

## APPENDIX C

# Business Law, Regulation, and Taxation

### KEY TERMS

Define each term briefly. Writing down the definition and giving an example will help you learn the term.

**law (A29)**

**common law (A29)**

**statute (A29)**

**statutory law (A29)**

**Uniform Commercial Code (UCC) (A29)**

**administrative law (A30)**

**public law (A30)**

**crime (A30)**

**private law (A30)**

**tort (A30)**

**negligence (A30)**

**court of original jurisdiction (A31)**

**appellate court (A31)**

**court of limited jurisdiction (A31)**

**contract (A32)**

**voluntary agreement (A32)**

**consideration (A32)**

**usury (A32)**

**performance (A33)**

**breach of contract (A33)**

**discharge by mutual assent (A33)**

**damages (A33)**

**specific performance (A34)**

**sales agreement (A34)**

**express warranty (A34)**

**implied warranty (A34)**

**property (A34)**

**real property (A34)**

**personal property (A35)**

**patent (A35)**

**copyright (A35)**

**deed (A35)**

**lease (A35)**

**negotiable instrument (A35)**

**endorsement (A36)**

**agency (A37)**

**power of attorney (A37)**

**bankruptcy (A37)**

**voluntary bankruptcy (A37)**

**involuntary bankruptcy (A37)**

**trust (A38)**

**price fixing (A39)**

**market allocation (A439)**

**boycott in restraint of trade (A39)**

**price discrimination (A39)**

**tying agreement (A39)**

**binding contract (A39)**

**interlocking directorate (A39)**

**community of interests (A39)**

**Federal Trade Commission (FTC) (A39)**

**deregulation (A41)**

**progressive tax (A42)**

excise tax (A44)

customs (or import) duty (A44)

regressive tax (A44)

proportional tax (A45)

## PRACTICE EXAMINATION A

### Matching Questions (A-1)

Match each term with a statement.

- |          |   |                            |
|----------|---|----------------------------|
| 1. _____ | Law that is created by court decisions of judges.                 | a. laws                    |
| 2. _____ | A set of laws that govern business transactions.                  | b. common law              |
| 3. _____ | It is a violation of public law.                                  | c. statute                 |
| 4. _____ | They are rules that govern conduct.                               | d. statutory law           |
| 5. _____ | All laws enacted by legislative bodies.                           | e. Uniform Commercial Code |
| 6. _____ | This law is passed by government.                                 | f. administration law      |
| 7. _____ | Government agencies create this law.                              | g. public law              |
| 8. _____ | Law that deals with relationships between businesses and society. | h. crime                   |

### Matching Questions (A-2)

Match each term with a statement.

- |           |  |                                   |
|-----------|--|-----------------------------------|
| 9. _____  | Reasonable care is not exercised.                          | a. private law                    |
| 10. _____ | Original trial records are examined by this court.         | b. tort                           |
| 11. _____ | This law governs the relationship between two individuals. | c. negligence                     |
| 12. _____ | It means to stand by a previous decision.                  | d. <i>stare decisis</i>           |
| 13. _____ | Private law is violated.                                   | e. court of original jurisdiction |
| 14. _____ | It is a district court.                                    | f. appellate court                |
| 15. _____ | The responsibilities of the producer are in writing.       | g. sales agreement                |
| 16. _____ | A contract that transfers ownership from seller to buyer.  | h. express warranty               |
| 17. _____ | An unwritten guarantee that is enforceable by law.         | i. implied warranty               |

### Matching Questions (A-3)

Match each term with a statement.

- |           |   |                             |
|-----------|---|-----------------------------|
| 18. _____ | The practice involves larger firms paying less for goods than smaller firms.                                      | a. public domain            |
| 19. _____ | A person serves on the board of directors of two competing firms.   | b. trust                    |
| 20. _____ | Property can be used by all citizens.   | c. price discrimination     |
| 21. _____ | A contract that forces retailers to purchase unwanted goods.  | d. tying agreement          |
| 22. _____ | A situation in which one firm buys the stock of a competing firm to reduce competition.                           | e. binding contract         |
| 23. _____ | A business combination that is created when one firm obtains control of a competing firm by purchasing its stock. | f. interlocking directorate |
| 24. _____ | A firm takes a discount for agreeing to purchase goods from a particular supplier.                                | g. community of interests   |
| 25. _____ | Two businesses agree on a   | h. price fixing             |

price to be charged for goods.

