

Bus 241- Winter 2015 -- Exam 1 - MC

You have 130 minutes to complete this examination. This is a CLOSED book exam. All other study materials, including backpacks 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 and 64 questions to this exam -- 60 multiple choice and four 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 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.

In the essay section you must answer one essay question out of each group for a total of two answered essay questions. Each essay question is worth ten (10) 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.

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. In a suit against Vladimir over the performance of a contract, Wyler obtains *rescission*. This is
- a payment of money or property as compensation.
 - an order to perform what was promised.
 - an order to do or to refrain from doing a particular act.
 - the cancellation of a contract.

Fact Pattern 2-1A

Java Cafes, Inc., and Kaffe Import Corporation dispute a term in their contract.

- _____ 2. Refer to Fact Pattern 2-1A. If Java and Kaffe have a long-standing business relationship that they would like to continue, a preferred method of settling their dispute may be mediation because
- the dispute will eventually go to trial.
 - the case will be heard by a mini-jury.
 - the resolution of the dispute will be decided an expert.
 - the process is not adversarial.
- _____ 3. Refer to Fact Pattern 2-1A. The least expensive method to resolve the dispute between Java and Kaffe may be
- litigation because each party will pay its own legal fees.
 - mediation because the dispute will be resolved by a non-expert.
 - arbitration because the case will be heard by a mini-jury.
 - negotiation because no third parties are needed.
- _____ 4. Refer to Fact Pattern 2-1A. Resolving the dispute between Java and Kaffe by having a neutral third party render a binding decision is one of the advantages of
- mediation.
 - conciliation.
 - arbitration.
 - intervention.

- _____ 5. Boris pushes Cordelia. She falls and breaks her arm. Boris is liable for the injury
- only if he had a bad motive for pushing Cordelia.
 - only if he intended to break Cordelia's arm.
 - only if he did *not* intend to break Cordelia's arm.
 - if he intended to push Cordelia.
- _____ 6. Congress enacts a law that sets out a medical-device approval process for the Food and Drug Administration to follow. The law includes a preemption provision. A device that goes through the process injures Joe, who files a claim under state law to recover. The court will most likely rule that
- the federal law preempts Joe's state law claim.
 - the federal and state law claim cancel each other out.
 - the federal law and state law claim are concurrent.
 - Joe's state law claim preempts the federal law.
- _____ 7. Fealty Credit Corporation asks its employees to evaluate their actions and get on the ethical business decision-making "bandwagon." Guidelines for judging individual actions include all of the following *except*
- business rules and procedures.
 - promises to others.
 - loopholes in the law or company policies.
 - an individual's conscience.
- _____ 8. Cody files a suit against Delta Corporation. Delta responds that it appears from the pleadings the parties do not dispute the facts and the only question is how the law applies to those facts. Delta supports this response with witnesses' sworn statements. This is
- a counterclaim.
 - a motion for judgment on the pleadings.
 - a motion for summary judgment.
 - a motion to dismiss.
- _____ 9. Myra claims that a Nebraska state statute infringes on her "procedural due process" rights. This claim focuses on
- the similarity of the treatment of similarly situated individuals.
 - the steps to be taken to protect Mary's privacy.
 - procedures used in making decisions to take life, liberty, or property.
 - the content of the statute.
- _____ 10. Any decision by the management of Fast-Food Franchise Corporation may significantly affect its
- operators only.
 - owners only.
 - operators, owners, suppliers, the community, or society as a whole.
 - suppliers, the community, or society as a whole only.
- _____ 11. Tami's Tasty Tacos, a mobile vendor, files a suit against the state of Utah, claiming that a Utah state law violates the commerce clause. The court will agree if the statute imposes a substantial burden on
- the state.
 - interstate commerce.
 - noneconomic activity.
 - a local government.

- _____ 12. Spencer Hydraulics Corporation's ethics committee is asked a business ethics question—should the firm bid low to obtain a contract that it knows it can fulfill only at a higher price? A practical method to investigate and solve this question involves all of the following steps *except*
- justification.
 - absolution.
 - inquiry.
 - decision.
- _____ 13. Mariah works in the public relations department of New Trends Sales Company. Her job includes portraying New Trends's activities in their best light. In this context, ethics consist of
- whatever saves New Trends's "face."
 - a different set of principles from those that apply to other activities.
 - the same moral principles that apply to non-business activities.
 - those principles that produce the most favorable financial outcome.
- _____ 14. Jim is an appliance salesperson. To make a sale, he asserts that a certain model of a Kitchen Helper refrigerator is the "best one ever made." This is
- fraud if Jim believes that this statement is not true.
 - fraud if the statement is the truth.
 - fraud if Jim is stating his opinion, not the facts.
 - not fraud.
- _____ 15. Boyd files a suit in a federal district court against Cathy. Cathy loses the suit, appeals to the U.S. Court of Appeals for the Second Circuit, and loses again. Cathy asks the United States Supreme Court to hear the case. The Court is
- required to hear the case because it is an appeal.
 - required to hear the case because Cathy lost in a federal court.
 - required to hear the case because Cathy lost in a lower court.
 - not required to hear the case.
- _____ 16. During a heated legislative debate, Representative Peony makes a statement of fact damaging Senator Rose's good reputation. Peony knows the statement is not true. In this situation, Peony is most likely
- liable for defamation.
 - not liable for defamation because Peony enjoys a privilege.
 - not liable for defamation because nobody listens to such debates.
 - not liable for defamation because only Rose's reputation was hurt.
- _____ 17. The police obtain a search warrant and search Errol's apartment. After yelling obscenities at the officers, Errol confesses to a crime and implicates his friends. The Constitution protects against
- obscene speech.
 - unreasonable searches.
 - implication of others.
 - none of the choices.
- _____ 18. Ulrich, a citizen of Virginia, wants to enforce in the state of Washington certain rights that he has under a contract with Xtreme SnoBoards Inc. A Washington state court is most likely to enforce such rights under
- the full faith and credit clause.
 - the commerce clause.
 - no provision in the U.S. Constitution.
 - the privileges and immunities clause.

- _____ 19. Hawaii enacts a state law that violates the U.S. Constitution. This law can be enforced by
- the United States Supreme Court only.
 - the federal government only.
 - the state of Hawaii only.
 - no one.
- _____ 20. In a suit against Evan, Floyd obtains an *injunction*. This is
- an order to do or to refrain from doing a particular act.
 - a payment of money or property as compensation.
 - the cancellation of a contract.
 - an order to perform what was promised.
- _____ 21. Leon files a suit against Moira, a medical doctor, alleging negligence. As a physician, Moira is held to the standard of
- a faultless ordinary person.
 - a reliable professional.
 - a blameless individual.
 - a reasonable physician.
- _____ 22. Made4U Goods, Inc., asks its employees, many of whom are members of the National Machinists Union, to apply the utilitarian theory of ethics. This theory does *not* require
- a choice among alternatives to produce the maximum societal utility.
 - an assessment of the effects of alternatives on those affected.
 - a determination of whom an action will affect.
 - the acquiring of the means of production by workers.
- _____ 23. Opal files a complaint in a suit against Phil, and he files an answer. The case may now be
- settled only during a trial.
 - dismissed only after a trial begins.
 - resolved only after a trial ends.
 - dismissed or settled at this point.
- _____ 24. Kay carelessly bumps into Lyle, knocking him to the ground. Kay has committed the tort of negligence
- under any circumstances.
 - only if Lyle is injured.
 - only if Lyle is not injured.
 - under no circumstances.
- _____ 25. During a trial in Gene's suit against Homer over the use of Gene's lakeside cabin, Gene's attorney asks questions of the plaintiff's witness Ilya. This is
- a direct examination.
 - a deposition.
 - a cross-examination.
 - an interrogatory.

Fact Pattern 3-2A

Fine Dining Corporation files a suit against Eat-at-Joe's, Inc.

- _____ 26. Refer to Fact Pattern 3-2A. During the trial, Fine Dining's attorney questions the plaintiff's witness Floyd. Floyd, who is not an expert in the matter about which he is being asked, can
- offer his opinion about any of the evidence.
 - offer his conclusion with regard to the case.
 - testify about only what he personally observed.
 - testify about any of the facts in the case.
- _____ 27. Refer to Fact Pattern 3-2A. The attorney for Eat-at-Joe's also questions Floyd. This is
- a cross-examination.
 - an interrogatory.
 - a direct examination.
 - a request for admissions.
- _____ 28. Mike, an advocate of a certain religion, publishes an article in *New Times* magazine insisting that Congress base all federal law on his religion's principles. The First Amendment guarantees Mike's freedom of
- the press, speech, and religion.
 - speech only.
 - the press only.
 - religion only.
- _____ 29. In a suit against Sandy, Tippy obtains damages. In the U.S. legal system, this remedy at law is
- unlikely.
 - equitable.
 - unusual.
 - normal.
- _____ 30. A federal statute regulates an employment practice. To resolve a dispute concerning the practice, Paula, a judge, will most likely apply
- a common law doctrine that applied before the statute was enacted.
 - the statute.
 - Paula's personal philosophy of law.
 - a common law doctrine that applies to other, different practices.
- _____ 31. A common ethical dilemma faced by the management of General Holdings Corporation involves the effect that its decision will have on
- the government.
 - one group as opposed to another.
 - the firm's competitors.
 - the U.S. Chamber of Commerce.
- _____ 32. In Restful Motel's suit against Sleepy Hotels, Inc., Restful serves a written request for Sleepy to admit the truth of matters relating to the trial. Sleepy's admission in response is the equivalent of
- information to which Sleepy has a right of privacy.
 - irrelevant evidence.
 - an admission in court.
 - a statement to the media.

