

Business Law- Pre Assessment

1. A dispute between New York and Pennsylvania over ownership of the Delaware River boundary would be decided in:
 1. A state supreme court.
 2. A land court.
 3. A U.S. district court.
 4. The U.S. Supreme Court.
2. The practice of following precedents in deciding later cases is known as:
 1. stare decisis.
 2. equity.
 3. statute law.
 4. moral law.
3. A prospective juror may be dismissed arbitrarily without any reason being given if an attorney for one of the parties in a lawsuit exercises a:
 1. Challenge for cause.
 2. Move for a mistrial.
 3. Default judgment.
 4. Peremptory challenge.
4. If the defendant in a civil case does not answer the pleadings within the time period specified:
 1. he/she is found in contempt of court.
 2. he/she loses the lawsuit, by default.
 3. he/she must pay double the fines.
 4. he/she loses the bail money.
5. During the discovery phase of a civil trial,:
 1. the jurors are presented with the evidence in the case.
 2. the complaint is filed with the court and a summons is issued to the defendant.
 3. both sides learn the facts of the case through depositions, interrogatories, and other evidence presented.
 4. the judge delivers the court's judgment in the case.
6. Proctor, the offeree, used the same method of communication as Gamble, the offeror. As such, the contract existed when the acceptance was:
 1. received.
 2. offered.
 3. written.
 4. sent.
7. Tom gave Katie a check, written on his ABC Bank checking account, to reimburse her for his share of dinner at TGIFridays. Who is the drawee in this transaction?
 1. Tom.
 2. Katie.
 3. ABC Bank.
 4. TGIFridays.

8. Smith promised to give Jones, her nephew in college, \$100 if he received all A's during the semester. Jones did promise to do so. At the end of the semester, when Jones received all A's, he received the \$100 from Smith. This is an example of an:
1. express, bilateral, executed contract.
 2. express, unilateral, executed contract.
 3. express, bilateral, executory contract.
 4. express, unilateral, executory contract.
9. In a unilateral contract, acceptance is effective when the:
1. offeree communicates the acceptance to the offeror.
 2. offeree performs the act requested.
 3. offeror performs the act requested.
 4. offeree promises to perform the act requested.
10. Mickey, an antique dealer, contracted to sell to Minnie a certain piece of rare furniture for \$5,000. The agreement stated that delivery was to be made within five days. The agreement between Mickey and Minnie is covered under:
1. common law contracts.
 2. administrative law.
 3. state case law.
 4. the Uniform Commercial Code.
11. If goods are sold on an "as is" basis, the seller can only be held liable for:
1. oral promises.
 2. the description of the goods.
 3. written promises.
 4. an implied warranty of title.
12. Donald, a merchant, purchased goods from Daisy, another merchant. The goods were shipped using a third-party carrier, Goofy, with terms FOB Donald. If the goods are damaged in transit, who bears the risk of loss?
1. Donald.
 2. Daisy.
 3. Goofy.
 4. None of the above. There will be insurance on the delivery.
13. The federal agency which creates and regulates laws related to warranties is called the:
1. Better Business Bureau.
 2. Consumer Rights Agency.
 3. Federal Trade Commission.
 4. Warranty Agency of America.
14. If a person dies without a will, his/her estate is distributed according to:
1. federal law.
 2. oral instructions left by the person before death.
 3. state law.

4. local ordinance.
15. Abbott failed to cover or fence in an open well on his property. Costello, 7, wandered onto Abbott's property and fell into the well, injuring herself. Abbott claims he is not liable for Costello's injuries because Costello was a trespasser. Is Abbott correct?
 1. Costello cannot recover damages because of her willful and reckless conduct.
 2. Abbott did not use reasonable care – children might be intrigued by the "attractive nuisance" of the well.
 3. Abbott is liable under the doctrine of strict liability.
 4. Costello cannot recover because she assumed the risk of injury when she entered Abbott's property.
16. A completely handwritten will is called a:
 1. nuncupative will.
 2. codicil.
 3. probated will.
 4. holographic will.
17. To collect the proceeds of a life insurance policy, the purchaser must have an insurable interest in the life of the insured:
 1. when the insured dies.
 2. when the first premium is paid.
 3. when the policy is taken out.
 4. after all premiums are paid.
18. The parol evidence rule:
 1. serves the same purpose as the statute of frauds.
 2. applies if all dealings between the parties are oral.
 3. allows parties to introduce evidence of oral agreements to change the terms of a written contract.
 4. disallows the introduction of oral agreements that change the terms of a written contract.
19. A court-approved personal representative overseeing the settlement of an estate is:
 1. the administrator.
 2. the executor.
 3. the testator.
 4. the trustee.
20. Bodily injury liability insurance protects the insured against claims for injuries to:
 1. the insured.
 2. the insured and all occupants of the car.
 3. an occupant of another car.
 4. occupants of the car (other than the insured) and occupants of another car.
21. In a bailment, the:
 1. bailee must own the bailed property.
 2. bailed property must be personal property.
 3. title to the goods is temporarily transferred.

bailee must be an adult.

22. Which of the following is not one of the 6 elements of a valid contract?

1. Legality
2. Offer and Acceptance
3. Genuine Assent
4. Date of Contract

23. When a does not have the mental ability to enter into a contract it is called

1. Capacity
2. Civility
3. Consideration
4. Legality

24. The law requiring that certain contracts be put into writing is called

1. Case Law
2. Statute of Frauds
3. Contract Law
4. Genuine Assent Law

25. Which of the following is not a contract that falls under the above law

1. Contracts for real property
2. Contracts that require more than 1 year to complete
3. Contracts for over \$500,000
4. Contracts that are created by more than three individuals.

