. Brady accepts what he believes is an offer to work for Canyon River Adventures, inc. as a tour and fishing guide. In determining whether a contract has been formed, an element of prime importance is
- the duration of the work.
 - the price to be paid.
 - the subject of the contract.
 - the intent of the parties.
- _____ 15. Sal assures Tom that she will deliver a truckload of hay to his cattle ranch. A person's declaration to do a certain act is part of the definition of
- a prediction
 - a promise
 - a moral obligation
 - an expectation
- _____ 16. Quick Transport, Inc., offers to sell a truckload of pallets to Rapid Delivery Company. Before accepting the offer, Rapid learns that the pallets have been sold to Speedy Trucking Corporation. Quick is
- liable to Speedy for breach of contract.
 - liable to Rapid for breach of contract.
 - not liable, because the sale revoked the offer to Rapid.
 - not liable, if Quick offers substitute goods to Rapid.
- _____ 17. A letter-of-credit agreement between Rural Feed Corporation and Soybean Farms, Inc., requires Rural Feed's bank to pay Soybean Farms on receipt of invoices. This letter of credit is
- no contract
 - a quasi contract
 - an implied contract
 - a formal contract

- _____ 18. Grant offers to sell his Honda Civic for \$10,000 to Ivy. Referring to the prices for similar Hondas, Ivy says, "I'll pay no more than \$5,000." Grant says, "Forget it." Grant's offer was terminated by
- Honda.
 - Grant.
 - Ivy.
 - no one—Grant's offer is still open.
- _____ 19. Standard Purchasing Corporation and Topmost Sales, inc., enter into a partnering agreement. Under a partnering agreement, parties agree
- to become partners.
 - to resolve all disputes without involving a third party.
 - in advance to terms that apply to their future e-transactions.
 - to conduct transactions solely in electronic form.
- _____ 20. Sales Marketing Corporation and Tech Support., Inc. negotiate a contract. If the contract has all of the elements necessary for one of the parties to enforce it in court, it is
- a valid contract.
 - an unenforceable contract.
 - a voidable contract.
 - a void contract.
- _____ 21. Canada and the United States are signatories of the Berne Convention. Doug, a citizen of Canada, publishes a book first in Canada and then in the United States. Doug's copyright must be recognized by
- Canada only.
 - Canada and the United States only.
 - all of the signatories of the Berne Convention.
 - none of the choices.
- _____ 22. Mark is creating Nu2U.com, a Web site through which he will enter into contract over the Internet. Important terms to include in his offers include
- a detailed history of his business.
 - his educational background.
 - glowing reviews from former customers.
 - provisions specifying the remedies if the contract is breached.
- _____ 23. Naomi tells Ogden, who has no knowledge of Shakespearean comedy, that she will tutor him in the subject for \$50. As an offer, this is
- not effective because Ogden has no knowledge of the subject.
 - effective.
 - no effective because Naomi's tutoring will be subjective.
 - not effective because comedy is not a serious subject.
- _____ 24. Fresh Harvest, Inc., agrees to sell to Gina's Bed & Breakfast Inn a certain amount of locally grown produce each week but no mention is made of where the goods are to be delivered. In general, the UCC requires that the delivery take place at
- Gina's place of business.
 - a "reasonable" place of delivery.
 - a neutral place of business halfway between the parties' locations.
 - Fresh Harvest's place of business.

- _____ 25. Odell invents "Profits Unbound", a new stock-trading algorithm software, and applies for a patent. If Odell is granted a patent, his invention will be protected for
- for the life of the inventor plus seventy years.
 - twenty years.
 - ten years.
 - forever.
- _____ 26. Shasta offers to sell a used hay baler to Roberto, but receives a letter of acceptance from Quito, who has no relation to Roberto. A valid contract exists between
- Roberto and Quito.
 - none of the choices.
 - Shasta and Quito.
 - Shasta and Roberto.

Fact Pattern 12-1A

Jesse defends against a breach-of-contract suit by College Credit Corporation by claiming that their deal—a student loan accruing interest at a certain rate and payable beginning on a certain date—was unfair because the consideration for their contract was inadequate.

- _____ 27. Refer to Fact Pattern 12-1A. If, as Jesse claims, the consideration in this problem is inadequate, it may indicate a lack of
- "heft," "substance," or "weight" in the terms of the contract.
 - flexibility on the part of College Credit to accommodate Jesse's needs.
 - accord in Jesse's satisfaction with the value of the deal.
 - bargained-for exchange or mutual assent.
- _____ 28. Refer to Fact Pattern 12-1A. A court is most likely to evaluate the adequacy of consideration if
- the items exchanged were of unequal value.
 - a thing exchanged has no intangible value to one of the parties.
 - something exchanged is not of direct economic or financial value.
 - there is a gross disparity in the value of the consideration exchanged.
- _____ 29. Refer to Fact Pattern 12-1A. "Adequacy" of consideration refers to
- the substantiality of the consideration exchanged.
 - legally sufficient value in the eyes of the law.
 - "how much" consideration is given.
 - the intangible value to a contracting party of a thing exchanged.
- _____ 30. Crafted Metal Works, Inc., offers to design, make, and sell Downtown Transit Agency fourteen streetcars. Crafted Metal authorizes a particular mode of communication, but Downtown Transit send an acceptance via a substituted means. This acceptance is effective when it is
- in transit.
 - written.
 - received.
 - sent.

