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print name

INSTRUCTIONS:

1. Both the Solo Final Exam and the Group Final Exam must be completed within the allocated time (*i.e.*, 6:30 - 10:30). The Solo Final Exam is a closed book exam. Using a reasonable volume of voice, group members may discuss the Group Final Exam after submitting their Solo Final Exams for grading.
2. **Recall the material difference between e.g. (*for example*) and i.e. (*that is*).**
- 3A. As each student finishes the Solo Final that student will **exchange** the Solo Final and its answer sheet for that student's copy of the Group Final Exam. The last member of the Group also will receive a Group Final Exam answer sheet.
- 3B. When each group submits its Group Final Exam for its last grading, all students in that group will receive their Solo Final Exams as well as answer sheets for both the Solo Final and the Group Final. **Immediately** after receiving its grade on the Group Final, all group members will exit the exam room until the last group complete its Group Final Exam (*i.e.*, 9:05, *unless all finish earlier, which is feasible*).
4. Grades will be posted to O'Hara's web site no later than 5:00 PM Monday, June 30. An email notice of the posting will be sent.
5. The Solo Final Exam is worth 20% and the Group Final Exam is worth 10% of the course grade. The Solo Final Exam has 105 questions graded as if there are 100. Harmless errors are far more likely than non-harmless errors in this test design. Any student may appeal the grading of the Solo Final Exam questions. However, only if a student successfully appeals the ambiguity of AT LEAST **SIX** questions on the Solo Final Exam will *that* student's exam grade change by the number of successful appeals **in excess of five** questions. *Appeals only affect the exam grades of those students that appeal.* 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. Email notice of this will be sent no later than noon on Thursday, June 26.
6. **All appeals** of Solo Final Exam 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] at the beginning of the appeal of each question appeal, identify two or more reasonable meanings that the question could have had; [6E] argue each question, one at a time, arguing why one or more of the student identified reasonable meanings is *as* appropriate or *more* appropriate than the meaning used for the answer key answer; and [6F] received in the instructor's RH 502 mailbox (*i.e.*, *no email*)  
**no later than 1:30 PM on Monday, June 30.**
7. SEE THE GROUP FINAL EXAM INSTRUCTIONS FOR HOW TO APPEAL THE GRADING OF THE GROUP FINAL EXAM.

## QUESTIONS:

**NOTE:** *When referring to a generic "principal" (i.e., principal, principal, **AND** employer) **and** when referring to a generic "agent" (i.e., agent, independent contractor, **AND** employee), then quote marks will be used (e.g., "agent").*

1. **T F** Both capitalism **and** USA law are based upon the actor's actions being both knowing **and** voluntary.
2. **T F** Both the law **and** ethics favor the objective over the subjective, thus either might require an action the actor can **not** perform.
3. **T F** The outer bound of every person's bounded rationality is the objective knowledge of a reasonable person.
4. **T F** Of the three ethical points of reference (*i.e., individual, subgroup[s], **and** society*), only society can **not** earn profit by avoiding spillover costs.
5. **T F** Efficiency as ethics requires either profit maximization pursued by the individual **or** cost minimization, typically, enforced by competition.
6. **T F** A well-run business enterprise does **not** attempt to reduce risk to zero.
7. **T F** The Elements of Capitalism (*i.e., private property, prices, markets, competition, **and** government*) are the means used to reach the ends of Individualism (*i.e., the Functions of Capitalism: embody, measure, coordinate, **and** regulate self interest, **as well as** facilitate private property, prices, markets, **and** competition*).
8. **T F** The law anticipates to changes in society because the law seeks to honor a reasonable person's reasonable expectations. However, the legislature tends to react if there is: **unequal bargaining power, history of abuse, **and/or** disparate impact.**