### True-False Questions (A)

Select the correct answer.

26. T F Laws are developed and administered by only federal and state governments.
27. T F Common law is easier to interpret and apply than statutory law.
28. T F Embezzlement and forgery are considered crimes.
29. T F State courts generally hear cases that involve questions about constitutional law.
30. T F Consideration is a requirement of a valid contract.
31. T F Bankruptcy is an acceptable excuse for a party not to fulfill its contractual obligation.
32. T F An express warranty is an explanation of the producer's responsibilities for defective products.
33. T F Stocks and bonds are examples of intangible personal property.
34. T F The Sherman Antitrust Act was part of the basis used in the breakup of AT&T.
35. T F A binding contract is an agreement to take additional unwanted products along with ordered products.
36. T F Price discrimination by large chain retailers is prohibited by the Celler-Kefauver Act.
37. T F Corporate taxes provide approximately 15 percent of the total federal revenues.
38. T F Sales tax is an example of a progressive tax.
39. T F Social Security provides funding for retirement, disability, and death benefits.
40. T F Excise taxes are levied on alcohol and tobacco products.

### Multiple-Choice Questions (A)

Select the most appropriate answer.

41. The regulations of the Equal Employment Opportunity Commission fall under \_\_\_\_\_ law.
  - a. common
  - b. statutory
  - c. administrative
  - d. private
  - e. public
42. Negotiability of instruments requires
  - a. a conditional promise to pay.
  - b. an open date for payment.
  - c. an unspecified payee.
  - d. the instrument to be in writing.
  - e. a legal description of the property.
43. Which is *not* a requirement of a valid contract?
  - a. An offer by one party and an acceptance by another party to all terms of the offer.
  - b. Both parties must provide something of value.



- c. The contract must involve activities that are considered to be legal.
  - d. All contracts must be in writing to stand up in court.
  - e. Both parties must be of legal age and of sound mind.
44. Which of the following is *not* classified as personal property?
- a. patent
  - b. car
  - c. Victorian-style house
  - d. personal computer
  - e. bank account
45. Interlocking directorates were declared illegal under the
- a. Federal Trade Commission Act.
  - b. Clayton Act.
  - c. Robinson-Patman Act.
  - d. Sherman Antitrust Act.
46. The enforcement of antitrust legislation is affected by
- a. the decreased presence of foreign firms in American markets.
  - b. the fact that most antitrust legislation is never interpreted by the courts.
  - c. the political attitude of the federal administration.
  - d. business firms doing a better job of following the antitrust laws.
  - e. outdated antitrust laws.
47. Import duties are
- a. designed to protect specific domestic industries.
  - b. imposed on products leaving the United States.
  - c. designed to lower prices on imported goods.
  - d. the sole burden of the foreign firm.
  - e. banned on all products in the international market.
48. The original function of the Interstate Commerce Commission was to
- a. regulate all interstate carriers.
  - b. regulate the sale of products across state lines.
  - c. police the railroads.
  - d. regulate the transmission of energy across state lines.
  - e. none of the above
49. OSHA regulates
- a. corporate securities.
  - b. consumer protection.
  - c. antitrust and consumer protection.
  - d. vehicle safety.
  - e. worker safety and health.
50. The Gramm-Rudman-Hollings Act, an attempt to reduce the federal deficit, is also called the
- a. Emergency Deficit Control Act.
  - b. Emergency Spending Act of 1985.
  - c. Bankrupting Reform Act of 1978.
  - d. Control of Deficit Act.
  - e. Tax-Deficit Control Act.

## Completion Questions (A)

Complete each statement.