- _____ 33. The Federal Trade Commission is a government agency that issues rules, orders, and decisions. The Georgia state legislature enacts statutes. The Jackson County Board and the Peach City Council enacts ordinances. Administrative law includes
- a. the rules, orders, and decisions of the Federal Trade Commission.
 - b. all law that affects a business's operation.
 - c. ordinances created by the Jackson County Board and the city council of Peach City, Georgia.
 - d. statutes enacted by the Georgia state legislature.
- _____ 34. In *Export Co. v. Imports, Inc.*, there is no precedent on which the court can base a decision. The court can consider, among other things,
- a. social values only.
 - b. public policy or social values.
 - c. neither public policy nor social values.
 - d. public policy only.
- _____ 35. At Parkside Bistro, Ogden believes that he was overcharged and shoves Nellie, the waiter. Nellie sues Ogden, alleging that the shove was a battery. Ogden is liable
- a. if Ogden acted out of malice.
 - b. if the shove was offensive.
 - c. under no circumstances—the shove was not a battery.
 - d. if Parkside did not overcharge Ogden.
- _____ 36. Wyoming enacts a statute that limits the liberty of all persons, including corporations, to broadcast "annoying" radio commercials. This may violate
- a. substantive due process.
 - b. the right to privacy.
 - c. procedural due process.
 - d. equal protection.
- _____ 37. Bilt-Well Construction Corporation makes a side payment to a government official in Nigeria to obtain a contract. In the United States, this is
- a. illegal but not unethical.
 - b. illegal and unethical.
 - c. legal and ethical.
 - d. unethical but not illegal.
- _____ 38. The Securities Exchange Commission is an administrative agency. The chief purpose of such agencies is to
- a. impose uniform laws on the states.
 - b. perform specific government functions.
 - c. standardize laws for the executive and judicial branches.
 - d. act as liaisons between federal and state governments.
- _____ 39. Peak & Vale Accountants provides other firms with accounting services. Questions of what is ethical involve the extent to which Peak & Vale has
- a. a legal duty beyond those duties mandated by ethics.
 - b. any duty beyond those mandated by both ethics and the law.
 - c. any duty when it is uncertain whether a legal duty exists.
 - d. an ethical duty beyond those duties mandated by law.

- _____ 40. Lewis is a state court judge. Like other judges, Lewis often refers to secondary sources of law for guidance. These sources include
- other states' statutes.
 - official comments to statute.
 - state constitutions.
 - the U.S. Constitution.
- _____ 41. Liu files a suit against Macro Sales, Inc., in a New Jersey state court based on a Web site through which New Jersey residents can do business with Macro. The court will most likely exercise jurisdiction over Macro if the interactivity of the site is seen as
- not connected with the state.
 - "uploading" to the state.
 - "downloading" from the state.
 - a "substantial enough" connection with the state.
- _____ 42. Nadine is a spectator at the Metro City Softball Tournament, an athletic competition. Regarding the risk of injury, Nadine assumes the risks
- greater than the risks normally associated with the tournament.
 - normally associated with the tournament.
 - different from the risks normally associated with the tournament.
 - attributable to the tournament in any way.
- _____ 43. Jaqy distributes a handbill among her neighbors accusing one of them—Ked—of being a convicted sex offender. The statement is defamatory only if
- the statement is true.
 - a neighbor repeats it.
 - Ked suffers emotional distress.
 - the statement is false.
- _____ 44. Beachside City enacts an ordinance that bans the distribution of all printed materials on city streets. Carl opposes the city's latest "revenue-enhancing" measure and wants to protest by distributing handbills. In his suit against the city, a court would likely hold the printed-materials ban to be
- constitutional under the First Amendment.
 - unconstitutional under the First Amendment.
 - unconstitutional under the commerce clause.
 - not subject to the U.S. Constitution.
- _____ 45. Ginger wants to file a suit against Fred. For a court to hear the case
- the parties must have no minimum contact with each other.
 - the court must have jurisdiction.
 - Fred must agree.
 - the parties must own property.
- _____ 46. In a newspaper ad, Select Used Motors falsely accuses Top Value Vehicles, a competitor, of selling stolen cars. Top Value's sales decrease. Select has most likely committed
- slander of quality.
 - no tort.
 - slander of title.
 - defamation.

- _____ 47. Beth is injured in a car accident and sues Cash, alleging negligence. Cash claims that Beth was driving more carelessly than he was. Comparative negligence may reduce Beth's recovery
- only if Beth was as equally at fault as Cash.
 - only if Beth was more at fault than Cash.
 - even if Beth was only slightly at fault.
 - only if Beth was less at fault than Cash.
- _____ 48. Transnational Corporation and UniShip, Inc., agree to a contract that includes an arbitration clause. If a dispute arises, a court having jurisdiction may
- order a party to submit to arbitration.
 - order a party to bring the dispute to court.
 - order an arbitrator to rule in a particular way.
 - monitor any arbitration until it concludes.
- _____ 49. Indelible Fabrics, Inc. (IFI), makes "Jean's Denim," a famous brand of clothing. Without IFI's consent, Kopy Company (KC) begins to use "jeansdenim" as part of a domain name. IFI files a suit against KC and engages in service of process. Service of process must provide
- privacy between the litigants and publicity in the judgment.
 - space to fill in important information and time in which to do it.
 - equality and fairness in adjudication.
 - notice and an opportunity to respond.

Fact Pattern 3-1A

Mac and Nan engage in a business transaction from which a dispute arises. Mac initiates a lawsuit against Nan by filing a complaint.

- _____ 50. Refer to Fact Pattern 3-1A. If Nan responds to Mac's complaint by filing a counterclaim, then
- Mac will have a judgment entered in his favor.
 - Nan will also have to file an amended answer.
 - Mac will also have to file a response.
 - Nan will have a judgment entered in her favor.
- _____ 51. Great Tans, Inc., uses, in its radio ads, a recording by Holly, who owns the rights, without paying for the use. Over time, the song comes to be associated with Great Tans. In Holly's suit against Great Tans, the firm is most likely liable for
- conversion.
 - appropriation.
 - wrongful interference with a customary relationship.
 - none of the choices.
- _____ 52. Kennedy Capital Corporation provides other firms with funds to expand operations. If Kenney strictly complies with existing laws, the firm will
- fulfill *some* business ethics obligations.
 - fulfill *no* business ethics obligations.
 - not need to fulfill *any* business ethics obligations.
 - fulfill *all* business ethics obligations.

- ____ 53. Excel Products Company files a suit against Flying Distribution, Inc., over a contract. Before the trial, Excel can obtain from Flying
- a. only those documents that Flying agrees to release.
 - b. no documents in Flying's possession.
 - c. any documents in Flying's possession.
 - d. all documents in Flying's possession relating to the contract.
- ____ 54. Eden Property Sales Corporation and Dion agree to resolve their dispute in arbitration. The arbitrator's decision is called
- a. a conclusion of law.
 - b. a finding of fact.
 - c. an award.
 - d. a verdict.

Fact Pattern 7-1A

Roy owns an apartment building that contains units of different sizes. The sidewalks around the building are in poor repair. Many sections have buckled from the growth of tree roots over the years.

- ____ 55. Refer to Fact Pattern 7-1A. As the owner of the building, Roy has a duty to
- a. do nothing.
 - b. repair the sidewalks only if he is notified that it is a problem.
 - c. arrange to escort anyone who walks onto the property.
 - d. repair the sidewalks.
- ____ 56. Enterprising Markets Coalition (EMC), a political lobbying group, wants a certain policy enacted into law. If EMC's policy conflicts with the U.S. Constitution, a law embodying it can be imposed by
- a. Congress.
 - b. a state legislature.
 - c. a federal court.
 - d. none of the choices.
- ____ 57. John sees that Kris is about to step into the path of an oncoming bus. If John does not warn Kris of the danger, John is liable
- a. under no circumstances.
 - b. regardless of the consequences to Kris.
 - c. only if Kris is injured.
 - d. only if Kris is not injured.
- ____ 58. Reusable Energy Corporation regularly expresses opinions on political issues. Under the First Amendment, corporate political speech is
- a. forbidden.
 - b. discouraged.
 - c. required.
 - d. protected.
- ____ 59. As a joke, Fran hides Gary's business law textbook so that he cannot find it during the week before the exam. Fran is liable for
- a. wrongful interference with a business relationship.
 - b. trespass to personal property.
 - c. appropriation.
 - d. disparagement of property.

Name: _____

ID: A

- _____ 60. Joy invites Ken into her apartment. Ken commits trespass to land if he
- a. enters the apartment with fraudulent intent.
 - b. refuses to leave when Joy asks him to go.
 - c. harms the apartment in any way.
 - d. makes disparaging remarks about Joy to others.