9. T F The civil burden of proof (*i.e., preponderance of the evidence*) requires less proof than the criminal burden of proof (*i.e., beyond a reasonable doubt*) because the government is setting transaction costs, partially, to reflect the separation of powers.
10. T F A defendant must have standing to sue. To have standing to sue the defendant must have an injury in fact **and** be within the zone of protected interests.
11. T F All written **and** signed contracts are both express **and** implied.
12. T F A trial court finds fact **and** applies law. An appellate court finds error **and** interprets law. An appellate court typically reverses the trial court; **unless** the trial court avoids making an error (*i.e., a clear error of fact, a non-harmless error of procedure, and/or any error of law*).
13. T F The USA structure of government reflects three separations of powers. The Individual is more important than the government. The federal government is, on occasion, superior to State government. Within government, the legislature makes law, the executive enforces law, **and** the judiciary interprets law. The legislature has the most power **and** the judiciary the least power.
14. T F The power of Judicial Review is an implied power in the USA *Constitution*.
15. T F Privacy is an implied right of the People in the USA *Constitution*.
16. T F Any USA government may reasonably regulate the time, place, **and** manner of both political free speech **and** commercial free speech. **No** USA government may regulate the content of free speech.
17. T F All private (*e.g., corporation*) persons **and** all public (*e.g., State government*) persons are required to provide all persons with procedural due process (*i.e., notice **and** hearing, both proportional to the interests involved*).

18. **T F** The Police Power  
is the power of USA State governments to regulate for the People's health, safety, morals, **and** general welfare.
19. **T F** The Commerce Clause,  
as interpreted by the USA Supreme Court in 1937,  
grants the federal government power over all commerce  
with a close **and** substantial **affect** on commerce between the States.
20. **T F** If  
the federal government has power (*e.g., Article I, section 8*),  
then  
concurrent federal **and** State powers are presumed.  
Accordingly,  
preemption is **not** favored, **but** may be allowed,  
if:  
Congress' intent is clear **and** national interests outweigh State interests,  
**or**  
Congress' intent is express of **and** there is a need for uniformity.
21. **T F** Both the Fourteenth Amendment **and** the Fifth Amendment of the  
USA *Constitution* contain a due process clause.  
**But**, they do **not** have identical meanings.  
The 14th Amendment due process clause  
requires the State governments  
to respect each person's verbatim rights of the Bill Rights.
22. **T F** The Fourteenth Amendment of the USA *Constitution*  
contains an Equal Protection clause.  
The 14th Amendment's Equal Protection clause  
as interpreted by the courts  
presumes **invalid** a State government's regulation  
based on race, alienage, **or** national origin,  
**as well as**  
requires the State to prove that the State regulation  
is the least restrictive means of achieving a compelling State interest.
23. **T F** The judicial interpretations of the  
14th Amendment Equal Protection clause **and** the Commerce Clause  
both reflect  
the concept that a power  
has a core, penumbra, **and** emanations.

24. **T F** After providing you with due process of law, the federal government **and** a State government may take your life, may take your liberty, **and** may take your property; **but**, to lawfully take your private property that government **also** must take for a public purpose **and** pay you just compensation.
25. **T F** Actual knowledge is objective, while both receipt of notice **and** reason to know are subjective.
26. **T F** The means of Capitalism always yield the ends of Capitalism.
27. **T F** The Veil of Ignorance uses an assumption of the risk rule.
28. **T F** Typically, a person is liable when **not** acting like a reasonable person.
29. **T F** The reasonable expectations of a reasonable person are based on that reasonable person's actual knowledge.
30. **T F** A natural person who is a consumer can **not** subjectively know more than a corporation with access to the aggregated information of an industry.
31. **T F** Good faith comes in three forms: consumer, merchant, **and** fiduciary. Each uses the same subjective element: honesty in fact.
32. **T F** The defendant commits common law fraud when the defendant knowingly **and** intentionally **misrepresents or** omits a material fact **and** thus induces the plaintiff's justifiable reliance **and** causes the plaintiff's injury.
33. **T F** A contract has six elements: agreement, capacity, consideration, reality of assent, form, **and** subject matter.
34. **T F** A tort has five elements: the defendant owes the plaintiff a duty of care, the defendant breaches that duty of care, the defendant's breach is the actual cause of the plaintiff's injury, **and** the defendant has **no** defenses.

- 35. T F** Actual causation exists if the defendant reasonably could have foreseen the plaintiff's injury at the time of the defendant's breach of the duty.
- 36. T F** The legal risks a corporate Officer **and** a corporate Director face are materially different. For example, a corporate Officer, **unlike** a member of the corporation's Board of Directors, is exposed to strict liability, **but** may act on all waived conflicts.
- 37. T F** Most information revealed to a fiduciary (*e.g., attorney*) is privileged.
- 38. T F** Typically, **neither** Officers **nor** Directors are insurers of the corporation. Typically, the honest mistakes of both Officers **and** Directors are immunized by the Business Judgment Rule. However, to be immunized the action of the Officer **and/or** the Director must be:  
made using the decision maker's best judgment;  
made as an informed decision with a reasonable basis;  
made within the decision maker's scope of authority; **and**  
made with the care of ordinarily prudent person.
- 39. T F** An efficient breach is both **unlawful and unethical**.
- 40. T F** Because venture capitalists wish to effectively manage the risks they take up, even though the venture capitalist's due diligence will discover all latent defects, venture capitalists desire entrepreneurs to affirmatively disclose all material risks, **and** venture capitalists desire contract specifications of milestones.
- 41. T F** Legally, if a merchant is in an identical circumstance with a consumer then the merchant is more likely than the consumer to have assumed the risk.