## 10 Appendix C: Business Law, Regulation, and Taxation

51. \_\_\_\_\_ are the rules that govern the conduct of, and relationships among, the members of a society.
52. In the United States laws originate in judicial decisions, known as \_\_\_\_\_ law; enactments of legislative bodies, known as \_\_\_\_\_ law; and regulations of government agencies, known as \_\_\_\_\_ law.
53. The \_\_\_\_\_ Code is a set of laws designed to eliminate differences among state regulations affecting business and to simplify interstate commerce.
54. A \_\_\_\_\_ is a business combination that is created when one firm obtains control of competing firms by purchasing their stock or their assets.
55. The objectives of the \_\_\_\_\_ Act are to encourage competition and to prevent monopolies.
56. A \_\_\_\_\_ allocation is an agreement to divide a market among potential competitors.
57. A process to minimize the complexity of regulations is called \_\_\_\_\_.
58. In 1938, the \_\_\_\_\_ - \_\_\_\_\_ Amendment to the FTC Act, gave the FTC the power to eliminate deceptive business practices without having to prove that they endanger competition.

## PRACTICE EXAMINATION B

### Matching Questions (B-1)

Match each term with a statement.

- |   |                                  |
|---|----------------------------------|
| 1. _____ Charging interest in excess of the maximum legal rate.                               | a. court of limited jurisdiction |
| 2. _____ One party fails to fulfill the terms of a contract.                                  | b. contract                      |
| 3. _____ It is the legal requirement that both parties fulfill their contractual obligations. | c. voluntary agreement           |
| 4. _____ A tax court is an example.   | d. consideration                 |
| 5. _____ Something of value is exchanged by a contract.                                       | e. usury                         |
| 6. _____ A contract is terminated.  | f. performance                   |
| 7. _____ It is a legal, enforceable agreement between two or more parties.                    | g. breach of contract            |
| 8. _____ All obligations listed in a contract are fulfilled.                                  | h. discharge                     |
| 9. _____ An injured party is awarded a monetary settlement.                                   | i. damages                       |
| 10. _____ An offer and acceptance to all  | j. specific performance          |

terms and conditions of the offer are accepted by both parties.

### Matching Questions (B-2)

Match the term with the statement.

- |           |   |                                  |
|-----------|---|----------------------------------|
| 11. _____ | Federal income tax is an example.   | a. natural monopoly              |
| 12. _____ | A federal tax levied on particular foreign products.                                    | b. market allocation             |
| 13. _____ | Public utilities are an example.  | c. boycott in restraint of trade |
| 14. _____ | The process removes existing regulations.   | d. deregulation                  |
| 15. _____ | A federal tax that is levied on the sale of a particular domestic product.              | e. proportional tax              |
| 16. _____ | State sales tax is an example.  | f. progressive tax               |
| 17. _____ | Competitors agree to divide a market among themselves.                                  | g. excise tax                    |
| 18. _____ | An agreement between several businesses not to sell to a particular group.              | h. customs (or import) duty      |
| 19. _____ | The amount of real estate taxes that owners must pay is determined by this type of tax. | i. regressive tax                |

### True-False Questions (B)

Select the correct answer.

20. T F The Uniform Commercial Code is designed to simplify interstate commerce.
21. T F Robbery is considered a tort.
22. T F When a driver loses control of a car and it damages a fence, negligence is present and a tort has been committed.
23. T F Appellate courts do not hear witnesses.
24. T F An implied contract is an agreement that results from the actions of the parties rather than from specific promises.
25. T F Oral contracts in real estate are valid.
26. T F Breach of contract signifies agreement of both parties to the contract.
27. T F An implied warranty assumes that the merchandise will serve the purpose for which it was manufactured and sold.

## 12 Appendix C: Business Law, Regulation, and Taxation

28. T F In bankruptcy, the assets of the bankrupt individual or business are sold to satisfy the claims of creditors.
29. T F The passage of the Sherman Antitrust Act was due to the business practices of the Standard Oil Trust.
30. T F The Sherman Antitrust Act provides for fines of up to \$1,000,000 and 20 years in prison for individuals convicted of antitrust violations.
31. T F The Federal Trade Commission was created by Congress in 1950.
32. T F The existing antitrust legislation is rather simple to administer and to enforce.
33. T F The Federal Communications Commission is responsible for licensing and regulating cable television networks.
34. T F The deregulation movement began in the 1950s.
35. T F Individual income taxes produce the greatest source of income for the federal budget.