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MULTIPLE CHOICE

- | | | | |
|---|--------|-------------|-------------------------------------|
| 1. ANS: D | PTS: 1 | REF: p. 7 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 2. ANS: D | PTS: 1 | REF: p. 41 | |
| NAT: AACSB Reflective AICPA Risk Analysis | | | KEY: Test Bank A |
| TYP: = | | | |
| 3. ANS: D | PTS: 1 | REF: p. 41 | |
| NAT: AACSB Reflective AICPA Risk Analysis | | | KEY: Test Bank A |
| TYP: = | | | |
| 4. ANS: C | PTS: 1 | REF: p. 42 | |
| NAT: AACSB Reflective AICPA Risk Analysis | | | KEY: Test Bank A |
| TYP: = | | | |
| 5. ANS: D | PTS: 1 | REF: p. 117 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 6. ANS: A | PTS: 1 | REF: p. 78 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 7. ANS: C | PTS: 1 | REF: p. 104 | |
| NAT: AACSB Reflective AICPA Critical Thinking | | | KEY: Test Bank A |
| TYP: N | | | |
| 8. ANS: C | PTS: 1 | REF: p. 57 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 9. ANS: C | PTS: 1 | REF: p. 87 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 10. ANS: C | PTS: 1 | REF: p. 93 | |
| NAT: AACSB Reflective AICPA Risk Analysis | | | KEY: Test Bank A |
| TYP: = | | | |
| 11. ANS: B | PTS: 1 | REF: p. 76 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 12. ANS: B | PTS: 1 | REF: p. 105 | |
| NAT: AACSB Reflective AICPA Critical Thinking | | | KEY: Test Bank A |
| TYP: N | | | |
| 13. ANS: C | PTS: 1 | REF: p. 93 | |
| NAT: AACSB Reflective AICPA Critical Thinking | | | KEY: Test Bank A |
| TYP: = | | | |
| 14. ANS: D | PTS: 1 | REF: p. 123 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 15. ANS: D | PTS: 1 | REF: p. 40 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 16. ANS: B | PTS: 1 | REF: p. 121 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 17. ANS: B | PTS: 1 | REF: p. 85 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: + | | |
| 18. ANS: A | PTS: 1 | REF: p. 75 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |

19. ANS: D PTS: 1 REF: p. 4 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
20. ANS: A PTS: 1 REF: p. 7 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
21. ANS: D PTS: 1 REF: p. 139 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
22. ANS: D PTS: 1 REF: p. 101
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A
23. ANS: D PTS: 1 REF: p. 56 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
24. ANS: B PTS: 1 REF: p. 141 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
25. ANS: A PTS: 1 REF: p. 65 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
26. ANS: C PTS: 1 REF: p. 65 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
27. ANS: A PTS: 1 REF: p. 65 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
28. ANS: A PTS: 1 REF: p. 79 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
29. ANS: D PTS: 1 REF: p. 7 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
30. ANS: B PTS: 1 REF: p. 12
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A
31. ANS: B PTS: 1 REF: p. 101
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: + KEY: Test Bank A
32. ANS: C PTS: 1 REF: p. 60 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
33. ANS: A PTS: 1 REF: p. 5 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
34. ANS: B PTS: 1 REF: p. 10
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A
35. ANS: B PTS: 1 REF: p. 118 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: +
36. ANS: A PTS: 1 REF: p. 87 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
37. ANS: B PTS: 1 REF: p. 107
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A
38. ANS: B PTS: 1 REF: p. 5 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
39. ANS: D PTS: 1 REF: p. 94
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A

40.	ANS: B KEY: Test Bank A	PTS: 1 TYP: N	REF: p. 4	NAT: AACSB Reflective AICPA Legal
41.	ANS: D NAT: AACSB Reflective AICPA Critical Thinking TYP: =	PTS: 1	REF: p. 34	KEY: Test Bank A
42.	ANS: B KEY: Test Bank A	PTS: 1 TYP: N	REF: p. 142	NAT: AACSB Reflective AICPA Legal
43.	ANS: D KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 119	NAT: AACSB Reflective AICPA Legal
44.	ANS: B NAT: AACSB Reflective AICPA Critical Thinking TYP: =	PTS: 1	REF: p. 80	KEY: Test Bank A
45.	ANS: B KEY: Test Bank A	PTS: 1 TYP: N	REF: p. 30	NAT: AACSB Reflective AICPA Legal
46.	ANS: C KEY: Test Bank A	PTS: 1 TYP: +	REF: p. 129	NAT: AACSB Reflective AICPA Legal
47.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 144	NAT: AACSB Reflective AICPA Legal
48.	ANS: A KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 43	NAT: AACSB Reflective AICPA Legal
49.	ANS: D NAT: AACSB Communication AICPA Critical Thinking TYP: =	PTS: 1	REF: p. 53	KEY: Test Bank A
50.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 52	NAT: AACSB Reflective AICPA Legal
51.	ANS: B KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 122	NAT: AACSB Reflective AICPA Legal
52.	ANS: A NAT: AACSB Reflective AICPA Critical Thinking TYP: =	PTS: 1	REF: p. 94	KEY: Test Bank A
53.	ANS: D KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 60	NAT: AACSB Reflective AICPA Legal
54.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 42	NAT: AACSB Reflective AICPA Legal
55.	ANS: D KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 137	NAT: AACSB Reflective AICPA Legal
56.	ANS: D KEY: Test Bank A	PTS: 1 TYP: +	REF: p. 74	NAT: AACSB Reflective AICPA Legal
57.	ANS: A KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 139	NAT: AACSB Reflective AICPA Legal
58.	ANS: D KEY: Test Bank A	PTS: 1 TYP: N	REF: p. 80	NAT: AACSB Reflective AICPA Legal
59.	ANS: B KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 127	NAT: AACSB Reflective AICPA Legal
60.	ANS: B KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 126	NAT: AACSB Reflective AICPA Legal

D 5.

 B 12.

 D 19.

 C 26.

 A 6.

 A 20.

 C 13.

 A 27.

 D 21.

 C 7.

 D 14.

 A 28.

 D 1.

 D 22.

 C 8.

 D 15.

 D 29.

 D 23.

 D 2.

 C 9.

 B 16.

 B 30.

 B 24.

 D 3.

 C 10.

 B 17.

 B 31.

 A 25.

 C 4.

 B 11.

 A 18.

 C 32.

A 33. B 40. C 47. D 53. B 60.

 B 34. D 41. A 48. C 54.

 B 35. B 42. D 49. D 55.

 A 36. D 43. D 56. C 50.

 B 37. B 44. A 57. B 51.

 B 38. B 45. D 58. A 52.

 D 39. C 46. B 59.

Bus 241- Winter 2015 -- Exam 1 - MC

You have 130 minutes to complete this examination. This is a CLOSED book exam. All other study materials, including backpacks 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 and 64 questions to this exam -- 60 multiple choice and four 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 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.

In the essay section you must answer one essay question out of each group for a total of two answered essay questions. Each essay question is worth ten (10) 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.

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. A federal statute regulates an employment practice. To resolve a dispute concerning the practice, Paula, a judge, will most likely apply
- a common law doctrine that applies to other, different practices.
 - Paula's personal philosophy of law.
 - the statute.
 - a common law doctrine that applied before the statute was enacted.
- _____ 2. Myra claims that a Nebraska state statute infringes on her "procedural due process" rights. This claim focuses on
- procedures used in making decisions to take life, liberty, or property.
 - the content of the statute.
 - the similarity of the treatment of similarly situated individuals.
 - the steps to be taken to protect Mary's privacy.
- _____ 3. Made4U Goods, Inc., asks its employees, many of whom are members of the National Machinists Union, to apply the utilitarian theory of ethics. This theory does *not* require
- the acquiring of the means of production by workers.
 - a determination of whom an action will affect.
 - a choice among alternatives to produce the maximum societal utility.
 - an assessment of the effects of alternatives on those affected.
- _____ 4. In a suit against Sandy, Tippy obtains damages. In the U.S. legal system, this remedy at law is
- unlikely.
 - equitable.
 - unusual.
 - normal.
- _____ 5. Mike, an advocate of a certain religion, publishes an article in *New Times* magazine insisting that Congress base all federal law on his religion's principles. The First Amendment guarantees Mike's freedom of
- religion only.
 - speech only.
 - the press only.
 - the press, speech, and religion.

- _____ 6. During a trial in Gene's suit against Homer over the use of Gene's lakeside cabin, Gene's attorney asks questions of the plaintiff's witness Illya. This is
- a deposition.
 - a cross-examination.
 - a direct examination.
 - an interrogatory.
- _____ 7. In a suit against Vladimir over the performance of a contract, Wyler obtains *rescission*. This is
- an order to do or to refrain from doing a particular act.
 - a payment of money or property as compensation.
 - the cancellation of a contract.
 - an order to perform what was promised.
- _____ 8. During a heated legislative debate, Representative Peony makes a statement of fact damaging Senator Rose's good reputation. Peony knows the statement is not true. In this situation, Peony is most likely
- not liable for defamation because Peony enjoys a privilege.
 - liable for defamation.
 - not liable for defamation because only Rose's reputation was hurt.
 - not liable for defamation because nobody listens to such debates.
- _____ 9. Nadine is a spectator at the Metro City Softball Tournament, an athletic competition. Regarding the risk of injury, Nadine assumes the risks
- normally associated with the tournament.
 - attributable to the tournament in any way.
 - greater than the risks normally associated with the tournament.
 - different from the risks normally associated with the tournament.
- _____ 10. Ginger wants to file a suit against Fred. For a court to hear the case
- Fred must agree.
 - the parties must have no minimum contact with each other.
 - the court must have jurisdiction.
 - the parties must own property.
- _____ 11. In a suit against Evan, Floyd obtains an *injunction*. This is
- the cancellation of a contract.
 - an order to perform what was promised.
 - an order to do or to refrain from doing a particular act.
 - a payment of money or property as compensation.
- _____ 12. In *Export Co. v. Imports, Inc.*, there is no precedent on which the court can base a decision. The court can consider, among other things,
- social values only.
 - public policy only.
 - neither public policy nor social values.
 - public policy or social values.