42. T F An "agent" acting within the scope of authority acts instead of **and** on behalf of the "principal". Both the "principal" **and** the "agent" must expressly create the agency.
43. T F A natural person might be consumer **and** might be a corporation.
44. T F Because, the Nebraska *Constitution* uses a strong separation of the powers for the three branches of State government (*i.e., legislative, executive, and judiciary*), **and** because of the Uniform Commercial Code (*i.e., UCC*) Article 2, Sale of Goods, the Nebraska Supreme Court has ruled that only contracts for the sale of goods have an implied obligation of good faith.
45. T F A shareholder's derivative lawsuit to Pierce the Corporate Veil must allege **and** must prove by a probable cause that the defendant Directors **and/or** defendant shareholders used the corporate form to commit fraud, engaged in an **illegality or an injustice**, ignored required formalities, thinly capitalized the corporation, usurped corporate assets to personal use, **and/or** commingled assets.
46. T F Depending upon the relevant precedence, typically, equity courts award action while law courts award monetary compensation.
47. T F The USA federal government has one-fourth of the Police Power that the USA States have.
48. T F The federal government can **not** preempt the States' laws in the area of security regulation because the State power is at its core **and** the federal power is its emanation.
49. T F Because of the separation of powers **and** due process, the EU provides more protection of privacy from invasion by private parties.

50. T F Each USA State must provide all legal persons subject to that State's jurisdiction the fundamental rights of the Bill of Rights **as well as** equal protection of that State's laws.
51. T F Because the Full Faith **and** Credit Clause of the USA *Constitution* makes the international law principle of comity an implied commitment of each USA State, in the USA, **unlike** the most of the rest of the world, parties to a contract largely have freedom of choice of law, of forum, of venue, **and/or** of language. All that the contracting parties need to have is substantial minimal contacts with the chosen jurisdiction.
52. T F **Neither** an employment agreement, **nor** a bailment, **nor** a warranty need be a contract; **but** each can be a contract.
53. T F Between merchants, an anticipatory breach with little opportunity for mitigation is more likely to be predatory economic duress than is an initial agreement that is an adhesion contract.
54. T F Venture capitalists focus on liquidation. Because of the Rule of 70 (*i.e., 70 divided by the interest rate stated as an integer identifies the number of periods necessary to double a value obligated to pay interest **or** to halve a value earning interest*) the typical venture capitalist has a much shorter duration of investment than the duration typically desired by an entrepreneur.
55. T F Privity in contracts **and** proximate cause in torts limit a defendant's liability. However, Nebraska uses the *Ultramares* rule to expand the tort liability for professionals.

56. T F Since the Industrial Revolution, **neither** the quantity **nor** the quality of pollution has increased materially. **Neither** a rational person **nor** a reasonable person could assert that current pollution levels do exceed either dynamic limits **and/or** static limits of needed ecosystems.
57. T F The Statute of Frauds requires five types of contracts  
(*i.e., sale of goods at or over \$500; sale of land; must take more than one year; guarantee the debts of another; in consideration of marriage*)  
to have their material terms  
(*i.e., parties, time, consideration, **and** subject matter*)  
in a written memorandum of sufficient definiteness that the court can enforce the parties agreement **and** to have the signature  
(*i.e., any mark with the current intent to authenticate the document*)  
of the party being sued for the enforcement of the contract.  
The Equal Dignity Rule uses the Statute of Frauds to set maximum limits on the parties' reasonable expectations of the scope of authority of an "agent" to enter into a contract  
if  
the "agent" does **not** have written **and** signed authority to do so.
58. T F When the legislature creates **and** defines a crime the legislature must define the bad deed **and** the bad thought with sufficient clarity that a reasonable person could know what is prohibited.
59. T F In a general partnership, the partnership **and** each one of the partners has **unlimited** personal liability;  
while  
in a limited partnership, the partnership has **and** all general partners have **unlimited** personal liability;  
**but**, typically,  
**none** of the limited partners has **unlimited** personal liability.
60. T F The legitimate business interests in a close corporation are greater; accordingly, shareholder agreements may contain proxy voting agreements that defeat cumulative voting rights **or** create a veto power over sale of less than substantially all assets.