- _____ 31. Octavio receives a catalogus from Pastry Dough, Inc., and a “personalized” letter inviting Octavio to buy any item at the advertised price. This is
- an offer because there is no room for price negotiation.
 - an offer because of the “personalized” letter.
 - an offer only if Octavio previously bought items from Pastry Dough.
 - not an offer.
- _____ 32. Business Properties, Inc. (BPI), offers to sell a warehouse to Corporate Investments. Corporate says that it will pay BPI \$100 to hold the offer open for three business days. This
- negates BPI's offer by changing the price term.
 - creates an illegal contract by adding a clause to BPI's offer.
 - makes the offer irrevocable for three days if BPI accepts.
 - voids BPI's offer by extending the time term.
- _____ 33. On behalf of of Bobble Head Manufacturing Company, Carmela types her name at the bottom of an e-mail purchase order and submits the order to Designer Parts Compnay. Under the UETA, Carmela’s typed name qualifies as
- a preliminary negotiation.
 - a partnering agreement.
 - a statement of future intent.
 - a “signature”.
- _____ 34. When Heste’s car breaks down, she asks Insta-Tow, Inc., to tow it to Jerry’s Repair Shop. There is no discussion of a price and Hester and Insta-Tow do not sign any documents. Later, Insta-Tow sends Hester a bill. With repsect to Hester’s obligation to pay the bill, this is
- an express contract.
 - an implied contract.
 - no contract.
 - a quasi contract.
- _____ 35. Sincere Forms, Inc., uses, in its ads, a trademark that is similar, but not identical, to the famous, registered mark of Desired Objects, Inc. Sincere's unauthorized use of the mark constitutes trademark dilution provided
- Sincere's use is intentional.
 - Sincere and Desired are competitors.
 - consumers are confused.
 - Sincere's use lessens the value of Desired's mark.
- _____ 36. Rene operates The Spicy Chocolatier Cafe chain of restaunants. “The Spicy Chcolatier Cafe” is
- a certification mark.
 - a service mark.
 - none of the choices.
 - a trade name.
- _____ 37. Jen questions whether there is consideration for her contract with Isaac to exchange her catering services for his payment of a certain amount. To constitute consideration, the value of whatever is exchanged must be
- objectively worthy.
 - grossly inadequate.
 - practically sound.
 - legally sufficient.

- _____ 38. Homebuyers Mortgage Corporation's promise to pay its employees a year-end bonus "if it seems like a good idea at the time" is
- an illusory promise.
 - an enforceable contract.
 - an unconscionable proviso.
 - a unilateral pact.
- _____ 39. Deb buys a song through eSongs, an online music vendor. Before completing the purchase and downloading of the song, Deb must review a provision stating that she will not make and sell copies of the song and is required to click "I agree." This provision is
- a click-on agreement.
 - a browse-wrap term.
 - a shrink-wrap agreement.
 - none of the choices.
- _____ 40. Trina pays Urban Edge Electronics store \$1,500 for a laptop computer. Under the UCC, this is
- a lease.
 - a gift.
 - a crime.
 - a sale.
- _____ 41. Liz offers to sell Max her iPad for \$200. Max says "Okay, but only if you include the case and other accessories." Max has
- made a counteroffer without rejecting the offer.
 - rejected the offer and made a counteroffer.
 - accepted the offer.
 - rejected the offer without making a counteroffer.
- _____ 42. Eve tells Finlay that she will pay him \$50 if he unloads her truck. Finlay's acceptance is complete
- when Finlay hears Eve's offer.
 - as soon as Finlay says he will unload the truck.
 - once Finlay starts to unload the truck.
 - only after Finlay unloads the truck.
- _____ 43. Ric designs a new computer hard drive, which he names "Sci Phi." He also writes the operating manual to be included with each final product. Ric could obtain patent protection for
- the hard drive only.
 - the operating manual only.
 - the name only.
 - the hard drive, the name, and the operating manual.
- _____ 44. Lark promises to buy Max's used textbook for \$60. Lark is
- a promisee.
 - an offeror.
 - an offeree.
 - a promisor.

- _____ 45. Gold and Sweet Company bottles and sells maple syrup from its plant in Vermont. On the labels is a logo that states “100% genuine New England Maple Syrup Certified by the Northeast Maple Syrup Harvesters Association.” This logo is
- a service mark.
 - none of the choices.
 - trade dress.
 - a certification mark.
- _____ 46. In a dispute over a sale involving a bicycle, Dain argues that as to this deal Emory's Hobby Shop, where Dain bought the bike, is a merchant. A court may determine whether Emory's is a merchant by assessing whether
- it subscribes to *Bike*, a biweekly trade magazine.
 - it holds itself out by occupation as having knowledge or skill unique to the bike in the transaction.
 - it has sold any bikes within the last year.
 - its owner enjoys biking.
- _____ 47. NoGas, Inc., designs and make a non-fuel propulsion system that copies parts of Omni Momentum Corporation's designs without Omni's permission. This is most likely
- patent infringement.
 - not infringement.
 - trademark infringement.
 - copyright infringement.
- _____ 48. Sunshine Cell Phone Company offers to buy a laser printer, with a case of paper and an extra cartridge, from Office Products, Inc. (OPI), for \$200. Paul, OPI's representative, says, "Okay, but no paper and no extra cartridge." Paul has
- rejected the offer without making a counteroffer.
 - made a counteroffer without rejecting the offer.
 - rejected the offer and made a counteroffer.
 - accepted the offer.
- _____ 49. Venture Capital Corporation loans Wally \$15,000 to start a new business. Wally does not pay, but Venture fails to sue within the time prescribed by the applicable statute of limitations. Wally's promise to pay the debt even though recovery is barred
- is unenforceable regardless of any consideration.
 - needs no consideration.
 - needs legally sufficient *and* adequate consideration.
 - needs new consideration.
- _____ 50. Kamal reproduces Lorena's copyrighted work “Musica” without paying royalties. Kamal is most likely excluded from liability for copyright infringement under the “fair use” doctrine if
- Kamal distributed the copies without charge to the public.
 - Kamal's use is for a commercial purpose.
 - Kamal's use has no effect on the market for Lorena's work.
 - Kamal copies the entire work.