- _____ 13. In Restful Motel's suit against Sleepy Hotels, Inc., Restful serves a written request for Sleepy to admit the truth of matters relating to the trial. Sleepy's admission in response is the equivalent of
- an admission in court.
 - information to which Sleepy has a right of privacy.
 - a statement to the media.
 - irrelevant evidence.
- _____ 14. Hawaii enacts a state law that violates the U.S. Constitution. This law can be enforced by
- the state of Hawaii only.
 - no one.
 - the federal government only.
 - the United States Supreme Court only.
- _____ 15. John sees that Kris is about to step into the path of an oncoming bus. If John does not warn Kris of the danger, John is liable
- under no circumstances.
 - only if Kris is injured.
 - only if Kris is not injured.
 - regardless of the consequences to Kris.
- _____ 16. The Securities Exchange Commission is an administrative agency. The chief purpose of such agencies is to
- perform specific government functions.
 - standardize laws for the executive and judicial branches.
 - act as liaisons between federal and state governments.
 - impose uniform laws on the states.
- _____ 17. Tami's Tasty Tacos, a mobile vendor, files a suit against the state of Utah, claiming that a Utah state law violates the commerce clause. The court will agree if the statute imposes a substantial burden on
- a local government.
 - the state.
 - interstate commerce.
 - noneconomic activity.
- _____ 18. Jaqy distributes a handbill among her neighbors accusing one of them—Ked—of being a convicted sex offender. The statement is defamatory only if
- the statement is true.
 - the statement is false.
 - a neighbor repeats it.
 - Ked suffers emotional distress.
- _____ 19. Beth is injured in a car accident and sues Cash, alleging negligence. Cash claims that Beth was driving more carelessly than he was. Comparative negligence may reduce Beth's recovery
- even if Beth was only slightly at fault.
 - only if Beth was more at fault than Cash.
 - only if Beth was less at fault than Cash.
 - only if Beth was as equally at fault as Cash.

- _____ 20. Reusable Energy Corporation regularly expresses opinions on political issues. Under the First Amendment, corporate political speech is
- protected.
 - discouraged.
 - forbidden.
 - required.
- _____ 21. Transnational Corporation and UniShip, Inc., agree to a contract that includes an arbitration clause. If a dispute arises, a court having jurisdiction may
- monitor any arbitration until it concludes.
 - order an arbitrator to rule in a particular way.
 - order a party to submit to arbitration.
 - order a party to bring the dispute to court.

Fact Pattern 3-2A

Fine Dining Corporation files a suit against Eat-at-Joe's, Inc.

- _____ 22. Refer to Fact Pattern 3-2A. During the trial, Fine Dining's attorney questions the plaintiff's witness Floyd. Floyd, who is not an expert in the matter about which he is being asked, can
- offer his conclusion with regard to the case.
 - offer his opinion about any of the evidence.
 - testify about any of the facts in the case.
 - testify about only what he personally observed.
- _____ 23. Refer to Fact Pattern 3-2A. The attorney for Eat-at-Joe's also questions Floyd. This is
- a direct examination.
 - an interrogatory.
 - a cross-examination.
 - a request for admissions.
- _____ 24. Excel Products Company files a suit against Flying Distribution, Inc., over a contract. Before the trial, Excel can obtain from Flying
- only those documents that Flying agrees to release.
 - no documents in Flying's possession.
 - all documents in Flying's possession relating to the contract.
 - any documents in Flying's possession.
- _____ 25. Ulrich, a citizen of Virginia, wants to enforce in the state of Washington certain rights that he has under a contract with Xtreme SnoBoards Inc. A Washington state court is most likely to enforce such rights under
- the commerce clause.
 - the privileges and immunities clause.
 - the full faith and credit clause.
 - no provision in the U.S. Constitution.
- _____ 26. In a newspaper ad, Select Used Motors falsely accuses Top Value Vehicles, a competitor, of selling stolen cars. Top Value's sales decrease. Select has most likely committed
- slander of title.
 - defamation.
 - no tort.
 - slander of quality.

- _____ 27. Opal files a complaint in a suit against Phil, and he files an answer. The case may now be
- resolved only after a trial ends.
 - dismissed only after a trial begins.
 - dismissed or settled at this point.
 - settled only during a trial.
- _____ 28. A common ethical dilemma faced by the management of General Holdings Corporation involves the effect that its decision will have on
- the firm's competitors.
 - the U.S. Chamber of Commerce.
 - the government.
 - one group as opposed to another.
- _____ 29. Jim is an appliance salesperson. To make a sale, he asserts that a certain model of a Kitchen Helper refrigerator is the "best one ever made." This is
- not fraud.
 - fraud if Jim believes that this statement is not true.
 - fraud if Jim is stating his opinion, not the facts.
 - fraud if the statement is the truth.
- _____ 30. As a joke, Fran hides Gary's business law textbook so that he cannot find it during the week before the exam. Fran is liable for
- wrongful interference with a business relationship.
 - disparagement of property.
 - appropriation.
 - trespass to personal property.

Fact Pattern 3-1A

Mac and Nan engage in a business transaction from which a dispute arises. Mac initiates a lawsuit against Nan by filing a complaint.

- _____ 31. Refer to Fact Pattern 3-1A. If Nan responds to Mac's complaint by filing a counterclaim, then
- Nan will also have to file an amended answer.
 - Mac will have a judgment entered in his favor.
 - Nan will have a judgment entered in her favor.
 - Mac will also have to file a response.
- _____ 32. Great Tans, Inc., uses, in its radio ads, a recording by Holly, who owns the rights, without paying for the use. Over time, the song comes to be associated with Great Tans. In Holly's suit against Great Tans, the firm is most likely liable for
- wrongful interference with a customary relationship.
 - appropriation.
 - conversion.
 - none of the choices.
- _____ 33. Kennedy Capital Corporation provides other firms with funds to expand operations. If Kenney strictly complies with existing laws, the firm will
- fulfill *some* business ethics obligations.
 - not need to fulfill *any* business ethics obligations.
 - fulfill *no* business ethics obligations.
 - fulfill *all* business ethics obligations.

- _____ 34. Leon files a suit against Moira, a medical doctor, alleging negligence. As a physician, Moira is held to the standard of
- a blameless individual.
 - a reasonable physician.
 - a reliable professional.
 - a faultless ordinary person.
- _____ 35. Boris pushes Cordelia. She falls and breaks her arm. Boris is liable for the injury
- only if he had a bad motive for pushing Cordelia.
 - only if he did *not* intend to break Cordelia's arm.
 - if he intended to push Cordelia.
 - only if he intended to break Cordelia's arm.
- _____ 36. Joy invites Ken into her apartment. Ken commits trespass to land if he
- enters the apartment with fraudulent intent.
 - refuses to leave when Joy asks him to go.
 - harms the apartment in any way.
 - makes disparaging remarks about Joy to others.
- _____ 37. Beachside City enacts an ordinance that bans the distribution of all printed materials on city streets. Carl opposes the city's latest "revenue-enhancing" measure and wants to protest by distributing handbills. In his suit against the city, a court would likely hold the printed-materials ban to be
- constitutional under the First Amendment.
 - unconstitutional under the First Amendment.
 - not subject to the U.S. Constitution.
 - unconstitutional under the commerce clause.
- _____ 38. Mariah works in the public relations department of New Trends Sales Company. Her job includes portraying New Trends's activities in their best light. In this context, ethics consist of
- whatever saves New Trends's "face."
 - those principles that produce the most favorable financial outcome.
 - the same moral principles that apply to non-business activities.
 - a different set of principles from those that apply to other activities.
- _____ 39. Boyd files a suit in a federal district court against Cathy. Cathy loses the suit, appeals to the U.S. Court of Appeals for the Second Circuit, and loses again. Cathy asks the United States Supreme Court to hear the case. The Court is
- required to hear the case because Cathy lost in a lower court.
 - required to hear the case because Cathy lost in a federal court.
 - not required to hear the case.
 - required to hear the case because it is an appeal.
- _____ 40. Enterprising Markets Coalition (EMC), a political lobbying group, wants a certain policy enacted into law. If EMC's policy conflicts with the U.S. Constitution, a law embodying it can be imposed by
- a federal court.
 - Congress.
 - a state legislature.
 - none of the choices.

- _____ 41. Bilt-Well Construction Corporation makes a side payment to a government official in Nigeria to obtain a contract. In the United States, this is
- legal and ethical.
 - unethical but not illegal.
 - illegal and unethical.
 - illegal but not unethical.

Fact Pattern 2-1A

Java Cafes, Inc., and Kaffe Import Corporation dispute a term in their contract.

