Chapter 3. Civil Dispute Resolution

1. A U.S. Court of Appeals is the final step in the appeal process within the federal court system.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.01 - 03.01
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: The Court System
   **KEYWORDS:** Bloom's: Knowledge

2. The U.S. District Court is the trial level court in the federal court system.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.01 - 03.01
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
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   **TOPICS:** A-Head: The Court System
   **KEYWORDS:** Bloom's: Knowledge

3. The United States Supreme Court is staffed by judges who receive lifetime appointments from the President, subject to confirmation by the Senate.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.01 - 03.01
4. The federal courts only have jurisdiction to hear cases involving federal law.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Jurisdiction
   **KEYWORDS:** Blooms : Comprehension

5. The decisions of the U.S. Court of Appeals are binding on the other federal courts except for the U.S. Supreme Court.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Jurisdiction
   **KEYWORDS:** Blooms : Comprehension

6. Venue has to do with which state has jurisdiction over the subject matter of a lawsuit.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.03 - 03.03
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Jurisdiction
   **KEYWORDS:** Blooms : Comprehension
7. A quorum of the U.S. Supreme Court consists of any five justices.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.01 - 03.01
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
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   **TOPICS:** A-Head: The Court System
   **KEYWORDS:** Blooms: Knowledge

8. On appeal, neither party may bring new evidence to the court.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Comprehension

9. If a plaintiff in a civil lawsuit wins the case but the defendant does not pay the judgment, the plaintiff may request the clerk to issue a writ of execution. If the writ is returned unsatisfied, certain property of the defendant may be seized by the sheriff and sold to pay the judgment.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Moderate
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Comprehension
10. The U.S. Supreme Court has original jurisdiction in certain types of cases.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Jurisdiction
   **KEYWORDS:** Blooms : Knowledge

11. The federal courts have jurisdiction over all matters that have not been given exclusively to the state courts by the Constitution or Congress.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
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   **TOPICS:** A-Head: Jurisdiction
   **KEYWORDS:** Blooms : Knowledge

12. Congress enacted legislation that almost completely eliminated the right to appeal to the U.S. Supreme Court.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.01 - 03.01
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
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   **TOPICS:** A-Head: The Court System
   **KEYWORDS:** Blooms : Knowledge
13. All states have at least one federal judicial district and some, more populous states have more than one.
   a. True
   b. False
   
   ANSWER: True
   POINTS: 1
   DIFFICULTY: Easy
   
   LEARNING OBJECTIVES: SRBL.MANN.15.03.01 - 03.01
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: The Court System
   KEYWORDS: Blooms: Knowledge

14. In the federal system, appeals from the Bankruptcy Court and Tax Court are heard directly by the U.S. Supreme Court.
   a. True
   b. False
   
   ANSWER: False
   POINTS: 1
   DIFFICULTY: Easy
   
   LEARNING OBJECTIVES: SRBL.MANN.15.03.01 - 03.01
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: The Court System
   KEYWORDS: Blooms: Knowledge

15. A deposition is a pretrial discovery device, which consists of sworn testimony of a witness, taken out of court.
   a. True
   b. False
   
   ANSWER: True
   POINTS: 1
   DIFFICULTY: Easy
   
   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Blooms: Knowledge
16. In the United States, there is never a right to a jury trial in a civil case.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
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   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Knowledge

17. Mediation, like arbitration, is often a compulsory process in which the mediator can render a decision, which is binding upon the parties.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.05 - 03.05
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Knowledge

18. The federal courts and the state courts can have concurrent jurisdiction over the same case.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Moderate
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Jurisdiction
   **KEYWORDS:** Blooms: Analysis
19. Subject matter jurisdiction refers to the authority of a particular court to adjudicate a controversy of a particular kind.
   a. True
   b. False

   **ANSWER:** True  
   **POINTS:** 1  
   **DIFFICULTY:** Easy  
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.03 - 03.03  
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis  
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal  
   **TOPICS:** A-Head: Jurisdiction  
   **KEYWORDS:** Blooms: Knowledge

20. A long-arm statute allows a state to obtain jurisdiction over a nonresident defendant when the nonresident defendant has sufficient contacts with the state.
   a. True
   b. False

   **ANSWER:** True  
   **POINTS:** 1  
   **DIFFICULTY:** Easy  
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02  
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis  
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal  
   **TOPICS:** A-Head: Jurisdiction  
   **KEYWORDS:** Blooms: Knowledge

21. *In rem jurisdiction* refers to jurisdiction over the person.
   a. True
   b. False