- _____ 51. Kay and Leo enter into a contract that falls within the provisions of the UETA. Under the UETA, “an electronic sound, symbol, or process attached tot or logically associated with a record and executed or adopted by a person with the intent to sign the record” is
- a record.
 - an e-signature.
 - an e-document.
 - an e-transaction.
- _____ 52. Following negotiations, Office Park, Inc., enters into an informal contract with Quality Janitorial Company for custodial services for Office Park’s buildings. This means that the parties’ contract
- is no yet completely formed.
 - is subject to change by either party, within reason.
 - is freely open to either party’s interpretation
 - requires no special form.
- _____ 53. Barrett filed a suit against City Moving Service for breach of contract, based on what Barrett claims was City Moving’s offer. For a court to determine if a contract has been breached, under the common law, the offer must include terms that are
- exactly precise.
 - vague or uncertain.
 - unequivocally approximate.
 - reasonably definite.
- _____ 54. RiteMade Machinery, Inc., designs, makes, and sells a drill press. Steel Equipment Company copies the design without RiteMade's permission. Steel's conduct is actionable provided
- RiteMade's design is patented.
 - Steel's conduct reduces the value of RiteMade's design.
 - consumers are confused.
 - Steel's conduct is intentional.
- _____ 55. Mallory promises to buy illegal digital copies of movies from Napoleon, who promised to deliver on October 31. These promises are most likely
- voidable.
 - enforceable.
 - void.
 - valid.
- _____ 56. Herm promises to pay Nixie to work as an assistant buyer for his Organic Foods stores. Nixie agrees and quits her job with Pic-U Grocery, but Herm does not hire her. Herm is most likely liable to Nixie under
- the concept of accord and satisfaction.
 - the doctrine of promissory estoppel.
 - no circumstances.
 - the preexisting duty rule.
- _____ 57. Yvon tells Zack, "I would be willing to sell you one of my fishing rods" This is
- not a valid offer because Zack did not respond.
 - not a valid offer because Yvon did not state an intent.
 - not a valid offer because the terms are not definite.
 - a valid offer.

- _____ 58. **The idea for “Prices & Profit,” an app that businesses can use to control their revenue, profits, and payrolls, is protected by**
- a. trade secrets law
 - b. patent law
 - c. copyright law
 - d. trademark law
- _____ 59. Mary promises to pay her assistant Ned \$10,000 in consideration of the services he provided over the years. Mary never pays Ned. Mary is
- a. not liable, because the consideration is in the past.
 - b. not liable, because the consideration was unintentional.
 - c. liable for payment of the \$10,000.
 - d. liable only if Ned still works for Mary.
- _____ 60. Like most successful companies, Pads & Phone, Inc. (P&P), has trade secrets. The law protects those secrets if
- a. P&P employees do not handle confidential documents.
 - b. P&P employees do not divulge the information to outside parties.
 - c. P&P employees never leave the company.
 - d. the information is unique and has value to a competitor.

Bus 241 - Winter 2015 -- Exam No. 2 (MC)
Answer Section

MULTIPLE CHOICE

1. ANS: A	PTS: 1	REF: p. 157	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
2. ANS: B	PTS: 1	REF: p. 224	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
3. ANS: A	PTS: 1		
4. ANS: D	PTS: 1		
5. ANS: B	PTS: 1		
6. ANS: A	PTS: 1	REF: p. 245	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: N		
7. ANS: A	PTS: 1	REF: p. 155	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
8. ANS: D	PTS: 1		
9. ANS: B	PTS: 1	REF: p. 249	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
10. ANS: A	PTS: 1	REF: p. 163	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
11. ANS: D	PTS: 1	REF: p. 361	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
12. ANS: B	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
13. ANS: A	PTS: 1	REF: p. 356	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
14. ANS: D	PTS: 1		
15. ANS: B	PTS: 1		
16. ANS: C	PTS: 1	REF: p. 229	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank B	TYP: =		
17. ANS: D	PTS: 1		
18. ANS: C	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: N		
19. ANS: C	PTS: 1		
20. ANS: A	PTS: 1		
21. ANS: C	PTS: 1	REF: p. 168	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
22. ANS: D	PTS: 1		
23. ANS: B	PTS: 1		
24. ANS: D	PTS: 1	REF: p. 363	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: +		
25. ANS: B	PTS: 1		
26. ANS: B	PTS: 1		
27. ANS: D	PTS: 1	REF: p. 245	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		

28.	ANS: D	PTS: 1	REF: p. 245	NAT: AACSB Analytic AICPA Legal
	KEY: Test Bank A	TYP: =		
29.	ANS: C	PTS: 1	REF: p. 245	NAT: AACSB Analytic AICPA Legal
	KEY: Test Bank A	TYP: =		
30.	ANS: C	PTS: 1		
31.	ANS: D	PTS: 1		
32.	ANS: C	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank B	TYP: =		
33.	ANS: D	PTS: 1		
34.	ANS: B	PTS: 1		
35.	ANS: D	PTS: 1	REF: p. 153	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: +		
36.	ANS: D	PTS: 1		
37.	ANS: D	PTS: 1	REF: p. 243	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
38.	ANS: A	PTS: 1	REF: p. 248	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
39.	ANS: A	PTS: 1		
40.	ANS: D	PTS: 1	REF: p. 358	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: +		
41.	ANS: B	PTS: 1		
42.	ANS: D	PTS: 1	REF: p. 232	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank B	TYP: =		
43.	ANS: A	PTS: 1	REF: p. 158	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
44.	ANS: D	PTS: 1		
45.	ANS: D	PTS: 1		
46.	ANS: B	PTS: 1	REF: p. 361	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
47.	ANS: A	PTS: 1		
48.	ANS: C	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank B	TYP: =		
49.	ANS: B	PTS: 1	REF: p. 252	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
50.	ANS: C	PTS: 1		
51.	ANS: B	PTS: 1		
52.	ANS: D	PTS: 1		
53.	ANS: D	PTS: 1		
54.	ANS: A	PTS: 1	REF: p. 161	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
55.	ANS: C	PTS: 1		
56.	ANS: B	PTS: 1	REF: p. 249	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
57.	ANS: C	PTS: 1	REF: p. 227	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
58.	ANS: A	PTS: 1		

59.	ANS: A	PTS: 1	REF: p. 246	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
60.	ANS: D	PTS: 1		

D 4.