61. T F A security  
is an investment in a common enterprise  
with a reasonable expectation of profit  
derived from the **undeniably** significant efforts of others.
62. T F Common law fraud  
*(i.e., the defendant knowingly **and** intentionally  
misrepresents **or** omits a material fact  
inducing the plaintiff's justifiable reliance **and**  
causing the plaintiff's injury)*  
is far more difficult to prove than security law fraud  
*(i.e., the defendant misrepresents **or** omits a material fact  
causing the plaintiff's injury).*
63. T F The definition of, **but not** the meaning of, the word material  
is the same in every legal context.
64. T F There are three major exempt transactions  
that do **not** require a prospectus. They are:  
intrAstate  
*(i.e., seller, buyer, **and** capital all in one State);*  
small issue  
*(i.e., \$1 million), **and***  
private issue  
*(i.e., a limited number of sophisticated investors  
with access to information that would have been disclosed).*
65. T F Especially between merchants  
who are engaged in a sophisticated allocation of risk of loss,  
as partially evidenced by the insurance the parties' purchase,  
an aggressive liquidated damages clause might be enforceable.
66. T F Under the Uniform Commercial Code (*i.e., UCC*) Article 2, Sale of Goods,  
all parties lack the legal power to disclaim  
the obligation of good faith  
**and/or** a merchant's liability for a consumer's personal injury.  
Both of these two provisions  
are reflective of when the legislature tends to react,  
while the latter reflects  
the parties' relative ability to bear **and** to spread the risk of loss.

- 67. T F** The parties to a contract may agree in the contract to terminate the contract prior to either commercial impracticability (*e.g., 3x change in price*) **or** commercial impossibility (*e.g., 10x change in price*) by using a *Force Majeure* clause that identifies what the parties agree is beyond the power of the parties to control **or** accept.
- 68. T F** Partners, between themselves, are free to expressly agree to an **unequal** division of profits **and** losses, management, **and** assets. In contrast, by statute, the shareholders of a corporation may **not** share the management, the income, **and** the assets on any basis other than a *pro rata* basis.
- 69. T F** Preemptive rights protect more against structural than financial dilution.
- 70. T F** Each State may limit arbitration contracts in commerce only by using that State's general law of contracts. For example, the Nebraska courts hold that, a consumer does **not** have capacity to enter any contract to waive the right to be a plaintiff in a trial until that consumer has standing to sue.
- 71. T F** Both local zoning laws **and** the federal CERCLA law try to avoid the use of eminent domain **and** both apply to fixtures; **but, neither** applies to bailments.
- 72. T F** **Unlike** payroll tax law that focuses on substance over form, under the common law the parties creating an independent contractor relationship are free to expressly agree that the common law criteria for determining whether the relationship is an independent contractor relationship do **not** control. That is, the parties by express agreement are free to categorize their relationship. However, the law of **undue influence** **and** the law of economic duress still constrain the parties' range of choices.

- 73. T F** In the near term,  
the market pressures generated by  
expectations  
tend to exceed the market pressures generated by  
technology,  
**but** technology generates more pressure in the long term.  
Rapid technological change  
is **not** necessary for destructive competition,  
**but** rapid technological change  
does make destructive competition more likely.  
Destructive competition  
results when the Shut Down Rule  
prevents a firm earning an economic loss from exiting the market.  
Technological change  
typically generates downward pressure  
on the average cost for the firm at Minimum Efficient Size (*i.e.*, *MES*).  
This may **or** may **not** mean a larger firm at MES, **and**  
the firm at MES may **or** may **not** have an increased ability  
to bear **and** to spread costs.
- 74. T F** The old common law of assignment **and** delegation  
is similar to the new common law of assignment **and** delegation  
in that both presumes a delegation  
materially **and** adversely affects the parties' reasonable expectations.  
However,  
a fully disclosed "agent"  
who only signs a contract with "agent's" personal name  
freely may delegate the contract to the "principal".
- 75. T F** The law uses negotiable instruments to facilitate free assignment.  
A negotiable instrument is  
a signed writing containing an **unconditional** promise **or** order to pay  
to bearer **or** order a sum certain in money  
at a definite time **or** on demand.  
The maker  
of a promissory note has primary liability on the note,  
**but** the drawer of the draft merely has secondary liability.
- 76. T F** A Holder in Due Course (*i.e.*, *HDC*)  
is a holder for value in good faith **and without** notice.  
An HDC  
can sell the HDC's freedom from personal **and** universal defenses  
to a holder through a holder in due course (*i.e.*, *HtHDC*),  
subject solely to a bar on reacquisition.