   **ANSWER:** False  
   **POINTS:** 1  
   **DIFFICULTY:** Easy  
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.03 - 03.03  
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis  
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal  
   **TOPICS:** A-Head: Jurisdiction  
   **KEYWORDS:** Blooms: Knowledge
22. A court needs to have both subject matter jurisdiction and jurisdiction over the defendant involved before it can hear a particular case.
   a. True
   b. False

   ANSWER: True
   POINTS: 1
   DIFFICULTY: Moderate

   LEARNING OBJECTIVES: SRBL.MANN.15.03.03 - 03.03
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Jurisdiction
   KEYWORDS: Blooms: Analysis

23. Often arbitration is preferred over litigation because the quality of the arbitrator's decision is often higher than that available through the court system.
   a. True
   b. False

   ANSWER: True
   POINTS: 1
   DIFFICULTY: Easy

   LEARNING OBJECTIVES: SRBL.MANN.15.03.05 - 03.05
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Blooms: Evaluation

24. Federal courts have exclusive jurisdiction over bankruptcy, patent, trademark, and copyright cases.
   a. True
   b. False

   ANSWER: True
   POINTS: 1
   DIFFICULTY: Easy

   LEARNING OBJECTIVES: SRBL.MANN.15.03.02 - 03.02
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Jurisdiction
   KEYWORDS: Blooms: Knowledge
25. *Stare decisis* has no application in a dual court system.
   a. True
   b. False

   **ANSWER:** False

   **POINTS:** 1

   **DIFFICULTY:** Easy

   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02

   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

   **STATE STANDARDS:** United States - NC - AICPA BB-Legal

   **TOPICS:** A-Head: Jurisdiction

   **KEYWORDS:** Blooms: Analysis

26. The purpose of venue is to regulate the distribution of cases within a specific court system and to identify a convenient forum.
   a. True
   b. False

   **ANSWER:** True

   **POINTS:** 1

   **DIFFICULTY:** Moderate

   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.03 - 03.03

   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

   **STATE STANDARDS:** United States - NC - AICPA BB-Legal

   **TOPICS:** A-Head: Jurisdiction

   **KEYWORDS:** Blooms: Analysis

27. Attachment jurisdiction is jurisdiction over property.
   a. True
   b. False

   **ANSWER:** True

   **POINTS:** 1

   **DIFFICULTY:** Easy

   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02

   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

   **STATE STANDARDS:** United States - NC - AICPA BB-Legal

   **TOPICS:** A-Head: Jurisdiction

   **KEYWORDS:** Blooms: Knowledge
28. A typical state long-arm statute applies only to nonresident defendants who commit criminal acts in the state.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Jurisdiction
   **KEYWORDS:** Blooms: Analysis

29. Pleadings are a series of responsive, formal, written statements in which each side to a lawsuit states its claims and defenses.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Knowledge

30. The purpose of pleadings is to give notice and to establish what issues of fact and law are disputed.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Easy
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Comprehension
31. A demurrer is a motion filed by a defendant denying the allegations of the complaint.
   a. True
   b. False

   **ANSWER:** False
   **POINTS:** 1
   **DIFFICULTY:** Moderate

   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Knowledge

32. A pretrial conference between the judge and the attorneys representing the parties in a lawsuit is held to simplify the issues in dispute and to encourage settlement of the dispute without trial.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Easy

   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Knowledge

33. If a defendant fails to respond to a summons, a default judgment will be entered against the defendant for the relief the court determines in a hearing.
   a. True
   b. False

   **ANSWER:** True
   **POINTS:** 1
   **DIFFICULTY:** Easy

   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Comprehension
34. A directed verdict is a judge’s final binding determination on the merits after a jury’s verdict.
   a. True
   b. False

   ANSWER: False
   POINTS: 1
   DIFFICULTY: Easy
   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Blooms: Knowledge

35. In making conflict of law decisions, judges need not be concerned about choosing what laws to follow since conflict of law rules are the same from state to state.
   a. True
   b. False

   ANSWER: False
   POINTS: 1
   DIFFICULTY: Easy
   LEARNING OBJECTIVES: SRBL.MANN.15.03.02 - 03.02
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Jurisdiction
   KEYWORDS: Blooms: Comprehension

36. An appeal from a small claims court is taken to the state court of appeals, where a trial de novo is begun.
   a. True
   b. False