 D 11.

 C 18.

 B 25.

 B 5.

 B 12.

 C 19.

 B 26.

 A 6.

 A 13.

 A 20.

 A 7.

 C 21.

 D 27.

 A 1.

 D 14.

 D 28.

 D 8.

 D 22.

 B 2.

 B 15.

 C 29.

 B 9.

 B 23.

 A 3.

 C 16.

 C 30.

 A 10.

 D 24.

 D 17.

- | | | | | |
|------------------|------------------|------------------|------------------|------------------|
| <u> D </u> 31. | <u> A </u> 38. | <u> D </u> 45. | <u> B </u> 51. | <u> A </u> 58. |
| <u> C </u> 32. | <u> A </u> 39. | <u> B </u> 46. | <u> D </u> 52. | <u> A </u> 59. |
| <u> D </u> 33. | <u> D </u> 40. | <u> A </u> 47. | <u> D </u> 53. | <u> D </u> 60. |
| <u> B </u> 34. | <u> B </u> 41. | <u> C </u> 48. | <u> A </u> 54. | |
| <u> D </u> 35. | <u> D </u> 42. | <u> B </u> 49. | <u> C </u> 55. | |
| <u> D </u> 36. | <u> A </u> 43. | <u> C </u> 50. | <u> B </u> 56. | |
| <u> D </u> 37. | <u> D </u> 44. | | <u> C </u> 57. | |

Bus 241 - Winter 2015 -- Exam No. 2 (MC)

You have 130 minutes to complete this examination. The is a CLOSED book exam. All other study materials, including back packs and purses, must be placed on the floor. NO OLD EXAMS OR PRACTICE EXAMS SHOULD BE VISIBLE. FAILURE TO FOLLOW THESE DIRECTIONS MAY RESULT IN YOU RECEIVING A ZERO SCORE FOR THE EXAM

Please be sure to answer all questions on the exam. There are eleven (11) pages to the multiple choice section and 66 questions to this exam -- 60 multiple choice and six essay questions. Count to make sure that you have all the pages and review your exam to make sure that you do not miss answering any pages or questions of the exam.

PLEASE BE SURE TO TURN IN THE EXAM WITH YOU NAME ON THE FIRST PAGE OF THE EXAM YOU WERE GIVEN. IF YOU FAIL TO PUT YOUR NAME ON A COPY OF THE EXAM, YOU MAY BE GIVEN A -0- FOR THE EXAM.

Multiple Choice:

MULTIPLE CHOICE ANSWERS SHOULD BE ENTERED ON THE MACHINE READABLE FORM. PLEASE BE SURE TO USE PENCIL SO THAT YOUR ANSWERS CAN BE READ BY THE GRADING MACHINE. PLEASE BE SURE TO ALSO INCLUDE YOUR STUDENT ID NUMBER ON THE ANSWER SHEET.

You should try and provide answers for all questions, as there is no penalty for a wrong answer, and it counts the same as an omitted question. There are often two answers which may appear to potentially be correct. You must choose the response which answers the question the best. Each multiple choice question is worth two (2) points.

You must use a number 2 pencil when filling out the exam. Failure to use a pencil will result in a 5 point penalty. There are two versions to this exam. You must indicate “1” in special codes for version A and “2” in special codes for version B, AND “3” for version C. Failure to provide this information on you answer sheet will result in 10 point penalty. You must put your student id number in where the answer sheet provides for “social security number” Failure to follow these directions will result in a 10 point penalty.

Essays:

You must pick and answer three out of the six essay questions. PLEASE NOTE THAT THERE ARE THREE GROUPS OF TWO -- YOU MUST PICK ONE ESSAY OUT OF EACH GROUP. If you need additional space to answer, please use the backside of the page which the essay question is on. In the essay section each question is worth ten (10) points.

Any lack of clarity with regard to your answer choice may result in you not being awarded points for your answer.
Good Luck.

Multiple Choice

Identify the choice that best completes the statement or answers the question.

- _____ 1. Jen questions whether there is consideration for her contract with Isaac to exchange her catering services for his payment of a certain amount. To constitute consideration, the value of whatever is exchanged must be
 - a. objectively worthy.
 - b. grossly inadequate.
 - c. practically sound.
 - d. legally sufficient.
- _____ 2. Following negotiations, Office Park, Inc., enters into an informal contract with Quality Janitorial Company for custodial services for Office Park’s buildings. This means that the parties’ contract
 - a. requires no special form.
 - b. is no yet completely formed.
 - c. is subject to change by either party, within reason.
 - d. is freely open to either party’s interpretation
- _____ 3. Crafted Metal Works, Inc., offers to design, make, and sell Downtown Transit Agency fourteen streetcars. Crafted Metal authorizes a particular mode of communication, but Downtown transit send an acceptance via a substituted means. this acceptance is effect when it is
 - a. written.
 - b. received.
 - c. sent.
 - d. in transit.

- _____ 4. Bild-Rite, Inc., is a Colorado-based firm that does business with clients throughout North America. Bild-Rite oversees construction projects, and buys and sells commercial buildings, undeveloped land, and construction supplies and other goods. Bild-Rite has had to deal with work-site theft and vandalism. With respect to these circumstances, the Uniform Commercial Code (UCC) provides a framework for
- prosecuting crimes against business interests.
 - international construction contracts.
 - domestic and foreign transactions in real estate.
 - commercial transactions for the sale of and payment for goods.
- _____ 5. Canada and the United States are signatories of the Berne Convention. Doug, a citizen of Canada, publishes a book first in Canada and then in the United States. Doug's copyright must be recognized by
- Canada and the United States only.
 - all of the signatories of the Berne Convention.
 - Canada only.
 - none of the choices.
- _____ 6. Eve tells Finlay that she will pay him \$50 if he unloads her truck. Finlay's acceptance is complete
- when Finlay hears Eve's offer.
 - once Finlay starts to unload the truck.
 - as soon as Finlay says he will unload the truck.
 - only after Finlay unloads the truck.