### Multiple-Choice Questions (B)

Select the most accurate answer.

36. For which of the following does the federal court system hear cases?
- Property valued at less than \$10,000
  - Labor disputes
  - State regulations
  - Postal laws
  - Damage caused by a car accident
37. A lender who practices usury may be
- denied the right to recover any interest at all.
  - awarded additional interest.
  - jailed in a federal institution.
  - viewed as a very fair lender.
  - encouraged by wise consumers to continue the practice.
38. A deed is a document that transfers title to property. It requires
- the names of the previous owners.
  - the names of the new owners.
  - a legal acceptable description of the property.
  - that it be in writing.
  - all of the above.
39. An endorsement that consists only of the payee's signature is a \_\_\_\_\_ endorsement.
- blank
  - restrictive
  - signature
  - special
  - qualified
40. The first debts to be paid immediately after the secured creditors have been satisfied are the
- claims for wages and salary up to a limit of \$2,000.
  - claims by consumer creditors.
  - federal income taxes.
  - state franchise taxes.

- e. costs involved in the bankruptcy case.
41. A firm based in Colorado wants to conduct business in Oklahoma and it wants to know how to carry out a sales agreement in Oklahoma. These laws are part of the
- a. Uniform Commercial Code.
  - b. sales law.
  - c. contract law.
  - d. Oklahoma Business Code.
  - e. Uniform Commerce Code.
42. Two people want to provide delivery services to a designated community for a two-year period. They wrote up a contract because it
- a. involves the exchange of services.
  - b. is a sales agreement.
  - c. does not mention financial consideration.
  - d. involves a promise made in contemplation of marriage in the business.
  - e. involves a promise to assume each other's business-related obligations for a period of time in excess of one year.
43. A retailer wants to limit the use of checks it receives from customers. To do so, it should endorse each check with the words
- a. "For Deposit Only."
  - b. "Without Recourse."
  - c. "Pay to the Order of Robert Taft."
  - d. "With Limitations."
  - e. "For Cash Only."
44. When an individual wants to declare bankruptcy and liquidate assets, what part of the law would be used?
- a. Chapter 13
  - b. Chapter 7
  - c. Title 7
  - d. Chapter 11
  - e. Title 1
45. The act that declared monopolies to be illegal was the
- a. Robinson-Patman Act.
  - b. Celler-Kefauver Act.
  - c. Clayton Act.
  - d. Sherman Antitrust Act.
  - e. Federal Trade Commission Act.
46. Which law regulates advertising and promotional allowances?
- a. Robinson-Patman Act.
  - b. Celler-Kefauver Act.
  - c. Clayton Act.
  - d. Sherman Antitrust Act.
  - e. Federal Trade Commission Act.
47. Lower-income households generally
- a. spend a smaller proportion of their income on taxable products than higher-income households do.
  - b. spend a greater proportion of their income on taxable products than higher-income households do.
  - c. spend the same amount of their income on taxable products as higher-income households do.
  - d. are excluded from paying excise taxes.

14 Appendix C: Business Law, Regulation, and Taxation

- e. pay a lower regressive tax rate.
- 48. A contract that forces a firm to purchase unwanted products along with the products it actually wants is known as
  - a. a binding contract.
  - b. product discrimination.
  - c. a yellow-dog contract.
  - d. a tying agreement.
  - e. a community of interests.
- 49. The acquisitions of major corporations are subject to shareholder and \_\_\_\_\_ approval.
  - a. parent company
  - b. lender
  - c. presidential
  - d. creditor
  - e. regulatory
- 50. The EPA regulates
  - a. electric power and natural gas.
  - b. discrimination in employment practices.
  - c. corporate securities.
  - d. pollution control.
  - e. vehicle safety.
- 51. On the average, state tax revenues consist of about \_\_\_\_\_ sales tax.
  - a. 10 percent
  - b. 76 percent
  - c. 35 percent
  - d. 25 percent
  - e. 90 percent

**Completion Questions (B)**

Complete each statement.