   ANSWER: False
   POINTS: 1
   DIFFICULTY: Easy
   LEARNING OBJECTIVES: SRBL.MANN.15.03.01 - 03.01
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: The Court System
   KEYWORDS: Blooms: Knowledge
37. In a typical case before a U.S. Court of Appeals, all the judges of the circuit sit \textit{en banc} to decide the case.
   a. True
   b. False

   \textbf{ANSWER:} False

   \textbf{POINTS:} 1

   \textbf{DIFFICULTY:} Moderate

   \textbf{LEARNING OBJECTIVES:} SRBL.MANN.15.03.01 - 03.01

   \textbf{NATIONAL STANDARDS:} United States - AICPA: BB-Risk Analysis

   \textbf{STATE STANDARDS:} United States - NC - AICPA BB-Legal

   \textbf{TOPICS:} A-Head: The Court System

   \textbf{KEYWORDS:} Blooms: Comprehension

38. A civil lawsuit commences when the plaintiff files with the clerk of the trial court a complaint against the defendant.
   a. True
   b. False

   \textbf{ANSWER:} True

   \textbf{POINTS:} 1

   \textbf{DIFFICULTY:} Easy

   \textbf{LEARNING OBJECTIVES:} SRBL.MANN.15.03.04 - 03.04

   \textbf{NATIONAL STANDARDS:} United States - AICPA: BB-Risk Analysis

   \textbf{STATE STANDARDS:} United States - NC - AICPA BB-Legal

   \textbf{TOPICS:} A-Head: Civil Dispute Resolution

   \textbf{KEYWORDS:} Blooms : Knowledge

39. The jury in a jury trial decides issues of fact.
   a. True
   b. False

   \textbf{ANSWER:} True

   \textbf{POINTS:} 1

   \textbf{DIFFICULTY:} Easy

   \textbf{LEARNING OBJECTIVES:} SRBL.MANN.15.03.04 - 03.04

   \textbf{NATIONAL STANDARDS:} United States - AICPA: BB-Risk Analysis

   \textbf{STATE STANDARDS:} United States - NC - AICPA BB-Legal

   \textbf{TOPICS:} A-Head: Civil Dispute Resolution

   \textbf{KEYWORDS:} Blooms: Comprehension
40. Federal courts have limited subject matter jurisdiction.
   a. True
   b. False

   ANSWER: True
   POINTS: 1
   DIFFICULTY: Easy
   LEARNING OBJECTIVES: SRBL.MANN.15.03.02 - 03.02
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Jurisdiction
   KEYWORDS: Bloom's: Knowledge

41. Appellate judges can reverse a decision of the trial court:
   a. where any error below is found.
   b. only where there was an error that prejudiced the decision.
   c. only where the outcome of the case is clearly wrong.
   d. where the losing party desires a new trial.

   ANSWER: b
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Bloom's: Knowledge

42. The nonbinding, informal process in which a third party is selected by the disputing parties to attempt to help them reach a mutually acceptable agreement is known as:
   a. conciliation.
   b. negotiation.
   c. consensual arbitration.
   d. compulsory arbitration.

   ANSWER: a
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.05 - 03.05
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Bloom's: Analysis
43. Mark, a resident of Illinois, while driving on the freeway, hits Bill, a resident of Wisconsin, and totally destroys Bill's brand new vehicle. Bill may bring suit in federal district court:
   a. because of federal question jurisdiction.
   b. because there is always jurisdiction if there is diversity of citizenship.
   c. if the amount in controversy is over $75,000.
   d. if the accident occurred outside of Illinois or Wisconsin.

   \textit{ANSWER: } c
   \textit{POINTS: } 1
   \textit{DIFFICULTY: } Moderate

44. A decision of the Supreme Court of Washington would always be binding on:
   a. a federal district court in Washington.
   b. a state trial court in Washington.
   c. the U.S. Court of Appeals for the 9th Circuit.
   d. a state trial court in Oregon.

   \textit{ANSWER: } b
   \textit{POINTS: } 1
   \textit{DIFFICULTY: } Easy

45. Generally, State A may exercise "long arm" jurisdiction over a defendant located in State B if the defendant:
   a. once resided in State A.
   b. uses a product produced in State A.
   c. made a contract in State A.
   d. has relatives in State A.