- _____ 42. Refer to Fact Pattern 2-1A. If Java and Kaffe have a long-standing business relationship that they would like to continue, a preferred method of settling their dispute may be mediation because
- the process is not adversarial.
 - the dispute will eventually go to trial.
 - the case will be heard by a mini-jury.
 - the resolution of the dispute will be decided an expert.
- _____ 43. Refer to Fact Pattern 2-1A. The least expensive method to resolve the dispute between Java and Kaffe may be
- litigation because each party will pay its own legal fees.
 - mediation because the dispute will be resolved by a non-expert.
 - negotiation because no third parties are needed.
 - arbitration because the case will be heard by a mini-jury.
- _____ 44. Refer to Fact Pattern 2-1A. Resolving the dispute between Java and Kaffe by having a neutral third party render a binding decision is one of the advantages of
- intervention.
 - mediation.
 - conciliation.
 - arbitration.
- _____ 45. At Parkside Bistro, Ogden believes that he was overcharged and shoves Nellie, the waiter. Nellie sues Ogden, alleging that the shove was a battery. Ogden is liable
- under no circumstances—the shove was not a battery.
 - if the shove was offensive.
 - if Ogden acted out of malice.
 - if Parkside did not overcharge Ogden.
- _____ 46. Peak & Vale Accountants provides other firms with accounting services. Questions of what is ethical involve the extent to which Peak & Vale has
- a legal duty beyond those duties mandated by ethics.
 - any duty when it is uncertain whether a legal duty exists.
 - an ethical duty beyond those duties mandated by law.
 - any duty beyond those mandated by both ethics and the law.
- _____ 47. Spencer Hydraulics Corporation's ethics committee is asked a business ethics question—should the firm bid low to obtain a contract that it knows it can fulfill only at a higher price? A practical method to investigate and solve this question involves all of the following steps *except*
- justification.
 - inquiry.
 - decision.
 - absolution.

- _____ 48. The police obtain a search warrant and search Errol's apartment. After yelling obscenities at the officers, Errol confesses to a crime and implicates his friends. The Constitution protects against
- implication of others.
 - obscene speech.
 - unreasonable searches.
 - none of the choices.
- _____ 49. Lewis is a state court judge. Like other judges, Lewis often refers to secondary sources of law for guidance. These sources include
- the U.S. Constitution.
 - state constitutions.
 - official comments to statute.
 - other states' statutes.
- _____ 50. Congress enacts a law that sets out a medical-device approval process for the Food and Drug Administration to follow. The law includes a preemption provision. A device that goes through the process injures Joe, who files a claim under state law to recover. The court will most likely rule that
- the federal law preempts Joe's state law claim.
 - the federal and state law claim cancel each other out.
 - Joe's state law claim preempts the federal law.
 - the federal law and state law claim are concurrent.

Fact Pattern 7-1A

Roy owns an apartment building that contains units of different sizes. The sidewalks around the building are in poor repair. Many sections have buckled from the growth of tree roots over the years.

- _____ 51. Refer to Fact Pattern 7-1A. As the owner of the building, Roy has a duty to
- repair the sidewalks only if he is notified that it is a problem.
 - arrange to escort anyone who walks onto the property.
 - do nothing.
 - repair the sidewalks.
- _____ 52. Any decision by the management of Fast-Food Franchise Corporation may significantly affect its
- operators only.
 - owners only.
 - suppliers, the community, or society as a whole only.
 - operators, owners, suppliers, the community, or society as a whole.
- _____ 53. The Federal Trade Commission is a government agency that issues rules, orders, and decisions. The Georgia state legislature enacts statutes. The Jackson County Board and the Peach City Council enacts ordinances. Administrative law includes
- ordinances created by the Jackson County Board and the city council of Peach City, Georgia.
 - statutes enacted by the Georgia state legislature.
 - all law that affects a business's operation.
 - the rules, orders, and decisions of the Federal Trade Commission.

- _____ 54. Indelible Fabrics, Inc. (IFI), makes "Jean's Denim," a famous brand of clothing. Without IFI's consent, Kopy Company (KC) begins to use "jeansdenim" as part of a domain name. IFI files a suit against KC and engages in service of process. Service of process must provide
- notice and an opportunity to respond.
 - equality and fairness in adjudication.
 - privacy between the litigants and publicity in the judgment.
 - space to fill in important information and time in which to do it.
- _____ 55. Kay carelessly bumps into Lyle, knocking him to the ground. Kay has committed the tort of negligence
- under any circumstances.
 - only if Lyle is not injured.
 - only if Lyle is injured.
 - under no circumstances.
- _____ 56. Liu files a suit against Macro Sales, Inc., in a New Jersey state court based on a Web site through which New Jersey residents can do business with Macro. The court will most likely exercise jurisdiction over Macro if the interactivity of the site is seen as
- "downloading" from the state.
 - not connected with the state.
 - a "substantial enough" connection with the state.
 - "uploading" to the state.
- _____ 57. Eden Property Sales Corporation and Dion agree to resolve their dispute in arbitration. The arbitrator's decision is called
- an award.
 - a finding of fact.
 - a conclusion of law.
 - a verdict.
- _____ 58. Fealty Credit Corporation asks its employees to evaluate their actions and get on the ethical business decision-making "bandwagon." Guidelines for judging individual actions include all of the following *except*
- business rules and procedures.
 - promises to others.
 - an individual's conscience.
 - loopholes in the law or company policies.
- _____ 59. Wyoming enacts a statute that limits the liberty of all persons, including corporations, to broadcast "annoying" radio commercials. This may violate
- substantive due process.
 - the right to privacy.
 - procedural due process.
 - equal protection.
- _____ 60. Cody files a suit against Delta Corporation. Delta responds that it appears from the pleadings the parties do not dispute the facts and the only question is how the law applies to those facts. Delta supports this response with witnesses' sworn statements. This is
- a motion to dismiss.
 - a motion for judgment on the pleadings.
 - a motion for summary judgment.
 - a counterclaim.

Bus 241- Winter 2015 -- Exam 1 - MC

Answer Section

MULTIPLE CHOICE

- | | | | |
|---|--------|-------------|-------------------------------------|
| 1. ANS: C | PTS: 1 | REF: p. 12 | |
| NAT: AACSB Reflective AICPA Critical Thinking | | | KEY: Test Bank A |
| TYP: = | | | |
| 2. ANS: A | PTS: 1 | REF: p. 87 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 3. ANS: A | PTS: 1 | REF: p. 101 | |
| NAT: AACSB Reflective AICPA Critical Thinking | | | KEY: Test Bank A |
| TYP: = | | | |
| 4. ANS: D | PTS: 1 | REF: p. 7 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 5. ANS: D | PTS: 1 | REF: p. 79 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 6. ANS: C | PTS: 1 | REF: p. 65 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 7. ANS: C | PTS: 1 | REF: p. 7 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 8. ANS: A | PTS: 1 | REF: p. 121 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 9. ANS: A | PTS: 1 | REF: p. 142 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 10. ANS: C | PTS: 1 | REF: p. 30 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 11. ANS: C | PTS: 1 | REF: p. 7 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 12. ANS: D | PTS: 1 | REF: p. 10 | |
| NAT: AACSB Reflective AICPA Critical Thinking | | | KEY: Test Bank A |
| TYP: = | | | |
| 13. ANS: A | PTS: 1 | REF: p. 60 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 14. ANS: B | PTS: 1 | REF: p. 4 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 15. ANS: A | PTS: 1 | REF: p. 139 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 16. ANS: A | PTS: 1 | REF: p. 5 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 17. ANS: C | PTS: 1 | REF: p. 76 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 18. ANS: B | PTS: 1 | REF: p. 119 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 19. ANS: A | PTS: 1 | REF: p. 144 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |

20.	ANS: A KEY: Test Bank A	PTS: 1 TYP: N	REF: p. 80	NAT: AACSB Reflective AICPA Legal
21.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 43	NAT: AACSB Reflective AICPA Legal
22.	ANS: D KEY: Test Bank A	PTS: 1 TYP: N	REF: p. 65	NAT: AACSB Reflective AICPA Legal
23.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 65	NAT: AACSB Reflective AICPA Legal
24.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 60	NAT: AACSB Reflective AICPA Legal
25.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 75	NAT: AACSB Reflective AICPA Legal
26.	ANS: A KEY: Test Bank A	PTS: 1 TYP: +	REF: p. 129	NAT: AACSB Reflective AICPA Legal
27.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 56	NAT: AACSB Reflective AICPA Legal
28.	ANS: D NAT: AACSB Reflective AICPA Critical Thinking TYP: +	PTS: 1	REF: p. 101	KEY: Test Bank A
29.	ANS: A KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 123	NAT: AACSB Reflective AICPA Legal
30.	ANS: D KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 127	NAT: AACSB Reflective AICPA Legal
31.	ANS: D KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 52	NAT: AACSB Reflective AICPA Legal
32.	ANS: B KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 122	NAT: AACSB Reflective AICPA Legal
33.	ANS: A NAT: AACSB Reflective AICPA Critical Thinking TYP: =	PTS: 1	REF: p. 94	KEY: Test Bank A
34.	ANS: B KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 139	NAT: AACSB Reflective AICPA Legal
35.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 117	NAT: AACSB Reflective AICPA Legal
36.	ANS: B KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 126	NAT: AACSB Reflective AICPA Legal
37.	ANS: B NAT: AACSB Reflective AICPA Critical Thinking TYP: =	PTS: 1	REF: p. 80	KEY: Test Bank A
38.	ANS: C NAT: AACSB Reflective AICPA Critical Thinking TYP: =	PTS: 1	REF: p. 93	KEY: Test Bank A
39.	ANS: C KEY: Test Bank A	PTS: 1 TYP: =	REF: p. 40	NAT: AACSB Reflective AICPA Legal
40.	ANS: D KEY: Test Bank A	PTS: 1 TYP: +	REF: p. 74	NAT: AACSB Reflective AICPA Legal