- 52. A \_\_\_\_\_ is a legally enforceable agreement.
- 53. To be valid, a contract must be a voluntary \_\_\_\_\_ between the parties; include something of value, called \_\_\_\_\_; involve \_\_\_\_\_ parties; contain subject matter that is \_\_\_\_\_; and have proper \_\_\_\_\_.
- 54. Ordinarily, a contract is terminated through the fulfillment of all obligations under the contract. If one party to a contract does not fulfill its obligations, the other parties may request the courts to \_\_\_\_\_ the contract; award \_\_\_\_\_ for nonperformance; or require that the terms of the contract be \_\_\_\_\_.
- 55. A \_\_\_\_\_ agreement is a contract that transfers ownership from seller to buyer.
- 56. Congress passed the \_\_\_\_\_ Antitrust Act in 1890 as a means of restoring a reasonable level of competition to industries that had become dominated by trusts.
- 57. Natural \_\_\_\_\_ are industries in which the duplication of production facilities would be wasteful.
- 58. The principal natural monopolies are in \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.
- 59. Property is classified as \_\_\_\_\_ property and \_\_\_\_\_ property.

## PRACTICE EXAMINATION C

### Matching Questions (C-1)

Match each term with a statement.

- |  |                      |
|--|----------------------|
| 1. _____ Land and anything that is permanently attached to it.                                 | a. property          |
| 2. _____ It is an exclusive right to make, use, or sell a product or process.                  | b. real property     |
| 3. _____ An agreement that temporarily transfers the right to use property.                    | c. personal property |
| 4. _____ Anything that can be owned.   | d. trademark         |
| 5. _____ The exclusive right to publish, perform, copy, or sell an original work is protected. | e. patent            |
| 6. _____ All moveable property is included.  | f. copyright         |
| 7. _____ The written document transfers title to real estate.                                  | g. deed              |
| 8. _____ A brand that is registered.   | h. lease             |

### Matching Questions (C-2)

Match each term with a statement.

- |  |                           |
|--|---------------------------|
| 9. _____ It is a payee's signature on the back of a check.                                   | a. negotiable instrument  |
| 10. _____ It appoints an agent to conduct specific legal transactions for another person.    | b. endorsement            |
| 11. _____ Creditors initiate these legal procedures.   | c. agency                 |
| 12. _____ The written document promises to pay a stated sum of money.                        | d. power of attorney      |
| 13. _____ One party acts on behalf of another party.   | e. bankruptcy             |
| 14. _____ Legal procedures that are initiated by individuals or businesses.                  | f. voluntary bankruptcy   |
| 15. _____ A legal procedure that is designed to help financially troubled persons and firms. | g. involuntary bankruptcy |
| 16. _____ It outlines the procedure for reorganizing a bankrupt business.                    | h. Bankruptcy Reform Act  |
|  | i. Clayton Act            |
|  | j. Celler-Kefauver Act    |
|  | k. Sherman Antitrust Act  |
|  | l. Robinson-Patman Act    |

## 16 Appendix C: Business Law, Regulation, and Taxation

17. \_\_\_\_\_ Price discrimination between larger and smaller firms is prohibited.
18. \_\_\_\_\_ Monopolies were outlawed.
19. \_\_\_\_\_ Mergers that reduced competition were prohibited.
20. \_\_\_\_\_ Advertising and promotional allowances are regulated.

### True-False Questions (C)

Select the correct answer.

21. T F In common law, a judge's decision in a case may be used as the basis for later decisions.
22. T F The regulations of the Environmental Protection Agency are an example of statutory law.
23. T F Libel cases are cases of crime.
24. T F The U.S. Supreme Court consists of nine justices.
25. T F Minors can void contracts to which they are parties at any time before they reach the age of majority.
26. T F Oral contracts may be legal.
27. T F Sales agreements are legal contracts.
28. T F A factory is classified as personal property.
29. T F The termination of a lease returns the property to the landlord.
30. T F Warehouse receipts may be used as negotiable instruments.
31. T F Monopolies became predominant in the sugar and tobacco industries in the late 1700s.
32. T F The secretary of state has the power to enforce the Sherman Antitrust Act.
33. T F Price discrimination practices are included in the Clayton Act.
34. T F The FTC may, with the aid of the Justice Department, bring suit against a violating firm.
35. T F At least thirty federal agencies now have a direct impact on business operations.
36. T F Social Security is a state tax.
37. T F The Federal Unemployment Act requires employers to pay 6.2 percent of the first \$7,000 of each employee's annual wages.
38. T F Personal property taxes may be levied on trucks and boats.

