

---

**PRINT NAME** to be eligible to earn a quiz grade above zero.  
**Name left blank and names in script earn a quiz grade of zero.**

**ON THE ANSWER SHEET PRINT YOUR ANSWERS.**

*Turn in both your question sheets and your answer sheet.*

Only one word is required for each answer, unless answer sheet notes otherwise.

**Present your student ID** when turning in your exam materials.

**NOTE:** Some words appear on this exam in different forms of the root word.

For example, the same statement could be written in two different ways.

[i] An appellate court reverses a trial court for a clear error of fact.

[ii] The trial court is reversed when the appellate court finds that the trial court clearly has made an error of fact.

In the exam format below those two sentences could appear using in the following format.

[i] An appellate court reverses a trial court for a [a] error of fact.

[ii] The trial court is reversed when the appellate court finds that the trial court [a] has made an error of fact.

The root word will not be altered when reused;

unless its use is a negative (e.g., "unclear" would appear as "**un**[a]").

Any version of that word that is a correct answer at any use is acceptable.

**CHAPTER 43**

A. The [1] branch by adopting the [2] [36] both [37] an administrative agency and delegates powers to that agency.

[3] due process requires that sufficient [4] due processes controlled by the [1], executive, and/or [5] branches [39] for [6] and control of that administrative agency.

B. Administrative agencies frequently possess powers that ordinarily are held separately by the [1], executive, or [5] branches. Rulemaking is a delegated [1] power. To use the rulemaking power the agency must provide the [4] due process of publishing the [7] rule in the *Federal Register* and publish

the [8] rule in the *Code of Federal Regulations*. The investigation power might be either a delegated [1] power or a delegated executive power; but, the inspection power only is a delegated executive power. An administrative law judge (ALJ) is not an Article [9] judge the ALJ generally [36] like a trial judge within the scope of the administrative agency's [5] powers.

- C. A person's (both [10] and [11], not just a [12]) Amendment IX [13] right to privacy is a right of the people against governmental [36]. Broadly, the government violates the people's right to privacy when the government seeks either to:
- [i] [14] information about a person; or
  - [ii] [15] [14] information about that person; or
  - [iii] [16] [14] information about that person from that person; or
  - [iv] conduct government business out of the view of the people. The Freedom of Information [36] (FOIA), the Government in the Sunshine [36], the Regulatory Flexibility [36], and the Small Business Regulatory Enforcement Fairness [36] (SBREFA) all provide express reinforcement for this [13] constitutional right.

#### **CHAPTER 44**

- D. All consumers and all [12] are [10] persons. No consumers merely are [11] persons. A merchant might be either a [10] person or a [11] person.

- E. The Federal [17]\_\_\_\_\_ Commission (FTC) is an administrative agency whose [2] [36] contains a jurisdictional command to prevent [18]\_\_\_\_\_ and [19]\_\_\_\_\_ [17] practices. The FTC has adopted rules aimed at bait-and-switch [20]\_\_\_\_\_ as such [20] is both [18] and [19].
- F. The FTC can use the enforcement tool of a cease-and-desist order after the FTC successfully proves that a [17] practice is either [18] or [19]. The defendant also may [21]\_\_\_\_\_ agree to enter into a cease-and-desist order (i.e., consent decree) so as to avoid a hearing and/or a potentially more costly outcome.
- G. Congress has adopted the [22]\_\_\_\_\_ -in-Lending [36] (TLA) which is administered by the Federal Reserve Board (the Fed). However, the Fed is not your typical administrative agency because while the Fed is an agency most of the Federal Reserve System members are private corporations. To implement the TLA the Fed has adopted Regulation [23]\_\_\_\_\_.

## **CHAPTER 46**

- H. Under USA law, big is not bad; but, how a firm gets big or how a firm uses its large market power can be a felony. The Sherman [36] of 1890 makes unlawful via section 1 [24]\_\_\_\_\_ of [17] and via section 2 [25]\_\_\_\_\_ or attempt to [25]. The Rule of Reason allows as lawful any [24] that is [26]\_\_\_\_\_ to firm's [11] business [27]\_\_\_\_\_. The *Per Se* Unreasonable Rule, based upon experience that teaches these [24] are dis[26], makes [28]\_\_\_\_\_ fixing,

horizontal division of customers or territories, group [29], and [30] arrangement to be felonies.

- I. In the Clayton [36] of 1914 Congress addressed specific [24] that has been found lawful by the [5] using the Rule of Reason but which Congress wished to make [31] unlawful rather than [32] unlawful. These specifically addressed [24] included [28] discrimination; exclusive dealings (e.g., [33] contracts and requirements contracts) and [30]; mergers; and interlocking directorates. Additionally, in the Clayton [36] Congress also [37] exemptions from the antitrust laws; most notably labor was defined as not an article of [34] and agricultural [35] were authorized.
- J. The USA, given the breadth of the *Constitution's* [34] Clause, gives an extra-territorial application to the USA's antitrust laws. The European Union (EU) also has antitrust laws. However, the EU materially differs from the USA in whether [11] business [27] [39] and how large those [11] business [27] are in the context of vertical [24]. The EU also materially differs from the USA with respect to the application of antitrust laws to an [36] of State.

## CHAPTER 49

- K. All jurisdictions outlaw some gambling contracts and all jurisdictions make lawful most insurance contracts. Gambling contracts [37] [38] and then allocates that [38] by chance for a payment. Insurance contracts pool [39] [38] and then in exchange for an average [28] transfer that [38] to be allocated by chance.
- L. InsurERs seek to manage the [38] transferred by the insurED to the insurER. [40] selection occurs when a dis[26] number of high [38] persons seek to become insurEDs of the insurER. The [41] hazard [39] every [43] the insurED has some control over the occurrence of the [38] covered by the insurance policy. The [41] hazard is why statutes require some degree of [42] insurance by the insurED (e.g., deductible and/or co-pay).
- M. An insurable [27] distinguishes a gambling contract from an insurance contract. For property insurance the insurable [27] must [39] at the [43] of [44]. For life insurance the insurable [27] must [39] at the [43] of contract
- N. All insurance contracts, because of the necessity of [38] pooling, are [45] contracts. Unlike the typical [45] contract where an [46] discovered by the non-drafting party is interpreted reasonably, all [46] in an insurance contract are interpreted against the insurER.

## CHAPTER 50

O. To [37] a will requires:

- [i] [47]\_\_\_\_\_ (i.e., ability to grasp the [10] consequences of one's [36]);
- [ii] an intent to [37] a will and to affix a [48]\_\_\_\_\_;
- [iii] the will nearly always must be written;
- [iv] [48] (i.e., any mark with the current intent to authenticate the document);
- [v] dis[27]ed witnesses of the [47] and of the [48]; and
- [vi] published.

P. To [37] a trust requires:

- [i] a grantor;
- [ii] a [49]\_\_\_\_\_ of the trust;
- [iii] trustee (gets [11] [50]\_\_\_\_\_);
- [iv] [50] passes;
- [v] actual delivery; and
- [vi] beneficiary (gets beneficial [50]).

Q. The trustee is a [51]\_\_\_\_\_ who owes an obligation [52]\_\_\_\_\_ good faith (i.e., [53]\_\_\_\_\_ in fact and personalized [54]\_\_\_\_\_ ) to the beneficiary; but, not to the grantor.