41. ANS: C PTS: 1 REF: p. 107
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A
42. ANS: A PTS: 1 REF: p. 41
NAT: AACSB Reflective | AICPA Risk Analysis
TYP: = KEY: Test Bank A
43. ANS: C PTS: 1 REF: p. 41
NAT: AACSB Reflective | AICPA Risk Analysis
TYP: = KEY: Test Bank A
44. ANS: D PTS: 1 REF: p. 42
NAT: AACSB Reflective | AICPA Risk Analysis
TYP: = KEY: Test Bank A
45. ANS: B PTS: 1 REF: p. 118
KEY: Test Bank A TYP: + NAT: AACSB Reflective | AICPA Legal
46. ANS: C PTS: 1 REF: p. 94
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A
47. ANS: D PTS: 1 REF: p. 105
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: N KEY: Test Bank A
48. ANS: C PTS: 1 REF: p. 85
KEY: Test Bank A TYP: + NAT: AACSB Reflective | AICPA Legal
49. ANS: C PTS: 1 REF: p. 4
KEY: Test Bank A TYP: N NAT: AACSB Reflective | AICPA Legal
50. ANS: A PTS: 1 REF: p. 78
KEY: Test Bank A TYP: N NAT: AACSB Reflective | AICPA Legal
51. ANS: D PTS: 1 REF: p. 137
KEY: Test Bank A TYP: = NAT: AACSB Reflective | AICPA Legal
52. ANS: D PTS: 1 REF: p. 93
NAT: AACSB Reflective | AICPA Risk Analysis
TYP: = KEY: Test Bank A
53. ANS: D PTS: 1 REF: p. 5
KEY: Test Bank A TYP: = NAT: AACSB Reflective | AICPA Legal
54. ANS: A PTS: 1 REF: p. 53
NAT: AACSB Communication | AICPA Critical Thinking
TYP: = KEY: Test Bank A
55. ANS: C PTS: 1 REF: p. 141
KEY: Test Bank A TYP: = NAT: AACSB Reflective | AICPA Legal
56. ANS: C PTS: 1 REF: p. 34
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A
57. ANS: A PTS: 1 REF: p. 42
KEY: Test Bank A TYP: = NAT: AACSB Reflective | AICPA Legal
58. ANS: D PTS: 1 REF: p. 104
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: N KEY: Test Bank A
59. ANS: A PTS: 1 REF: p. 87
KEY: Test Bank A TYP: = NAT: AACSB Reflective | AICPA Legal

60. ANS: C PTS: 1 REF: p. 57 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =

A 33.

B 34. C 41. C 48. A 54.

 C 35. C 49. C 55.

 A 42.

 B 36. A 50. C 56.

 C 43.

 B 37.

 A 57.

 D 44.

 C 38. D 51. D 58.

 B 45.

 C 39. D 52. A 59.

 C 46.

 D 53.

 D 40. C 60.

 D 47.

Bus 241- Winter 2015 -- Exam 1 - MC

You have 130 minutes to complete this examination. This is a CLOSED book exam. All other study materials, including backpacks 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 and 64 questions to this exam -- 60 multiple choice and four 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 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.

In the essay section you must answer one essay question out of each group for a total of two answered essay questions. Each essay question is worth ten (10) 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.

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. Tami's Tasty Tacos, a mobile vendor, files a suit against the state of Utah, claiming that a Utah state law violates the commerce clause. The court will agree if the statute imposes a substantial burden on
- noneconomic activity.
 - interstate commerce.
 - a local government.
 - the state.
- _____ 2. In a suit against Vladimir over the performance of a contract, Wyler obtains *rescission*. This is
- an order to perform what was promised.
 - the cancellation of a contract.
 - an order to do or to refrain from doing a particular act.
 - a payment of money or property as compensation.
- _____ 3. In Restful Motel's suit against Sleepy Hotels, Inc., Restful serves a written request for Sleepy to admit the truth of matters relating to the trial. Sleepy's admission in response is the equivalent of
- irrelevant evidence.
 - a statement to the media.
 - information to which Sleepy has a right of privacy.
 - an admission in court.

Fact Pattern 3-1A

Mac and Nan engage in a business transaction from which a dispute arises. Mac initiates a lawsuit against Nan by filing a complaint.

- _____ 4. Refer to Fact Pattern 3-1A. If Nan responds to Mac's complaint by filing a counterclaim, then
- Mac will have a judgment entered in his favor.
 - Nan will have a judgment entered in her favor.
 - Nan will also have to file an amended answer.
 - Mac will also have to file a response.

Fact Pattern 2-1A

Java Cafes, Inc., and Kaffe Import Corporation dispute a term in their contract.

- _____ 5. Refer to Fact Pattern 2-1A. The least expensive method to resolve the dispute between Java and Kaffe may be
- litigation because each party will pay its own legal fees.
 - negotiation because no third parties are needed.
 - mediation because the dispute will be resolved by a non-expert.
 - arbitration because the case will be heard by a mini-jury.
- _____ 6. Refer to Fact Pattern 2-1A. Resolving the dispute between Java and Kaffe by having a neutral third party render a binding decision is one of the advantages of
- mediation.
 - conciliation.
 - intervention.
 - arbitration.
- _____ 7. Refer to Fact Pattern 2-1A. If Java and Kaffe have a long-standing business relationship that they would like to continue, a preferred method of settling their dispute may be mediation because
- the case will be heard by a mini-jury.
 - the process is not adversarial.
 - the resolution of the dispute will be decided an expert.
 - the dispute will eventually go to trial.
- _____ 8. Jaqy distributes a handbill among her neighbors accusing one of them—Ked—of being a convicted sex offender. The statement is defamatory only if
- Ked suffers emotional distress.
 - a neighbor repeats it.
 - the statement is true.
 - the statement is false.
- _____ 9. Mariah works in the public relations department of New Trends Sales Company. Her job includes portraying New Trends's activities in their best light. In this context, ethics consist of
- a different set of principles from those that apply to other activities.
 - the same moral principles that apply to non-business activities.
 - those principles that produce the most favorable financial outcome.
 - whatever saves New Trends's "face."
- _____ 10. During a heated legislative debate, Representative Peony makes a statement of fact damaging Senator Rose's good reputation. Peony knows the statement is not true. In this situation, Peony is most likely
- liable for defamation.
 - not liable for defamation because Peony enjoys a privilege.
 - not liable for defamation because only Rose's reputation was hurt.
 - not liable for defamation because nobody listens to such debates.
- _____ 11. John sees that Kris is about to step into the path of an oncoming bus. If John does not warn Kris of the danger, John is liable
- under no circumstances.
 - only if Kris is not injured.
 - regardless of the consequences to Kris.
 - only if Kris is injured.

- _____ 12. Lewis is a state court judge. Like other judges, Lewis often refers to secondary sources of law for guidance. These sources include
- other states' statutes.
 - state constitutions.
 - the U.S. Constitution.
 - official comments to statute.
- _____ 13. Enterprising Markets Coalition (EMC), a political lobbying group, wants a certain policy enacted into law. If EMC's policy conflicts with the U.S. Constitution, a law embodying it can be imposed by
- a state legislature.
 - a federal court.
 - Congress.
 - none of the choices.
- _____ 14. Boris pushes Cordelia. She falls and breaks her arm. Boris is liable for the injury
- if he intended to push Cordelia.
 - only if he intended to break Cordelia's arm.
 - only if he had a bad motive for pushing Cordelia.
 - only if he did *not* intend to break Cordelia's arm.
- _____ 15. Jim is an appliance salesperson. To make a sale, he asserts that a certain model of a Kitchen Helper refrigerator is the "best one ever made." This is
- not fraud.
 - fraud if the statement is the truth.
 - fraud if Jim is stating his opinion, not the facts.
 - fraud if Jim believes that this statement is not true.
- _____ 16. Joy invites Ken into her apartment. Ken commits trespass to land if he
- harms the apartment in any way.
 - makes disparaging remarks about Joy to others.
 - refuses to leave when Joy asks him to go.
 - enters the apartment with fraudulent intent.
- _____ 17. Beachside City enacts an ordinance that bans the distribution of all printed materials on city streets. Carl opposes the city's latest "revenue-enhancing" measure and wants to protest by distributing handbills. In his suit against the city, a court would likely hold the printed-materials ban to be
- not subject to the U.S. Constitution.
 - unconstitutional under the commerce clause.
 - constitutional under the First Amendment.
 - unconstitutional under the First Amendment.
- _____ 18. A federal statute regulates an employment practice. To resolve a dispute concerning the practice, Paula, a judge, will most likely apply
- the statute.
 - Paula's personal philosophy of law.
 - a common law doctrine that applies to other, different practices.
 - a common law doctrine that applied before the statute was enacted.