   \textit{ANSWER: } c
   \textit{POINTS: } 1
   \textit{DIFFICULTY: } Moderate
46. The "discovery" stage of a trial includes which one of the following?
   a. Production of documents
   b. Selection of jury
   c. Cross examination of witnesses
   d. Arrest of suspect

   ANSWER:        a
   POINTS:        1
   DIFFICULTY:    Moderate

   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
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   TOPICS:        A-Head: Civil Dispute Resolution
   KEYWORDS:     Blooms : Analysis

47. When the unsuccessful party challenges the verdict and the judge in a jury trial decides that the evidence is so clear that reasonable people could not differ as to the outcome of the case, the judge grants a:
   a. judgment on the verdict.
   b. motion for judgment notwithstanding the verdict.
   c. directed verdict.
   d. motion for a new trial.

   ANSWER:        b
   POINTS:        1
   DIFFICULTY:    Moderate

   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
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   TOPICS:        A-Head: Civil Dispute Resolution
   KEYWORDS:     Blooms : Analysis

48. The U.S. Supreme Court reviews most decisions of lower courts by:
   a. the mandatory writ of certiorari.
   b. the discretionary writ of certiorari.
   c. appeal by right.
   d. appeal in rem.

   ANSWER:        b
   POINTS:        1
   DIFFICULTY:    Easy

   LEARNING OBJECTIVES: SRBL.MANN.15.03.01 - 03.01
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
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   TOPICS:        A-Head: The Court System
   KEYWORDS:     Blooms: Knowledge
49. A traffic offense, such as a speeding ticket, would be heard by a:
   a. U.S. District Court.
   b. state inferior trial court.
   c. state probate court.
   d. U.S. Court of Federal Claims.

   **ANSWER:** b
   **POINTS:** 1
   **DIFFICULTY:** Easy

50. Bankruptcy cases are heard by:
   a. the U.S. Bankruptcy Courts within the federal court system.
   b. only special courts within the state court system.
   c. either federal or state courts.
   d. the U.S. Court of Appeals for the Federal Circuit, if an appeal is made.

   **ANSWER:** a
   **POINTS:** 1
   **DIFFICULTY:** Easy

51. On a federal question, a decision of the Sixth Circuit Court of Appeals:
   a. may be persuasive but is not binding on a Tennessee court.
   b. is binding on a Tennessee court.
   c. has no effect on any state court.
   d. is binding on all other federal appeals courts.

   **ANSWER:** a
   **POINTS:** 1
   **DIFFICULTY:** Moderate
52. The pleadings in a lawsuit include:
   a. the complaint and answer
   b. the depositions.
   c. written interrogatories.
   d. evidence presented in trial

   ANSWER: a
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Bloom's: Analysis

53. Which of the following is NOT considered to be an alternative method of dispute resolution?
   a. Special verdict
   b. Negotiation
   c. Conciliation
   d. Mediation

   ANSWER: a
   POINTS: 1
   DIFFICULTY: Easy
   LEARNING OBJECTIVES: SRBL.MANN.15.03.05 - 03.05
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Bloom's: Knowledge

54. To resolve a lawsuit, a court must have how many different types of jurisdiction?
   a. One
   b. Two
   c. Three
   d. Four

   ANSWER: b
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.03 - 03.03
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Jurisdiction
   KEYWORDS: Bloom's: Analysis
55. Janet is called for jury duty and is selected for possible service on a jury. However, when the defendant's attorney sees her, he notices that she is wearing a green dress. Both the defendant and the defendant's attorney hate green dresses. If the defendant’s attorney strikes her name from the jury because of the dress color:
   a. this is a valid challenge for cause.
   b. this is a valid peremptory challenge.
   c. this is not a valid challenge.
   d. the plaintiff's attorney can have Janet serve by making an offer of proof to the judge.

   ANSWER:  b 
   POINTS:  1 
   DIFFICULTY:  Moderate 
   LEARNING OBJECTIVES:  SRBL.MANN.15.03.04 - 03.04 
   NATIONAL STANDARDS:  United States - AICPA: BB-Risk Analysis 
   STATE STANDARDS:  United States - NC - AICPA BB-Legal 
   TOPICS:  A-Head: Civil Dispute Resolution 
   KEYWORDS:  Blooms: Application 

56. Janet's husband, Paul, is called for jury duty and is selected for possible service on a jury. However, when he is questioned by the defendant's attorney before final jury selection, he admits that he thinks the defendant is guilty based on the news reports that he saw on the local television news. The defendant asks the judge to excuse Paul from serving on the jury. If the judge agrees:
   a. this is a valid challenge for cause.
   b. this is a valid peremptory challenge.
   c. this is not a valid challenge.
   d. the plaintiff's attorney can have Paul serve by making an offer of proof to the judge.