Fact Pattern 12-1A

Jesse defends against a breach-of-contract suit by College Credit Corporation by claiming that their deal—a student loan accruing interest at a certain rate and payable beginning on a certain date—was unfair because the consideration for their contract was inadequate.

- _____ 7. Refer to Fact Pattern 12-1A. If, as Jesse claims, the consideration in this problem is inadequate, it may indicate a lack of
- flexibility on the part of College Credit to accommodate Jesse's needs.
 - "heft," "substance," or "weight" in the terms of the contract.
 - accord in Jesse's satisfaction with the value of the deal.
 - bargained-for exchange or mutual assent.
- _____ 8. Refer to Fact Pattern 12-1A. "Adequacy" of consideration refers to
- the substantiality of the consideration exchanged.
 - legally sufficient value in the eyes of the law.
 - the intangible value to a contracting party of a thing exchanged.
 - "how much" consideration is given.
- _____ 9. Refer to Fact Pattern 12-1A. A court is most likely to evaluate the adequacy of consideration if
- a thing exchanged has no intangible value to one of the parties.
 - there is a gross disparity in the value of the consideration exchanged.
 - something exchanged is not of direct economic or financial value.
 - the items exchanged were of unequal value.

- _____ 10. Naomi tells Ogden, who has no knowledge of Shakespearean comedy, that she will tutor him in the subject for \$50. As an offer, this is
- not effective because comedy is not a serious subject.
 - not effective because Ogden has no knowledge of the subject.
 - no effective because Naomi's tutoring will be subjective.
 - effective.
- _____ 11. Odell invents "Profits Unbound", a new stock-trading algorithm software, and applies for a patent. If Odell is granted a patent, his invention will be protected for
- forever.
 - twenty years.
 - for the life of the inventor plus seventy years.
 - ten years.
- _____ 12. E-Shopping Corporation inserts Fiesta Mall, Inc.'s trademark as a meta tag in E-Shopping's Web site's key-words field without Fiesta's permission in a manner that suggests Fiesta authorized the use. This is
- trademark infringement.
 - patent infringement.
 - copyright infringement.
 - none of the choices.
- _____ 13. Rally Corporation enters into a contract to sell ski gear to SnoSportz Company, which sells a pair of the skis to Tyra, a consumer, who later sells them to Uli, another consumer. Article 2 of the UCC applies to the sales transactions between
- Rally and SnoSportz only.
 - all of the buyers and sellers.
 - SnoSportz and Tyra only.
 - Tyra and Uli only.
- _____ 14. Sales Marketing Corporation and Tech Support., Inc. negotiate a contract. If the contract has all of the elements necessary for one of the parties to enforce it in court, it is
- a valid contract.
 - an unenforceable contract.
 - a voidable contract.
 - a void contract.
- _____ 15. Herm promises to pay Nixie to work as an assistant buyer for his Organic Foods stores. Nixie agrees and quits her job with Pic-U Grocery, but Herm does not hire her. Herm is most likely liable to Nixie under
- the concept of accord and satisfaction.
 - the preexisting duty rule.
 - the doctrine of promissory estoppel.
 - no circumstances.
- _____ 16. RiteMade Machinery, Inc., designs, makes, and sells a drill press. Steel Equipment Company copies the design without RiteMade's permission. Steel's conduct is actionable provided
- consumers are confused.
 - Steel's conduct is intentional.
 - Steel's conduct reduces the value of RiteMade's design.
 - RiteMade's design is patented.

- _____ 17. Standard Corporation can *not* claim a trademark in the phrase "Quality Is Standard" if the phrase
- is generic.
 - is descriptive.
 - is memorable.
 - has a secondary meaning.
- _____ 18. When Hester's car breaks down, she asks Insta-Tow, Inc., to tow it to Jerry's Repair Shop. There is no discussion of a price and Hester and Insta-Tow do not sign any documents. Later, Insta-Tow sends Hester a bill. With respect to Hester's obligation to pay the bill, this is
- an express contract.
 - an implied contract.
 - no contract.
 - a quasi contract.
- _____ 19. Homebuyers Mortgage Corporation's promise to pay its employees a year-end bonus "if it seems like a good idea at the time" is
- an unconscionable proviso.
 - an enforceable contract.
 - an illusory promise.
 - a unilateral pact.
- _____ 20. GreatGro, Inc., makes genetically modified seeds with properties that are identical to Hearty Harvest Corporation's patented seeds, without Hearty Harvest's permission. This is most likely
- patent infringement.
 - not infringement.
 - copyright infringement.
 - trademark infringement.
- _____ 21. Cherry is injured in an accident caused by Bronco. Bronco agrees to pay Cherry \$2,500 if she agrees to release him from further liability. Cherry agrees. If Cherry's damages ultimately exceed \$2,500, she can
- collect the balance from Bronco on the ground of unforeseen events.
 - collect the balance from Bronco in a breach-of-contract suit.
 - collect the balance from Bronco in a tort suit.
 - not collect the balance from Bronco.
- _____ 22. Like most successful companies, Pads & Phone, Inc. (P&P), has trade secrets. The law protects those secrets if
- P&P employees do not handle confidential documents.
 - P&P employees never leave the company.
 - the information is unique and has value to a competitor.
 - P&P employees do not divulge the information to outside parties.
- _____ 23. Mark is creating Nu2U.com, a Web site through which he will enter into contract over the Internet. Important terms to include in his offers include
- glowing reviews from former customers.
 - a detailed history of his business.
 - his educational background.
 - provisions specifying the remedies if the contract is breached.