- _____ 19. Congress enacts a law that sets out a medical-device approval process for the Food and Drug Administration to follow. The law includes a preemption provision. A device that goes through the process injures Joe, who files a claim under state law to recover. The court will most likely rule that
- Joe's state law claim preempts the federal law.
 - the federal and state law claim cancel each other out.
 - the federal law and state law claim are concurrent.
 - the federal law preempts Joe's state law claim.
- _____ 20. Made4U Goods, Inc., asks its employees, many of whom are members of the National Machinists Union, to apply the utilitarian theory of ethics. This theory does *not* require
- a choice among alternatives to produce the maximum societal utility.
 - an assessment of the effects of alternatives on those affected.
 - the acquiring of the means of production by workers.
 - a determination of whom an action will affect.
- _____ 21. Eden Property Sales Corporation and Dion agree to resolve their dispute in arbitration. The arbitrator's decision is called
- an award.
 - a verdict.
 - a finding of fact.
 - a conclusion of law.

Fact Pattern 7-1A

Roy owns an apartment building that contains units of different sizes. The sidewalks around the building are in poor repair. Many sections have buckled from the growth of tree roots over the years.

- _____ 22. Refer to Fact Pattern 7-1A. As the owner of the building, Roy has a duty to
- repair the sidewalks.
 - repair the sidewalks only if he is notified that it is a problem.
 - arrange to escort anyone who walks onto the property.
 - do nothing.
- _____ 23. Any decision by the management of Fast-Food Franchise Corporation may significantly affect its
- operators, owners, suppliers, the community, or society as a whole.
 - suppliers, the community, or society as a whole only.
 - owners only.
 - operators only.
- _____ 24. Opal files a complaint in a suit against Phil, and he files an answer. The case may now be
- dismissed or settled at this point.
 - dismissed only after a trial begins.
 - resolved only after a trial ends.
 - settled only during a trial.
- _____ 25. Ulrich, a citizen of Virginia, wants to enforce in the state of Washington certain rights that he has under a contract with Xtreme SnoBoards Inc. A Washington state court is most likely to enforce such rights under
- the privileges and immunities clause.
 - the commerce clause.
 - the full faith and credit clause.
 - no provision in the U.S. Constitution.

- _____ 26. Boyd files a suit in a federal district court against Cathy. Cathy loses the suit, appeals to the U.S. Court of Appeals for the Second Circuit, and loses again. Cathy asks the United States Supreme Court to hear the case. The Court is
- a. required to hear the case because Cathy lost in a lower court.
 - b. required to hear the case because it is an appeal.
 - c. not required to hear the case.
 - d. required to hear the case because Cathy lost in a federal court.
- _____ 27. Beth is injured in a car accident and sues Cash, alleging negligence. Cash claims that Beth was driving more carelessly than he was. Comparative negligence may reduce Beth's recovery
- a. only if Beth was less at fault than Cash.
 - b. only if Beth was as equally at fault as Cash.
 - c. even if Beth was only slightly at fault.
 - d. only if Beth was more at fault than Cash.
- _____ 28. Cody files a suit against Delta Corporation. Delta responds that it appears from the pleadings the parties do not dispute the facts and the only question is how the law applies to those facts. Delta supports this response with witnesses' sworn statements. This is
- a. a motion for summary judgment.
 - b. a counterclaim.
 - c. a motion for judgment on the pleadings.
 - d. a motion to dismiss.
- _____ 29. In a suit against Sandy, Tippy obtains damages. In the U.S. legal system, this remedy at law is
- a. unlikely.
 - b. unusual.
 - c. normal.
 - d. equitable.
- _____ 30. In a suit against Evan, Floyd obtains an *injunction*. This is
- a. an order to do or to refrain from doing a particular act.
 - b. the cancellation of a contract.
 - c. a payment of money or property as compensation.
 - d. an order to perform what was promised.
- _____ 31. Myra claims that a Nebraska state statute infringes on her "procedural due process" rights. This claim focuses on
- a. procedures used in making decisions to take life, liberty, or property.
 - b. the steps to be taken to protect Mary's privacy.
 - c. the content of the statute.
 - d. the similarity of the treatment of similarly situated individuals.
- _____ 32. The police obtain a search warrant and search Errol's apartment. After yelling obscenities at the officers, Errol confesses to a crime and implicates his friends. The Constitution protects against
- a. unreasonable searches.
 - b. obscene speech.
 - c. implication of others.
 - d. none of the choices.

- _____ 33. Great Tans, Inc., uses, in its radio ads, a recording by Holly, who owns the rights, without paying for the use. Over time, the song comes to be associated with Great Tans. In Holly's suit against Great Tans, the firm is most likely liable for
- a. conversion.
 - b. wrongful interference with a customary relationship.
 - c. appropriation.
 - d. none of the choices.
- _____ 34. Ginger wants to file a suit against Fred. For a court to hear the case
- a. the court must have jurisdiction.
 - b. Fred must agree.
 - c. the parties must own property.
 - d. the parties must have no minimum contact with each other.
- _____ 35. Nadine is a spectator at the Metro City Softball Tournament, an athletic competition. Regarding the risk of injury, Nadine assumes the risks
- a. normally associated with the tournament.
 - b. different from the risks normally associated with the tournament.
 - c. attributable to the tournament in any way.
 - d. greater than the risks normally associated with the tournament.
- _____ 36. A common ethical dilemma faced by the management of General Holdings Corporation involves the effect that its decision will have on
- a. the U.S. Chamber of Commerce.
 - b. the government.
 - c. one group as opposed to another.
 - d. the firm's competitors.
- _____ 37. In a newspaper ad, Select Used Motors falsely accuses Top Value Vehicles, a competitor, of selling stolen cars. Top Value's sales decrease. Select has most likely committed
- a. slander of quality.
 - b. no tort.
 - c. slander of title.
 - d. defamation.
- _____ 38. Bilt-Well Construction Corporation makes a side payment to a government official in Nigeria to obtain a contract. In the United States, this is
- a. illegal and unethical.
 - b. illegal but not unethical.
 - c. legal and ethical.
 - d. unethical but not illegal.
- _____ 39. As a joke, Fran hides Gary's business law textbook so that he cannot find it during the week before the exam. Fran is liable for
- a. wrongful interference with a business relationship.
 - b. appropriation.
 - c. disparagement of property.
 - d. trespass to personal property.

- _____ 40. Hawaii enacts a state law that violates the U.S. Constitution. This law can be enforced by
- the United States Supreme Court only.
 - the federal government only.
 - the state of Hawaii only.
 - no one.
- _____ 41. Excel Products Company files a suit against Flying Distribution, Inc., over a contract. Before the trial, Excel can obtain from Flying
- only those documents that Flying agrees to release.
 - all documents in Flying's possession relating to the contract.
 - any documents in Flying's possession.
 - no documents in Flying's possession.
- _____ 42. Spencer Hydraulics Corporation's ethics committee is asked a business ethics question—should the firm bid low to obtain a contract that it knows it can fulfill only at a higher price? A practical method to investigate and solve this question involves all of the following steps *except*
- absolution.
 - inquiry.
 - justification.
 - decision.
- _____ 43. The Federal Trade Commission is a government agency that issues rules, orders, and decisions. The Georgia state legislature enacts statutes. The Jackson County Board and the Peach City Council enacts ordinances. Administrative law includes
- statutes enacted by the Georgia state legislature.
 - the rules, orders, and decisions of the Federal Trade Commission.
 - all law that affects a business's operation.
 - ordinances created by the Jackson County Board and the city council of Peach City, Georgia.
- _____ 44. During a trial in Gene's suit against Homer over the use of Gene's lakeside cabin, Gene's attorney asks questions of the plaintiff's witness Illya. This is
- an interrogatory.
 - a deposition.
 - a direct examination.
 - a cross-examination.

Fact Pattern 3-2A

Fine Dining Corporation files a suit against Eat-at-Joe's, Inc.

- _____ 45. Refer to Fact Pattern 3-2A. The attorney for Eat-at-Joe's also questions Floyd. This is
- a request for admissions.
 - an interrogatory.
 - a direct examination.
 - a cross-examination.

- _____ 46. Refer to Fact Pattern 3-2A. During the trial, Fine Dining's attorney questions the plaintiff's witness Floyd. Floyd, who is not an expert in the matter about which he is being asked, can
- testify about only what he personally observed.
 - offer his conclusion with regard to the case.
 - testify about any of the facts in the case.
 - offer his opinion about any of the evidence.
- _____ 47. Indelible Fabrics, Inc. (IFI), makes "Jean's Denim," a famous brand of clothing. Without IFI's consent, Kopy Company (KC) begins to use "jeansdenim" as part of a domain name. IFI files a suit against KC and engages in service of process. Service of process must provide
- equality and fairness in adjudication.
 - notice and an opportunity to respond.
 - space to fill in important information and time in which to do it.
 - privacy between the litigants and publicity in the judgment.
- _____ 48. Kay carelessly bumps into Lyle, knocking him to the ground. Kay has committed the tort of negligence
- under any circumstances.
 - only if Lyle is not injured.
 - under no circumstances.
 - only if Lyle is injured.
- _____ 49. Peak & Vale Accountants provides other firms with accounting services. Questions of what is ethical involve the extent to which Peak & Vale has
- an ethical duty beyond those duties mandated by law.
 - any duty beyond those mandated by both ethics and the law.
 - any duty when it is uncertain whether a legal duty exists.
 - a legal duty beyond those duties mandated by ethics.
- _____ 50. The Securities Exchange Commission is an administrative agency. The chief purpose of such agencies is to
- act as liaisons between federal and state governments.
 - perform specific government functions.
 - impose uniform laws on the states.
 - standardize laws for the executive and judicial branches.
- _____ 51. Kennedy Capital Corporation provides other firms with funds to expand operations. If Kenney strictly complies with existing laws, the firm will
- fulfill *some* business ethics obligations.
 - fulfill *all* business ethics obligations.
 - not need to fulfill *any* business ethics obligations.
 - fulfill *no* business ethics obligations.
- _____ 52. Mike, an advocate of a certain religion, publishes an article in *New Times* magazine insisting that Congress base all federal law on his religion's principles. The First Amendment guarantees Mike's freedom of
- the press only.
 - speech only.
 - the press, speech, and religion.
 - religion only.

