
print name

INSTRUCTIONS:

1. The Ethics Exam must be completed within the allocated time (*i.e.*, 11:00 AM - 12:45 PM). It is a closed book, solo exam.
2. **Please read carefully.** Sentence structure influences the meanings of words. **Recall the material difference between e.g. (for example) and i.e. (that is).**
3. As each student finishes this exam, that student will exchange the student's answer sheet for a answer key and leave the exam room until after the end of the exam (*i.e.*, 12:45 PM, unless all students finish earlier, which is almost certain). **A Comprehensive Final Exam review will be after the Ethics Exam.**
4. Grades will be posted to BlackBoard no later than 5:00 PM, Wednesday, April 27. An email notice of the posting will be sent.
5. **The Ethics Exam is worth 10% of the course grade.** This exam has 11 questions graded as if there are 10. *Harmless errors are more likely than non-harmless errors* in this test design. Based on a statistical analysis of all students' answers, the instructor unilaterally may alter the grading of specific exam questions for all similarly situated students. Any student may appeal the grading of these exam questions. However, only if a student successfully appeals the ambiguity of **AT LEAST TWO** questions on this exam will *that* student's exam grade change by the number of successful appeals in excess of one question. *An appeal only affects the exam grade of the student who has made that appeal.*
6. **All appeals** of this exam's questions must be:
[6A] typed; [6B] signed by the student in three ways, typed name, handwritten signature, and typed social security number; [6C] in sequence, list, immediately following the signature, each of the questions, by number, being appealed;
[6D] after the [6C] list, argue each question, one at a time;
[6E] at the beginning of the argument of each question's appeal, identify two or more reasonable meanings that the question could have had;
[6F] argue why one or more of the identified reasonable meanings is *as appropriate* or is *more appropriate* than the meaning used for the answer key answer; and [6G] *personally handed to the instructor no later than 11:31 AM on Thursday, April 28.*

QUESTIONS:

1. **T F** If competition is effective **and** forces all businesses in the market to use cost minimization as their only path to profit maximization, then the market's collective transactions yield efficiency as ethics. Because of the time value of money (*e.g., Rule of 72*), efficiency as ethics now **also** necessarily is efficiency as ethics later.
2. **T F** Regardless of a person's age, ethics can be taught.
3. **T F** If one accepts efficiency as ethics as identifying ethical actions, then an action that is ethical for an individual **or** for a subgroup(s) **also** is ethical for society; because, an action that is profitable for an individual **or** profitable for a subgroup(s) necessarily **also** is profitable for society.
4. **T F** An **illegal** action can **not** be ethical.
5. **T F** Technological change often alters the reasonable expectations for a natural person **and** in turn alters which actions are ethical **and** which actions are **unethical** for that natural person; **but** technological change does **not** alter the reasonable expectations **and** does **not** alter what is ethical for mere legal persons.
6. **T F** A corporation owes the duty of social responsibility because a corporation is a citizen of that its domestic jurisdiction.

7. **T F** If
Person #1 owes a fiduciary duty to Person #2,
and if
Person #1 is in privity with Person #3,
then
Person #1 owes the same ethical duty
to both Person #2 **and** Person #3.
8. **T F** In the sale of goodwill
imposing an adhesion contract that is a Covenant **not** to Compete
is more ethical than
in the sale of consumer goods
imposing an adhesion contract that **disclaiming** all express warranties.
9. **T F** It is an ethical exercise of freedom **of** contract
to impose a mutual obligation of good faith via an adhesion contract;
but
it is an **unethical** breach of freedom **from** contract
to impose **unconscionable** contract terms via an adhesion contract.
10. **T F** Privileged economic duress is ethical
and
predatory economic duress is **unethical**.
11. **T F** If
a State licensed professional,
who is capable of receiving privileged communications (*e.g., attorney*),
while in the performance of professional duties for a client
receives a declaration of intent from the client;
and if
that information creates in the professional
a reasonable apprehension of an impending criminal act by the client,
and if
that criminal act by the client
would cause serious bodily harm
to a person **not** in privity with the professional,
then
the professional acts ethically
when
the professional maintains the client's confidence **and** privilege
by the professional remaining silent.