- _____ 24. Deb buys a song through eSongs, an online music vendor. Before completing the purchase and downloading of the song, Deb must review a provision stating that she will not make and sell copies of the song and is required to click "I agree." This provision is
- a shrink-wrap agreement.
 - a click-on agreement.
 - a browse-wrap term.
 - none of the choices.
- _____ 25. Mallory promises to buy illegal digital copies of movies from Napoleon, who promised to deliver on October 31. These promises are most likely
- void.
 - enforceable.
 - valid.
 - voidable.
- _____ 26. Rene operates The Spicy Chocolatier Cafe chain of restaurants. "The Spicy Chocolatier Cafe" is
- a service mark.
 - a trade name.
 - a certification mark.
 - none of the choices.
- _____ 27. Liz offers to sell Max her iPad for \$200. Max says "Okay, but only if you include the case and other accessories." Max has
- made a counteroffer without rejecting the offer.
 - rejected the offer without making a counteroffer.
 - rejected the offer and made a counteroffer.
 - accepted the offer.
- _____ 28. Under a contract with Bucolic Farms, Agro Excavation, Inc., begins digging an agricultural pond. In mid-project, Agro asks for \$15,000 over the contract price, claiming an increase in the "cost of doing business." Bucolic agrees but later refuses to pay. Their agreement is
- unenforceable because Agro's performance was a preexisting duty.
 - unenforceable because Bucolic's promise was illusory.
 - unenforceable because its performance is unforeseeably difficult.
 - enforceable.
- _____ 29. Quick Transport, Inc., offers to sell a truckload of pallets to Rapid Delivery Company. Before accepting the offer, Rapid learns that the pallets have been sold to Speedy Trucking Corporation. Quick is
- not liable, because the sale revoked the offer to Rapid.
 - liable to Speedy for breach of contract.
 - liable to Rapid for breach of contract.
 - not liable, if Quick offers substitute goods to Rapid.
- _____ 30. A letter-of-credit agreement between Rural Feed Corporation and Soybean Farms, Inc., requires Rural Feed's bank to pay Soybean Farms on receipt of invoices. This letter of credit is
- a quasi contract
 - no contract
 - a formal contract
 - an implied contract

- _____ 31. Venture Capital Corporation loans Wally \$15,000 to start a new business. Wally does not pay, but Venture fails to sue within the time prescribed by the applicable statute of limitations. Wally's promise to pay the debt even though recovery is barred
- is unenforceable regardless of any consideration.
 - needs no consideration.
 - needs legally sufficient *and* adequate consideration.
 - needs new consideration.
- _____ 32. Ellen publishes a book titled *First Place*, which includes a chapter from Frank's copyrighted book *Great NASCAR Drivers* without his permission. Ellen's use of the chapter is actionable
- regardless of whether consumers are confused or Ellen and Frank are competitors.
 - only if Ellen and Frank are competitors.
 - only if consumers are confused *and* Ellen and Frank are competitors.
 - only if consumers are confused.
- _____ 33. Yvon tells Zack, "I would be willing to sell you one of my fishing rods" This is
- a valid offer.
 - not a valid offer because the terms are not definite.
 - not a valid offer because Zack did not respond.
 - not a valid offer because Yvon did not state an intent.
- _____ 34. In a dispute over a sale involving a bicycle, Dain argues that as to this deal Emory's Hobby Shop, where Dain bought the bike, is a merchant. A court may determine whether Emory's is a merchant by assessing whether
- its owner enjoys biking.
 - it holds itself out by occupation as having knowledge or skill unique to the bike in the transaction.
 - it subscribes to *Bike*, a biweekly trade magazine.
 - it has sold any bikes within the last year.
- _____ 35. Trina pays Urban Edge Electronics store \$1,500 for a laptop computer. Under the UCC, this is
- a crime.
 - a sale.
 - a lease.
 - a gift.
- _____ 36. NoGas, Inc., designs and make a non-fuel propulsion system that copies parts of Omni Momentum Corporation's designs without Omni's permission. This is most likely
- not infringement.
 - copyright infringement.
 - patent infringement.
 - trademark infringement.
- _____ 37. **The idea for "Prices & Profit," an app that businesses can use to control their revenue, profits, and payrolls, is protected by**
- copyright law
 - trademark law
 - trade secrets law
 - patent law

- _____ 38. Lark promises to buy Max's used textbook for \$60. Lark is
- an offeror.
 - a promisee.
 - an offeree.
 - a promisor.
- _____ 39. Sunny enters into a contract with Trey to act as his personal sports trainer. If a dispute later arises and the contract contains un-clear terms, the rules of contract interpretation will give effect to
- the parties intent as expressed their contract.
 - what the promisee cliams was the parties intent.
 - waht the parties no agree they intended.
 - what the promisor claims was the parties' intent.
- _____ 40. Ric designs a new computer hard drive, which he names "Sci Phi." He also writes the operating manual to be included with each final product. Ric could obtain patent protection for
- the hard drive only.
 - the operating manual only.
 - the name only.
 - the hard drive, the name, and the operating manual.
- _____ 41. Kay and Leo enter into a contract that falls within the provisions of the UETA. Under the UETA, "an electronic sound, symbol, or process attached tot or logically associated with a record and executed or adopted by a person with the intent to sign the record" is
- an e-signature.
 - a record.
 - an e-transaction.
 - an e-document.
- _____ 42. Brady accepts what he believes is an offer to work for Canyon River Adventures, inc. as a tour and fishing guide. In determining whether a conract has been formed, an element of prime importance is
- the intent of the parties.
 - the subject of the contract.
 - the price to be paid.
 - the duration of the work.
- _____ 43. Gold and Sweet Company bottles and sells maple syrup from its plant in Vermont. On the labels is a logo that states "100% genuine New England Maple Syrup Certified by the Northeast Maple Syrup Harvesters Association." This logo is
- a certification mark.
 - none of the choices.
 - a service mark.
 - trade dress.
- _____ 44. Sal assures Tom that she will deliver a truckload of hay to his cattle ranch. A person's declaration to do a certain act is part of the definition of
- a promise
 - a moral obligation
 - a prediction
 - an expetation