- _____ 53. In *Export Co. v. Imports, Inc.*, there is no precedent on which the court can base a decision. The court can consider, among other things,
- a. neither public policy nor social values.
 - b. public policy or social values.
 - c. social values only.
 - d. public policy only.
- _____ 54. Wyoming enacts a statute that limits the liberty of all persons, including corporations, to broadcast "annoying" radio commercials. This may violate
- a. equal protection.
 - b. procedural due process.
 - c. the right to privacy.
 - d. substantive due process.
- _____ 55. Leon files a suit against Moira, a medical doctor, alleging negligence. As a physician, Moira is held to the standard of
- a. a reasonable physician.
 - b. a faultless ordinary person.
 - c. a reliable professional.
 - d. a blameless individual.
- _____ 56. Fealty Credit Corporation asks its employees to evaluate their actions and get on the ethical business decision-making "bandwagon." Guidelines for judging individual actions include all of the following *except*
- a. business rules and procedures.
 - b. loopholes in the law or company policies.
 - c. an individual's conscience.
 - d. promises to others.
- _____ 57. Transnational Corporation and UniShip, Inc., agree to a contract that includes an arbitration clause. If a dispute arises, a court having jurisdiction may
- a. order a party to submit to arbitration.
 - b. monitor any arbitration until it concludes.
 - c. order a party to bring the dispute to court.
 - d. order an arbitrator to rule in a particular way.
- _____ 58. At Parkside Bistro, Ogden believes that he was overcharged and shoves Nellie, the waiter. Nellie sues Ogden, alleging that the shove was a battery. Ogden is liable
- a. under no circumstances—the shove was not a battery.
 - b. if the shove was offensive.
 - c. if Parkside did not overcharge Ogden.
 - d. if Ogden acted out of malice.
- _____ 59. Reusable Energy Corporation regularly expresses opinions on political issues. Under the First Amendment, corporate political speech is
- a. discouraged.
 - b. protected.
 - c. required.
 - d. forbidden.

Name: _____

ID: C

- _____ 60. Liu files a suit against Macro Sales, Inc., in a New Jersey state court based on a Web site through which New Jersey residents can do business with Macro. The court will most likely exercise jurisdiction over Macro if the interactivity of the site is seen as
- a. a "substantial enough" connection with the state.
 - b. not connected with the state.
 - c. "uploading" to the state.
 - d. "downloading" from the state.

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Answer Section

MULTIPLE CHOICE

- | | | | |
|---|--------|-------------|-------------------------------------|
| 1. ANS: B | PTS: 1 | REF: p. 76 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 2. ANS: B | PTS: 1 | REF: p. 7 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 3. ANS: D | PTS: 1 | REF: p. 60 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 4. ANS: D | PTS: 1 | REF: p. 52 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 5. ANS: B | PTS: 1 | REF: p. 41 | |
| NAT: AACSB Reflective AICPA Risk Analysis | | | KEY: Test Bank A |
| TYP: = | | | |
| 6. ANS: D | PTS: 1 | REF: p. 42 | |
| NAT: AACSB Reflective AICPA Risk Analysis | | | KEY: Test Bank A |
| TYP: = | | | |
| 7. ANS: B | PTS: 1 | REF: p. 41 | |
| NAT: AACSB Reflective AICPA Risk Analysis | | | KEY: Test Bank A |
| TYP: = | | | |
| 8. ANS: D | PTS: 1 | REF: p. 119 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 9. ANS: B | PTS: 1 | REF: p. 93 | |
| NAT: AACSB Reflective AICPA Critical Thinking | | | KEY: Test Bank A |
| TYP: = | | | |
| 10. ANS: B | PTS: 1 | REF: p. 121 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 11. ANS: A | PTS: 1 | REF: p. 139 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 12. ANS: D | PTS: 1 | REF: p. 4 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: N | | |
| 13. ANS: D | PTS: 1 | REF: p. 74 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: + | | |
| 14. ANS: A | PTS: 1 | REF: p. 117 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 15. ANS: A | PTS: 1 | REF: p. 123 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 16. ANS: C | PTS: 1 | REF: p. 126 | NAT: AACSB Reflective AICPA Legal |
| KEY: Test Bank A | TYP: = | | |
| 17. ANS: D | PTS: 1 | REF: p. 80 | |
| NAT: AACSB Reflective AICPA Critical Thinking | | | KEY: Test Bank A |
| TYP: = | | | |
| 18. ANS: A | PTS: 1 | REF: p. 12 | |
| NAT: AACSB Reflective AICPA Critical Thinking | | | KEY: Test Bank A |
| TYP: = | | | |

19. ANS: D PTS: 1 REF: p. 78 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
20. ANS: C PTS: 1 REF: p. 101
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A
21. ANS: A PTS: 1 REF: p. 42 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
22. ANS: A PTS: 1 REF: p. 137 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
23. ANS: A PTS: 1 REF: p. 93
NAT: AACSB Reflective | AICPA Risk Analysis
TYP: = KEY: Test Bank A
24. ANS: A PTS: 1 REF: p. 56 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
25. ANS: C PTS: 1 REF: p. 75 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
26. ANS: C PTS: 1 REF: p. 40 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
27. ANS: C PTS: 1 REF: p. 144 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
28. ANS: A PTS: 1 REF: p. 57 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
29. ANS: C PTS: 1 REF: p. 7 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
30. ANS: A PTS: 1 REF: p. 7 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
31. ANS: A PTS: 1 REF: p. 87 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
32. ANS: A PTS: 1 REF: p. 85 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: +
33. ANS: C PTS: 1 REF: p. 122 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
34. ANS: A PTS: 1 REF: p. 30 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
35. ANS: A PTS: 1 REF: p. 142 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
36. ANS: C PTS: 1 REF: p. 101
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: + KEY: Test Bank A
37. ANS: C PTS: 1 REF: p. 129 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: +
38. ANS: A PTS: 1 REF: p. 107
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: = KEY: Test Bank A
39. ANS: D PTS: 1 REF: p. 127 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
40. ANS: D PTS: 1 REF: p. 4 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =

41. ANS: B PTS: 1 REF: p. 60 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
42. ANS: A PTS: 1 REF: p. 105
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: N
KEY: Test Bank A
43. ANS: B PTS: 1 REF: p. 5 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
44. ANS: C PTS: 1 REF: p. 65 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
45. ANS: D PTS: 1 REF: p. 65 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
46. ANS: A PTS: 1 REF: p. 65 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
47. ANS: B PTS: 1 REF: p. 53
NAT: AACSB Communication | AICPA Critical Thinking
TYP: =
KEY: Test Bank A
48. ANS: D PTS: 1 REF: p. 141 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
49. ANS: A PTS: 1 REF: p. 94
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: =
KEY: Test Bank A
50. ANS: B PTS: 1 REF: p. 5 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
51. ANS: A PTS: 1 REF: p. 94
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: =
KEY: Test Bank A
52. ANS: C PTS: 1 REF: p. 79 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
53. ANS: B PTS: 1 REF: p. 10
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: =
KEY: Test Bank A
54. ANS: D PTS: 1 REF: p. 87 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
55. ANS: A PTS: 1 REF: p. 139 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
56. ANS: B PTS: 1 REF: p. 104
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: N
KEY: Test Bank A
57. ANS: A PTS: 1 REF: p. 43 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: =
58. ANS: B PTS: 1 REF: p. 118 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: +
59. ANS: B PTS: 1 REF: p. 80 NAT: AACSB Reflective | AICPA Legal
KEY: Test Bank A TYP: N
60. ANS: A PTS: 1 REF: p. 34
NAT: AACSB Reflective | AICPA Critical Thinking
TYP: =
KEY: Test Bank A

D 12.

 D 19.

 C 26.

 B 5.

 D 13.

 C 20.

 C 27.

 D 6.

 A 14.

 A 21.

 A 28.

 B 7.

 B 1.

 A 15.

 D 8.

 C 29.

 B 2.

 C 16.

 A 22.

 A 30.

 D 3.

 B 9.

 D 17.

 A 23.

 A 31.

 B 10.

 A 24.

 D 4.

 A 18.

 A 32.

 A 11.

 C 25.

C 33. D 40. A 46. B 53. A 60.

 A 34. B 41. B 47. D 54.

 A 35. A 42. D 48. A 55.

 C 36. B 43. A 49. B 56.

 C 37. C 44. B 50. A 57.

 A 38. A 51. B 58.

 D 39. D 45. C 52. B 59.

Bus 241- Winter 2015 -- Exam 1 - MC [Version Map]

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

	A	B	C
MC	52	33	51
MC	53	24	41
MC	54	57	21
MC	55	51	22
MC	56	40	13
MC	57	15	11
MC	58	20	59
MC	59	30	39
MC	60	36	16