BUL 2241 Business Law

Vocabulary Quiz 2

All definitions from Cornell Law unless stated otherwise

1. Commerce Clause

• The Commerce Clause refers to <u>Article 1, Section 8, Clause 3 of the U.S. Constitution</u>, which gives Congress the power "to regulate commerce with foreign nations, and among the several states, and with the Indian

2. Supremacy Clause

Article VI, Paragraph 2 of the U.S. Constitution is commonly referred to as the Supremacy
Clause. It establishes that the federal constitution, and federal law generally, take precedence
over state laws, and even state constitutions. It prohibits states from interfering with the
federal government's exercise of its constitutional powers, and from assuming any functions
that are exclusively entrusted to the federal government. It does not, however, allow the
federal government to review or veto state laws before they take effect. https://www.law.corne
II.edu/wex/supremacy_clause)

3. Indictment

• An indictment formally charges a person with a criminal offense. The indictment enables a government prosecution of a suspected criminal actor for the offenses charged in the indictment. During an indictment proceeding, a grand jury determines that there is adequate basis for bringing criminal charges against a suspected criminal actor.

4. Tort

A tort is an act or omission that gives rise to injury or harm to another and amounts to a civil
wrong for which courts impose liability. In the context of torts, "injury" describes the invasion
of any legal right, whereas "harm" describes a loss or detriment in fact that an individual
suffers.

5. Libel

• Libel is a method of <u>defamation</u> expressed by print, writing, pictures, signs, effigies, or any communication embodied in physical form that is injurious to a person's reputation, exposes a person to public hatred, contempt or ridicule, or injures a person in his/her business or profession.

6. Comparative Negligence

• A tort rule for allocating damages when both parties are at least somewhat at fault. In a situation where both the plaintiff and the defendant were negligent, the jury allocates fault, usually as a percentage (for example, a jury might find that the plaintiff was 30% at fault and the defendant was 70% at fault). Then each pays their share of the other's damages (in the above example, the plaintiff pays 30% of defendant's damages, and defendant pays 70% of

plaintiff's damages).

7. Copyright

 The exclusive legal right to reproduce, publish, sell, or distribute the matter and form of something.

8. Patent

A patent grants the patent holder the exclusive right to exclude others from making, using, importing, and selling the patented innovation for a limited period of time. The U.S. Patent Act, 35 U.S.C. §§ 1 et seq., was enacted by Congress under its Constitutional grant of authority to secure for limited times to inventors the exclusive right to their discoveries.

9. Felony

• A serious crime punishable by more than a year in prison or by death. At English <u>common</u> <u>law</u>, a felony was any crime punishable by <u>forfeiture</u> of land or goods to the Crown.

10. Search Warrant

A search warrant is a <u>warrant</u> issued by the competent authority authorizing a police officer to search a specified place for evidence even without the occupant's consent. A search warrant is generally required for a <u>Fourth Amendment</u> search, subject to a few exceptions. In <u>Katz v. United States</u>, 389 U.S. 347 (1967), the Supreme Court held that searches conducted outside the judicial process, without prior approval are prohibited under the Fourth Amendment, with a few detailed exceptions

11. Probable Cause

Probable cause is a requirement found in the <u>Fourth Amendment</u> that must usually be met before police make an <u>arrest</u>, conduct a <u>search</u>, or receive a <u>warrant</u>. Courts usually find probable cause when there is a <u>reasonable</u> basis for believing that a crime may have been committed (for an arrest) or when evidence of the crime is present in the place to be <u>searched</u> (for a <u>search</u>). Under <u>exigent circumstances</u>, probable cause can also justify a warrantless <u>search or seizure</u>. Persons arrested without a <u>warrant</u> are required to be brought before a competent authority shortly after the arrest for a <u>prompt judicial determination</u> of probable cause.

12. Bilateral Contract

• A bilateral contract is a <u>contract</u> in which both parties exchange promises to <u>perform</u>. One party's promise serves as <u>consideration</u> for the promise of the other. As a result, each party is an <u>obligor</u> on that party's own promise and an <u>obligee</u> on the other's promise.

13. Consideration

 Something bargained for and received by a <u>promisor</u> from a <u>promisee</u>. Common types of consideration include real or personal property, a return promise, some act, or a <u>forbearance</u>.
 Consideration or a valid substitute is required to have a contract.

14. Contractual Capacity

Contractual capacity is an individual's faculty to sign binding contracts with other parties
either for himself or on behalf of a third party. It is a legal competence to step into an
agreement. – myaccountingcourse.com

15. Duress

• When a person makes unlawful threats or otherwise engages in coercive behavior that cause another person to commit acts that the other person would otherwise not commit.

16. Fixture

 A chattel that was at first a moveable object that then becomes part of the property due to it being attached with an objective intent to improve the property. In determining what qualifies as a fixture, the standard used determines whether the chattel can be removed from the property without causing substantial harm. If the removal would cause substantial harm to the property, then it qualifies as a fixture and cannot be removed.

17. Delegation

• The transfer of a contractual duty to a third party. The party delegating the duty (the delegator) to the third party (the delegatee) is still obliged to perform on the contract if the delegatee fails to perform. – miller-hollowell_15.pdf (from the course files)

18. Statute of Limitations

• Any law that bars <u>claims</u> after a certain period of time passes after an injury. The period of time varies depending on the <u>jurisdiction</u> and the type of claim.

19. Compensatory Damages

• A money award equivalent to the actual value of injuries or damages sustained by the aggrieved party – miller-hollowell_16.pdf (from the course files)

20. Shrink-Wrap Agreement

A Shrink Wrap agreement can be defined as a legal agreement that is packaged within a
product. In this type of agreement, products are sealed or enclosed in shrink wrap (plastic
wrap) implying that the goods (and thus the legal document) can only be viewed by the
customer who purchases it. – thebusinessprofessor.com