### Multiple-Choice Questions (C)

Select the most accurate answer.



39. Contracts must be in writing for
- the sale of goods valued at \$500 or more.
  - the exchange of land.
  - acts that will not be performed within one year.
  - the sale of securities.
  - all of the above.
40. An individual may establish a repayment plan under bankruptcy if that person
- has more than \$100,000 in unsecured debts.
  - has more than \$350,000 in secured debts.
  - has a regular income.
  - can pay over a period of five years.
  - none of the above is correct
41. A company has applied for permission to build a new manufacturing facility in Colorado. As part of the approval process, the Environmental Protection Agency requires that companies complete an environmental impact study. This is an example of
- private law.
  - common law.
  - public law.
  - administrative law.
  - tort law.
42. A firm offered Jill Wood a full-time public relations position in its corporate administrative offices in Chicago. Jill accepted the offer by signing a document indicating that she would work for the company for one year at \$40,000. The document she signed is a(n)
- agreement.
  - power of attorney.
  - sales agreement.
  - endorsement.
  - contract.
43. Gemmy Allen purchased a 14-carat gold ring from a small jewelry store. Within one month, the police contacted her and told her that the ring was stolen merchandise and she would have to return it to the rightful owner. Then Gemmy sued, claiming that the sale was made with a(n) \_\_\_\_\_ warranty.
- tort
  - express
  - implied
  - merchandise
  - limitation
44. Inventories are classified as
- tangible personal property.
  - express property.
  - real property.
  - intangible personal property.
  - real estate.
45. The authority of a state's attorney general to prosecute firms accused of price fixing is given in the
- Sherman Antitrust Act.
  - Antitrust Procedures and Penalties Act.
  - Antitrust Improvements Act.
  - Clayton Act.
  - Federal Trade Commission Act.

**18 Appendix C: Business Law, Regulation, and Taxation**

46. The marketing manager wants to know if the firm is in violation of the Sherman Act. You explain that as long as the firm is not involved in \_\_\_\_\_, it is not in violation of the law.
- a. price fixing
  - b. whistle blowing
  - c. establishing a strike fund
  - d. blacklisting
  - e. comparative advertising
47. A board member for ABC, Inc. was recently invited to serve on the board of directors for XYZ, Inc., a competitor. The offer was refused because the Clayton Act makes it illegal to
- a. establish a tying contract.
  - b. discriminate in pricing the same products to different customers.
  - c. be involved in an interlocking directorate.
  - d. create a community of interests situation.
  - e. engage in a binding agreement.
48. The cost of government regulation is passed on to the
- a. employees.
  - b. stockholders.
  - c. benefit program.
  - d. competitors.
  - e. consumers.
49. The FDA (Food and Drug Administration) regulates
- a. the airline industry.
  - b. the banking industry.
  - c. pollution control.
  - d. consumer protection.
  - e. corporate securities.
50. A female employee feels that she has been passed over for promotion because she is a woman can file a discrimination complaint with the
- a. Federal Trade Commission.
  - b. Occupational Safety and Health Administration.
  - c. Federal Communications Agency.
  - d. Equal Employment Opportunity Commission.
  - e. Consumer Product Safety Commission.
51. A purchase of \$60 was subject to an 8 percent sales tax. The total amount of the purchase was
- a. \$66.20.
  - b. \$64.80.
  - c. \$60.00.
  - d. \$4.80.
  - e. \$55.20.

**Completion Questions (C)**

Complete each statement.

52. An \_\_\_\_\_ is a business relationship in which an agent acts on behalf of a principal. The \_\_\_\_\_ is responsible for carrying out the instructions of the principal in a reasonable and professional manner.
53. Laws designed to protect both a person or firm that cannot pay its debts and the creditors involved are known as \_\_\_\_\_ laws.