77. T F A security agreement may be oral, **but** a written security agreement must be signed by debtor, grant the creditor rights in the collateral that debtor has, **and** describe the collateral sufficiently to transfer ownership.
78. T F A purchase money security interest (*i.e., PMSI*) will have a greater scope if coupled with an after acquired property security interest **or** a floating lien.
79. T F A security interest is valid even if **not** perfected. A filed financing statement can perfect most security agreements. A financing statement must be written, signed by both the debtor **and** the creditor, include both the name **and** address of both the debtor **and** the creditor, **and** a description sufficient to place others on notice of the creditor's security interest.
80. T F Some security interests receive automatic perfection: the two major beneficiaries of automatic perfection are proceeds **and** PMSIs.
81. T F A secured creditor desires priority; priority is set by the first to perfect **and** then by the first to attach. However, **neither** perfection **nor** priority can protect the secured party from loss of the specific collateral to **either** buyers from merchants selling in the ordinary course of business **or** second hand consumer sales.
82. T F The USA *Constitution* grants the federal government power over bankruptcy **and** denies the States that power. Some bankruptcies may be initiated by the creditors (*i.e., chapter 7 and chapter 11*), while others must be voluntarily initiated by the debtor (*i.e., chapter 13*). Some bankruptcies involve a pure liquidation of assets (*i.e., chapter 7*), while others involve future income (*i.e., chapter 11 and chapter 13*).

- 83. T F** The bankruptcy starts with a filing that triggers an automatic stay that prevents all other judicial actions against the debtor. The bankruptcy ends with the discharge of many, **but not** necessarily all of the debtor's debts.
- 84. T F** The bankruptcy trustee owes the court, **not** the creditors, fiduciary duties. The trustee has the power to **and** the discretion to reverse preferential transfers **and** avoid executory contracts.
- 85. T F** Federal law authorizes, as an exemption from the antitrust laws, good faith collective bargaining between unions **and** employers. Unions represent the labor in the bargaining unit **and** management represents the employer. Management formulates policy using its independent judgment while labor implements that policy.
- 86. T F** Management **and** labor are required to engage in good faith bargaining. There are three types of bargaining topics: mandatory (*i.e., wages, hours, terms **and** conditions of employment*), permissive, **and** prohibited (*e.g., violates the Rule of Reason [i.e., the restraint of trade is **not** proportional to the parties' legitimate business interests]*).
- 87. T F** The market typically does **not** efficiently allocate work place safety. The knowledge of work place risk typically is materially greater for employERs than employEEs because of complex causation **and** aggregated information. Unions are one solution to this information **asymmetry**. Additionally, even if employERs do pay employEEs an appropriate net present value risk premium, employEEs tend to **misallocate** that risk premium to the material **disadvantage** of the employEEs' economic dependants.

- 88. T F** The State governments' work place safety law, Workers' Compensation, relies upon the Police Power **and** focuses upon the symptoms of the work place risks. In contrast, the federal government's work place safety law, Occupational Safety **and** Health Act (*OSHA*), relies on the Commerce Clause **and** focuses upon the cause of the work place risks.
- 89. T F** The States' Worker Compensation laws alter traditional tort law with respect to work place risks to employEes arising out of **and** happening in the course of employment. The federal OSHA law's General Duty Clause creates, for covered employERs, an absolute duty to remove all known **and** preventable risks of serious physical injury.
- 90. T F** Congress, by enacting the equal employment opportunity (*EEO*) laws, defined as **dis**proportionate to the employER's legitimate business interests the use of the cheap information available from stereotyping individual employEes **or** applicants based on protected classes (*e.g., race, sex, religion*) membership. Instead, the law requires employERs to make employment decisions based upon the employEE's **or** the applicant's objective qualification to do the job.
- 91. T F** The EEO laws define BFOQ **and** *bona fide* seniority plans as two situations where protected class membership might make an applicant **or** an employEE objectively qualified to do a job.
- 92. T F** A manager has **un**limited personal liability for any **and** all sexual harassment perpetrated by an underling of that manager **unless** that manager has a policy addressing prohibited harassment, has communicate that policy to relevant underlings, **and** actually enforces that policy in the event of prohibited harassment. Sexual harassment is defined by **neither** the subjective intent of the harasser **nor** the subjective experience of the person harassed. Sexual harassment is defined by the objective intent **and** the objective experience of the parties.