- _____ 45. Grant offers to sell his Honda Civic for \$10,000 to Ivy. Referring to the prices for similar Hondas, Ivy says, "I'll pay no more than \$5,000." Grant says, "Forget it." Grant's offer was terminated by
- Honda.
 - Ivy.
 - Grant.
 - no one—Grant's offer is still open.
- _____ 46. Effervescent Egg Cream Compnay's trademark is used by Fizzy Drinks without its owner's permission. Fizzy's use of the mark is actionable provided that
- Fizzy and Effervescent are competitors.
 - Effervescent's mark is registered.
 - Fizzy's use is intentional.
 - consumers are confused.
- _____ 47. Kamal reproduces Lorena's copyrighted work "Musica" without paying royalties. Kamal is most likely excluded from liability for copyright infringement under the "fair use" doctrine if
- Kamal distributed the copies without charge to the public.
 - Kamal's use has no effect on the market for Lorena's work.
 - Kamal copies the entire work.
 - Kaml's use is for a commercial purpose.
- _____ 48. Quik Fix-It, Inc., offers Pam a job as a plumber. No time for acceptance is specified in the offer. The offer will terminate
- after a usual month (thirty calendar days).
 - after a typical work week (five business days).
 - never.
 - after a reasonable period of time.
- _____ 49. Sunshine Cell Phone Company offers to buy a laser printer, with a case of paper and an extra cartridge, from Office Products, Inc. (OPI), for \$200. Paul, OPI's representative, says, "Okay, but no paper and no extra cartridge." Paul has
- rejected the offer without making a counteroffer.
 - rejected the offer and made a counteroffer.
 - made a counteroffer without rejecting the offer.
 - accepted the offer.
- _____ 50. Sincere Forms, Inc., uses, in its ads, a trademark that is similar, but not identical, to the famous, registered mark of Desired Objects, Inc. Sincere's unauthorized use of the mark constitutes trademark dilution provided
- Sincere and Desired are competitors.
 - Sincere's use is intentional.
 - consumers are confused.
 - Sincere's use lessens the value of Desired's mark.
- _____ 51. Shasta offers to sell a used hay baler to Roberto, but receives a letter of acceptance from Quito, who has no relation to roberto. A valid contract exists between
- Shasta and roerto.
 - Shast and Quito.
 - Roberto and Quito.
 - none of the choices.

- _____ 52. Business Properties, Inc. (BPI), offers to sell a warehouse to Corporate Investments. Corporate says that it will pay BPI \$100 to hold the offer open for three business days. This
- makes the offer irrevocable for three days if BPI accepts.
 - creates an illegal contract by adding a clause to BPI's offer.
 - negates BPI's offer by changing the price term.
 - voids BPI's offer by extending the time term.
- _____ 53. Octavio receives a catalogus from Pastry Dough, Inc., and a "personalized" letter inviting Octavio to buy any item at the advertised price. This is
- an offer because of the "personalized" letter.
 - not an offer.
 - an offer only if Octavio previously bought items from Pastry Dough.
 - an offer because there is no room for price negotiation.
- _____ 54. Fresh Harvest, Inc., agrees to sell to Gina's Bed & Breakfast Inn a certain amount of locally grown produce each week but no mention is made of where the goods are to be delivered. In general, the UCC requires that the delivery take place at
- a neutral place of business halfway between the parties' locations.
 - Fresh Harvest's place of business.
 - a "reasonable" place of delivery.
 - Gina's place of business.
- _____ 55. Signe offers to sell Thomas her textbook but conditions the sale on Thomas accepting the offer by March 1. Signe may revoke the offer
- only after Thomas accepts the offer.
 - only after March 1.
 - before March 1, whether or not Thomas has accepted the offer.
 - before Thomas accepts the offer.
- _____ 56. Standard Purchasing Corporation and Topmost Sales, inc., enter into a partnering agreement. Under a partnering agreement, parties agree
- to resolve all disputes without involving a third party.
 - to become partners.
 - in advance to terms that apply to their future e-transactions.
 - to conduct transactions solely in electronic form.
- _____ 57. Mary promises to pay her assistant Ned \$10,000 in consideration of the services he provided over the years. Mary never pays Ned. Mary is
- not liable, because the consideration is in the past.
 - not liable, because the consideration was unintentional.
 - liable for payment of the \$10,000.
 - liable only if Ned still works for Mary.
- _____ 58. Barrett filed a suit against City Moving Service for breach of contract, based on what Barrett claims was City Moving's offer. For a court to determine if a contract has been breached, under the common law, the offer must include terms that are
- exactly precise.
 - unequivocally approximate.
 - vague or uncertain.
 - reasonably definite.

Name: _____

ID: C

- _____ 59. Nate tells Opal, "I might sell the skis that I bought last fall since I haven't used them and the skiing season is almost over." This is
- a. an acceptance of an offer.
 - b. an offer.
 - c. a statement of future intent.
 - d. an invitation to accept an offer.
- _____ 60. On behalf of of Bobble Head Manufacturing Company, Carmela types her name at the bottom of an e-mail purchase order and submits the order to Designer Parts Compnay. Under the UETA, Carmela's typed name qualifies as
- a. a partnering agreement.
 - b. a statement of future intent.
 - c. a "signature".
 - d. a preliminary negotiation.