54. A bankruptcy procedure initiated by creditors is called \_\_\_\_\_ bankruptcy.
55. The exclusive right to publish, perform, copy, or sell an original work is provided by a \_\_\_\_\_.
56. Federal, state, and local governments finance their activities primarily by collecting \_\_\_\_\_.
57. For the federal government, \_\_\_\_\_ income taxes are the major source of funding. Other sources of taxes are \_\_\_\_\_ income taxes, Social \_\_\_\_\_ payments, and \_\_\_\_\_ and customs taxes.
58. The major source of tax returns for the states is the \_\_\_\_\_ tax, which is levied on consumer goods.
59. Local governments are financed mainly by \_\_\_\_\_ taxes, which are based on the value of real or personal property.

## APPENDIX C STUDY GUIDE ANSWERS

### Exam A

### Exam B

### Exam C

#### MATCHING QUESTIONS

A-1	1.	b	B-1	1.	e	C-1	1.	b
	2.	e		2.	g		2.	e
	3.	h		3.	j		3.	h
	4.	a		4.	a		4.	a
	5.	d		5.	d		5.	f
	6.	c		6.	h		6.	c
	7.	f		7.	b		7.	g
	8.	g		8.	f		8.	d
A-2	9.	c	B-2	9.	i	C-2	9.	b
	10.	f		10.	c		10.	d
	11.	a		11.	f		11.	g
	12.	d		12.	h		12.	a
	13.	b		13.	a		13.	c
	14.	e		14.	d		14.	f
	15.	h		15.	g		15.	e
	16.	g		16.	i		16.	h
	17.	i		17.	b		17.	i
A-3	18.	c		18.	c		18.	k
	19.	f		19.	j		19.	j
	20.	a					20.	l
	21.	d						
	22.	g						
	23.	b						
	24.	e						
	25.	h						

#### TRUE-FALSE QUESTIONS

26.	F	20.	T	21.	T
27.	F	21.	F	22.	F
28.	T	22.	T	23.	F
29.	F	23.	T	24.	T
30.	T	24.	T	25.	T
31.	T	25.	F	26.	T
32.	T	26.	F	27.	T
33.	T	27.	T	28.	F
34.	T	28.	T	29.	T
35.	F	29.	T	30.	T
36.	F	30.	F	31.	F
37.	F	31.	F	32.	F
38.	F	32.	F	33.	T
39.	T	33.	T	34.	T
40.	T	34.	F	35.	F
		35.	T	36.	F

37. T  
38. T

## MULTIPLE-CHOICE QUESTIONS

- |       |       |       |
|-------|-------|-------|
| 41. c | 36. d | 39. e |
| 42. d | 37. a | 40. c |
| 43. d | 38. e | 41. d |
| 44. c | 39. a | 42. e |
| 45. b | 40. e | 43. c |
| 46. c | 41. a | 44. a |
| 47. a | 42. e | 45. c |
| 48. c | 43. a | 46. a |
| 49. e | 44. b | 47. c |
| 50. a | 45. d | 48. e |
|       | 46. a | 49. d |
|       | 47. b | 50. d |
|       | 48. d | 51. b |
|       | 49. e |       |
|       | 50. d |       |
|       | 51. c |       |

## COMPLETION QUESTIONS

- |                  |                      |                 |
|------------------|----------------------|-----------------|
| 51. Laws         | 52. contract         | 52. agency      |
| 52. common       | 53. agreement        | agent           |
| statutory        | consideration        | 53. bankruptcy  |
| administrative   | competent            | 54. involuntary |
| 53. Uniform      | legal                | 55. copyright   |
| Commercial       | form                 | 56. taxes       |
| 54. trust        | 54. discharge        | 57. individual  |
| 55. Sherman      | damages              | corporate       |
| Antitrust        | fulfilled            | security        |
| 56. market       | 55. sales            | excise          |
| 57. deregulation | 56. Sherman          | 58. sales       |
| 58. Wheeler-Lea  | 57. monopolies       | 59. property    |
|                  | 58. public utilities |                 |
|                  | communications       |                 |
|                  | transportation       |                 |
|                  | 59. real             |                 |
|                  | personal             |                 |