   ANSWER:  a 
   POINTS:  1 
   DIFFICULTY:  Moderate 
   LEARNING OBJECTIVES:  SRBL.MANN.15.03.04 - 03.04 
   NATIONAL STANDARDS:  United States - AICPA: BB-Risk Analysis 
   STATE STANDARDS:  United States - NC - AICPA BB-Legal 
   TOPICS:  A-Head: Civil Dispute Resolution 
   KEYWORDS:  Blooms: Application
57. Once a plaintiff has filed a complaint, the clerk of the court issues a ____ to be served on the defendant to provide notice that a suit has been brought.
   a. writ of execution
   b. summons
   c. deposition
   d. demurrer

   **ANSWER:** b
   **POINTS:** 1
   **DIFFICULTY:** Moderate

**LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04

**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

**STATE STANDARDS:** United States - NC - AICPA BB-Legal

**TOPICS:** A-Head: Civil Dispute Resolution

**KEYWORDS:** Blooms : Analysis

58. Which of the following may a U.S. Court of Appeals NOT do in ruling on a case?
   a. Reverse the judgment of the lower court.
   b. Remand or send it back to the lower court.
   c. Rehear the case by taking testimony of the witnesses.
   d. Affirm the judgment of the lower court.

   **ANSWER:** c
   **POINTS:** 1
   **DIFFICULTY:** Moderate

**LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04

**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

**STATE STANDARDS:** United States - NC - AICPA BB-Legal

**TOPICS:** A-Head: Civil Dispute Resolution

**KEYWORDS:** Blooms : Analysis

59. The procedural stage of a lawsuit after the pleadings but before trial is the:
   a. peremptory challenge stage.
   b. pretrial stage, including discovery.
   c. special verdict stage.
   d. offer of proof stage.

   **ANSWER:** b
   **POINTS:** 1
   **DIFFICULTY:** Moderate

**LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04

**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

**STATE STANDARDS:** United States - NC - AICPA BB-Legal

**TOPICS:** A-Head: Civil Dispute Resolution

**KEYWORDS:** Blooms : Analysis

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60. The federal courts do not have exclusive jurisdiction over:
   a. federal criminal prosecutions.
   b. trademark and copyright cases.
   c. issues involving state constitutions.
   d. bankruptcy cases.

   **ANSWER:** c
   **POINTS:** 1
   **DIFFICULTY:** Moderate
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Jurisdiction
   **KEYWORDS:** Blooms: Analysis

61. With a _____, the jury makes specific written findings on each factual issue; the judge then applies the law to these findings.
   a. general verdict
   b. special verdict
   c. voir dire
   d. quasi in rem

   **ANSWER:** b
   **POINTS:** 1
   **DIFFICULTY:** Moderate
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Civil Dispute Resolution
   **KEYWORDS:** Blooms: Analysis

62. Able and Baker are both residents of Iowa, but they have a dispute regarding some land located in Kansas. Able files, in Kansas, a lawsuit regarding the land and Baker objects, claiming the Kansas courts have no jurisdiction. In this case:
   a. only the Iowa courts can hear the lawsuit.
   b. the Iowa federal district court can hear the suit based on diversity of citizenship.
   c. the Kansas courts have in rem jurisdiction to adjudicate the claim regarding the property.
   d. the Kansas federal district court can hear the suit based upon diversity of citizenship.

   **ANSWER:** c
   **POINTS:** 1
   **DIFFICULTY:** Moderate
   **LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02
   **NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:** United States - NC - AICPA BB-Legal
   **TOPICS:** A-Head: Jurisdiction
   **KEYWORDS:** Blooms: Application
63. When a trial is conducted with a jury, the judge determines issues of ____ and the jury determines questions of ____.
   a. evidence, law
   b. law, evidence
   c. law, fact
   d. fact, law

   ANSWER: c
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Blooms : Analysis

64. When the defendant's property located within a state is seized to obtain payment of a judgment from a court from another state that is unrelated to the property being seized, the jurisdiction over the property is known as ____ jurisdiction.
   a. quasi in rem
   b. in personam
   c. in rem
   d. forum non conveniens

   ANSWER: a
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Blooms : Analysis
65. The U.S. Supreme Court in applying the doctrine of *stare decisis* is:
   a. rigidly bound by its own decisions.
   b. subject to a majority decision by the federal appellate courts.
   c. not rigidly bound by its own decisions.
   d. bound on all federal questions by state and lower federal court decisions.