- 93. T F** In the USA *Constitution*, the States have granted to the federal government the exclusive power to create, for limited durations, the exclusive right to exploit writings **and** inventions (*i.e., copyrights and patents*). In contrast, under the Commerce Clause **and** the Police Power, the federal government **and** the States share concurrent powers over trademarks **and** trade secrets. Federal preemption of State trademarks does **not** extinguish pre-existing State marks. Federal preemption of State trade secrets is limited to trade secrets with a foreign nexus.
- 94. T F** Most forms of intellectual property (*e.g., patents, copyrights*) grant the owner a legal monopoly **and** an economic monopoly. For example, the patent owner has the exclusive right to make, use, sell, **and** import the patented item. However, all intellectual property (*IP*) pulls that property from the public domain **and**, at the end of the life of the IP, returns that property to the public domain. Also in the public domain is some fraction of that property during the life of the IP. For example, Fair Use is a major limitation on the exclusive rights of copyright owner. Fair Use is measured by the purpose of the copying, the nature of the work copied, the substantiality of the copying, **and** the effect on market for the work.
- 95. T F** As between a "principal" **and** its "agent", the ownership of IP can be resolved by a prior, written, **and** signed contract. In the absence of such a contract, IP law establishes that if the "agent" is acting within the scope of authority, then employERs own patents; independent contractors **and** employERs own copyrights, **and** employERs own trade secrets.

- 96. T F** A trade secret is any generally **unknown and** commercially valuable information that is reasonably protected.  
Other IP are protected against infringement, **but** trade secrets are protected against **misappropriation**.  
Reverse engineering of a patent is an infringement of that patent, **but** reverse engineering of a trade secret is a lawful appropriation.  
A covenant **not** to compete both is supported by a trade secret **and** helps define the trade secret.
- 97. T F** Parody is treated in two very different ways by IP law because of free speech law.  
Copyright law bars parody as **unlawful** content of commercial free speech  
Trademark law allows parody as constitutionally protected political free speech, **unless** that parody creates a likelihood of consumer confusion.
- 98. T F** An SEC section 10b "tippee" is a person who has knowingly received material information via a breach of a fiduciary duty.  
A tippee has a duty to either **not** trade **or** to disclose prior to trading.
- 99. T F** An SEC section 16b "statutory insider" (*i.e., 10% shareholder, director, or officer*) has a fiduciary duty to **not** disclose material **non**-public information **and** is **irrebuttably** presumed to possess **and** trade on such information.  
However, the market requires the entry **and** exit of statutory insiders.  
Accordingly, so that the market may function, statutory insiders are allowed to trade only with disclosure of their status.  
However, statutory insiders are required to offer to the corporation all short swing profits.

- 100. T F** If a corporation seeks to sell all **or** substantially all of its assets, then the shareholders **and** the Board of Directors of both the selling **and** the buying corporation must approve of the sale.
- 101. T F** The USA, like the rest of the world, has outlawed slavery **and** presumes employment is "at will".
- 102. T F** Punitive damages are allowed in Nebraska if the punitive damages are proportional to plaintiff's harm, based on the degree of defendant's reprehensibility, similar in size to statutorily authorized civil penalties for similar behavior, **and** the punitive damages are paid to the benefit of the common schools fund, rather than the plaintiff.
- 103. T F** Comity requires the receiving nation to accept judicial acts of the sending nation. The courts of the receiving nation are **not** free to reject judicial acts of the sending national merely because the sending nation's judicial acts are **not** consistent with the receiving nation's fundamental policies.
- 104. T F** Both the market **and** the law require participants whose actions are both knowing **and** voluntary. The law attempts to correct for information **asymmetries** that spring from different opportunities for information aggregation. The market can **not** make such a correction **unless** some party pursues a profit opportunity in that **asymmetry**.
- 105. T F** The Major Forces of Change that shaped the Capitalist world since 1500 have generated material changes in who has standing to sue (*e.g., women*). The Major Forces of Change afoot around 2000 **also** are likely to generate other material changes in who has standing to sue (*e.g., ???*).