Bus 241 - Winter 2015 -- Exam No. 2 (MC)**Answer Section****MULTIPLE CHOICE**

1. ANS: D	PTS: 1	REF: p. 243	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: N		
2. ANS: A	PTS: 1		
3. ANS: B	PTS: 1		
4. ANS: D	PTS: 1	REF: p. 356	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
5. ANS: B	PTS: 1	REF: p. 168	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
6. ANS: D	PTS: 1	REF: p. 232	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank B	TYP: =		
7. ANS: D	PTS: 1	REF: p. 245	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
8. ANS: D	PTS: 1	REF: p. 245	NAT: AACSB Analytic AICPA Legal
KEY: Test Bank A	TYP: =		
9. ANS: B	PTS: 1	REF: p. 245	NAT: AACSB Analytic AICPA Legal
KEY: Test Bank A	TYP: =		
10. ANS: D	PTS: 1		
11. ANS: B	PTS: 1		
12. ANS: A	PTS: 1	REF: p. 157	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
13. ANS: B	PTS: 1	REF: p. 361	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
14. ANS: A	PTS: 1		
15. ANS: C	PTS: 1	REF: p. 249	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: N		
16. ANS: D	PTS: 1	REF: p. 161	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: N		
17. ANS: A	PTS: 1	REF: p. 155	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
18. ANS: B	PTS: 1		
19. ANS: C	PTS: 1	REF: p. 248	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
20. ANS: A	PTS: 1		
21. ANS: D	PTS: 1	REF: p. 249	NAT: AACSB Reflective AICPA Legal
KEY: Test Bank A	TYP: =		
22. ANS: C	PTS: 1		
23. ANS: D	PTS: 1		
24. ANS: B	PTS: 1		
25. ANS: A	PTS: 1		
26. ANS: B	PTS: 1		
27. ANS: C	PTS: 1		

28.	ANS: A	PTS: 1	REF: p. 245	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
29.	ANS: A	PTS: 1	REF: p. 229	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank B	TYP: =		
30.	ANS: C	PTS: 1		
31.	ANS: B	PTS: 1	REF: p. 252	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
32.	ANS: A	PTS: 1	REF: p. 163	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
33.	ANS: B	PTS: 1	REF: p. 227	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
34.	ANS: B	PTS: 1	REF: p. 361	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
35.	ANS: B	PTS: 1	REF: p. 358	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: +		
36.	ANS: C	PTS: 1		
37.	ANS: C	PTS: 1		
38.	ANS: D	PTS: 1		
39.	ANS: A	PTS: 1		
40.	ANS: A	PTS: 1	REF: p. 158	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
41.	ANS: A	PTS: 1		
42.	ANS: A	PTS: 1		
43.	ANS: A	PTS: 1		
44.	ANS: A	PTS: 1		
45.	ANS: B	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: N		
46.	ANS: D	PTS: 1		
47.	ANS: B	PTS: 1		
48.	ANS: D	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
49.	ANS: B	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank B	TYP: =		
50.	ANS: D	PTS: 1	REF: p. 153	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: +		
51.	ANS: D	PTS: 1		
52.	ANS: A	PTS: 1	REF: p. 230	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank B	TYP: =		
53.	ANS: B	PTS: 1		
54.	ANS: B	PTS: 1	REF: p. 363	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: +		
55.	ANS: D	PTS: 1		
56.	ANS: C	PTS: 1		
57.	ANS: A	PTS: 1	REF: p. 246	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
58.	ANS: D	PTS: 1		

59.	ANS: C	PTS: 1	REF: p. 224	NAT: AACSB Reflective AICPA Legal
	KEY: Test Bank A	TYP: =		
60.	ANS: C	PTS: 1		

D 4.

 D 10.

 A 17.

 B 24.

 B 11.

 B 18.

 A 25.

 B 5.

 A 12.

 C 19.

 B 26.

 D 6.

 B 13.

 A 20.

 C 27.

 D 1.

 D 7.

 A 14.

 D 21.

 A 28.

 A 2.

 D 8.

 C 15.

 C 22.

 A 29.

 B 3.

 B 9.

 D 16.

 D 23.

 C 30.

- | | | | | |
|------------------|------------------|------------------|------------------|------------------|
| <u> B </u> 31. | <u> D </u> 38. | <u> B </u> 45. | <u> A </u> 52. | <u> C </u> 59. |
| <u> A </u> 32. | <u> A </u> 39. | <u> D </u> 46. | <u> B </u> 53. | <u> C </u> 60. |
| <u> B </u> 33. | <u> A </u> 40. | <u> B </u> 47. | <u> B </u> 54. | |
| <u> B </u> 34. | <u> A </u> 41. | <u> D </u> 48. | <u> D </u> 55. | |
| <u> B </u> 35. | <u> A </u> 42. | <u> B </u> 49. | <u> C </u> 56. | |
| <u> C </u> 36. | <u> A </u> 43. | <u> D </u> 50. | <u> A </u> 57. | |
| <u> C </u> 37. | | <u> D </u> 51. | <u> D </u> 58. | |
| | <u> A </u> 44. | | | |

Bus 241 - Winter 2015 -- Exam No. 2 (MC) [Version Map]

	A	B	C
MC	1	15	44
MC	2	17	30
MC	3	5	55
MC	4	57	33
MC	5	32	52
MC	6	21	5
MC	7	34	18
MC	8	49	31
MC	9	18	45
MC	10	9	21
MC	11	53	58
MC	12	27	7
MC	13	29	8
MC	14	28	9
MC	15	38	19
MC	16	19	56
MC	17	8	46
MC	18	1	12
MC	19	33	60
MC	20	40	35
MC	21	3	39
MC	22	50	47
MC	23	10	32
MC	24	39	24
MC	25	14	42
MC	26	44	38
MC	27	4	20
MC	28	11	13
MC	29	13	4
MC	30	24	54
MC	31	46	34
MC	32	41	27
MC	33	47	36
MC	34	48	49
MC	35	36	26
MC	36	20	14
MC	37	30	3
MC	38	16	29
MC	39	55	25
MC	40	60	22
MC	41	23	10
MC	42	31	53
MC	43	42	6
MC	44	54	16
MC	45	43	40
MC	46	59	57
MC	47	58	37
MC	48	26	51
MC	49	45	43
MC	50	7	17
MC	51	35	50

	A	B	C
MC	52	37	1
MC	53	56	15
MC	54	51	41
MC	55	2	59
MC	56	6	28
MC	57	25	11
MC	58	52	2
MC	59	12	48
MC	60	22	23