26 The union of a man and a woman as husband and wife is called

1. Legality
2. Marriage
3. Cohabitation
4. Divorce

27 A law that states that there are certain duties that a husband and a wife must fulfill is called

1. Marriage Contract
2. Marriage Consortium
3. Marriage conditions document
4. Marriage license

28. A law that states that a single man and single woman who live together for 10 years are legally considered to be married is called

1. Cohabitation Law
2. Living together law
3. Marriage law
4. Common Law

29. An agreement in which the marital partners to be typically give up any future claim that they might have to part or all of the others property is called

1. Marriage Liscense
2. Prenuptial agreement

3. Common Law
 4. Rights and duties of marriage
30. The statement “the agreement must be unconscionable” means
1. The agreement must be in writing
 2. The agreement must be signed
 3. The agreement must be agreed upon
 4. The agreement must be fair
31. Which of the following is not an element of a prenuptial agreement?
1. The agreement must be in writing
 2. The agreement must be signed by a judge
 3. The agreement must be unconscionable
 4. The agreement must be voluntary
32. A court order that cancels a marriage because of a problem that existed from the beginning of the marriage is called
1. Divorce
 2. Prenuptial agreement
 3. Annulment
 4. Postnuptial agreement
33. A marriage that is invalid from the beginning is called a/an
1. Sour marriage
 2. Void marriage
 3. Invalid marriage
 4. Voidable marriage
34. Which of the following is a reason for a void marriage
1. Parents protest the marriage
 2. Large age difference
 3. Married to a relative
 4. A spouse dies
35. Which of the following is not a reason for a voidable marriage?
1. Spouse lying about age
 2. Spouse lying about being free from disease
 3. Spouse lying about likes and dislikes
 4. Spouse lying about their willingness to have or be able to have children
36. A court action that terminates the marriage and divides the property and responsibilities between parties
1. Divorce
 2. Void
 3. Annulment
 4. Voidable
37. A mistake made as a result from not reading a contract before signing is called
1. Fraudulent mistake
 2. Mutual Mistake
 3. Unilateral mistake

4. none of these

38. The Budget Office Furniture Company advertised a 60' x 30' executive desk for \$174.59 in its office supplies catalog. Marlow went to the store and informed the salesperson that she wished to purchase one of the advertised sets. This action by Marlow was:

- 1.An agreement
- 2.An acceptance
- 3.An offer
- 4.A bilateral contract

39. Capacity to contract means that the person:

1. Has a genuine need for the goods or services purchased.
2. Has the monetary ability to purchase the goods or services
3. Has the ability, according to law, to understand his or her actions and the effect of those actions.
4. All of the above

40. A Grand jury is most responsible for:

- 1.Deciding the guilt or innocence of the accused
- 2.Authorizing search warrants
- 3.Determining if there's enough evidence accusing the person of the crime.
- 4.Listening to the opening arguments of both attorneys.

41.Oliver and Robert had a disagreement over the sum of \$1,000. Oliver said he would sue Robert in an Appellate Court to collect the money he thought Robert owed him. Is Oliver correct?

- 1.No. An appellate Court is not a court of original jurisdiction
- 2.No. An appellate court only hears cases involving \$150,000 and more.
- 3.Yes. An appellate Court hears such cases
- 4.Yes. An appellate Court is a trial court.

42. A contract may be lacking genuine agreement due to:

1. duress
2. fraud
3. undue influence
4. all of these

43. According to the Statute of Frauds, which of the following contracts have to be in writing, in order to be enforceable?

1. A contract for the sale of DVD player for \$250
2. A contract to make specially designed t-shirts for a softball team
3. A contract for a new La-Z-Boy Recliner for \$750
4. A contract between two merchants that is sent within a reasonable time.

44. Which of the following is NOT an essential element of every contract?

1. Acceptance
2. Consideration
3. Competent parties
4. Breach

45. Otherwise known as a complaint, a(n) _____ is a legal document filed with the court that names the parties involved in the lawsuit.

1. Affidavit
2. Interrogatory
3. deposition
4. Pleading

46. What is the standard of proof in a criminal case?

1. proof by clear and convincing evidence
2. proof by a preponderance of the evidence
3. proof beyond a reasonable doubt
4. none of these

47. Why would a defendant accept a plea bargain?

1. to avoid the risk of being convicted of a more serious offense
2. to confront the accuser at the trial
3. to save the court time and money
4. to win favor with a judge

48. Which of the following is the best definition of contempt of court?

1. actions that interfere with the administration of justice
2. failure to file an appeal on time
3. words that express disrespect for witnesses
4. willful disregard of the instruction of your lawyers

49. The withdrawal of an offer before it is accepted is known as a

1. revocation
2. rejection
3. counteroffer
4. termination

50. In the case of fraud, what remedies are available to the injured party?

1. rescission only
2. rescission and compensatory damages
3. rescission, compensatory damages and punitive
4. no remedies are available

Business Law Pre-Assessment
Answer Key

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| 3. | 4 |
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| 5. | 3 |
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| 22. | 4 |
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| 25. | 4 |
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| 36. | 1 |
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| 39. | 3 |
| 40. | 3 |
| 41. | 1 |
| 42. | 4 |
| 43. | 3 |
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| | 47. 1 |
| | 48. 1 |
| | 49. 1 |
| | 50. 3 |