   **ANSWER:** c
   **POINTS:** 1
   **DIFFICULTY:** Moderate

66. In diversity of citizenship cases, federal courts apply:
   a. federal substantive and procedural law.
   b. state substantive and procedural law.
   c. state procedural and federal substantive law.
   d. federal procedural and state substantive law.

   **ANSWER:** d
   **POINTS:** 1
   **DIFFICULTY:** Moderate

67. Personal jurisdiction:
   a. may be obtained by personally serving a person within a state if that person is domiciled in that state.
   b. is also known as *in rem* jurisdiction.
   c. is obtained by seizing the defendant's property.
   d. may arise only through a party's consent.

   **ANSWER:** a
   **POINTS:** 1
   **DIFFICULTY:** Moderate
68. Patricia Plaintiff, a resident of California, has a valid judgment against David Defendant, a resident of Nevada, which she now wishes to execute. David owns hundreds of acres of beach-front property in California. Patricia may execute her judgment in California based on what type of jurisdiction?
   a. Subject matter jurisdiction
   b. Concurrent federal jurisdiction
   c. Quasi in rem jurisdiction
   d. Diversity of citizenship jurisdiction

   ANSWER: c
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.02 - 03.02
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Jurisdiction
   KEYWORDS: AICPA, Jurisdiction

69. An example of a special court in the federal judicial system is the:
   a. U.S. Court of Federal Claims.
   b. Federal District Court.
   c. U.S. Supreme Court.
   d. U.S. Court of Appeals.

   ANSWER: a
   POINTS: 1
   DIFFICULTY: Easy
   LEARNING OBJECTIVES: SRBL.MANN.15.03.01 - 03.01
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: The Court System
   KEYWORDS: AICPA, Court System

70. If the judge denies a defendant's _____, then the defendant has the opportunity to present evidence. However, if the judge grants the motion, then the defendant automatically wins the case and does not need to present any evidence.
   a. motion for a new trial
   b. motion for a directed verdict
   c. offer of proof
   d. motion for change of venue

   ANSWER: b
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: AICPA, Civil Dispute Resolution
71. The decision of an arbitrator is called a(n):
a. verdict.
b. judgment.
c. award.
d. binding decision.

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**LEARNING OBJECTIVES:** SRBL.MANN.15.03.05 - 03.05  
**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis  
**STATE STANDARDS:** United States - NC - AICPA BB-Legal  
**TOPICS:** A-Head: Civil Dispute Resolution  
**KEYWORDS:** Blooms: Knowledge

72. State trial courts of general jurisdiction:
a. may be called county, district, common pleas, or superior courts.  
b. have a dollar limitation on their jurisdiction in civil cases.  
c. cannot hear criminal cases.  
d. maintain no formal records of their proceedings.

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**LEARNING OBJECTIVES:** SRBL.MANN.15.03.01 - 03.01  
**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis  
**STATE STANDARDS:** United States - NC - AICPA BB-Legal  
**TOPICS:** A-Head: The Court System  
**KEYWORDS:** Blooms: Knowledge

73. Midway Corporation is incorporated in Delaware, but it has its principal place of business in Minnesota. It does much of its business in California. For purposes of diversity of citizenship, Midway is a resident of:
a. Delaware.  
b. Minnesota.  
c. both Delaware and Minnesota.  
d. Delaware, Minnesota, and California.

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02  
**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis  
**STATE STANDARDS:** United States - NC - AICPA BB-Legal  
**TOPICS:** A-Head: Jurisdiction  
**KEYWORDS:** Blooms: Application
74. Able, a resident of New York, has a dispute with Baker, a resident of Illinois, involving a contract signed and performed in New York. His damages amount to $75,000, and he wants to sue. The case can be brought: 
a. only in the New York state courts.
b. only in the New York federal court.
c. only in the Illinois state courts.
d. in either the New York state courts or the New York federal court.

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02  
**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis  
**STATE STANDARDS:** United States - NC - AICPA BB-Legal  
**TOPICS:** A-Head: Jurisdiction  
**KEYWORDS:** Blooms: Application

75. Alice, a resident of Ohio, has obtained a valid judgment against Bill, a resident of Kentucky. In this case: 
a. Alice can attach Bill's automobile in Ohio to satisfy her court judgment.  
b. Alice must go to Kentucky to satisfy her judgment.  
c. Alice has no recourse against Bill because he has left the state.  
d. Ohio has no jurisdiction over Bill because he is a resident of Kentucky.

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02  
**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis  
**STATE STANDARDS:** United States - NC - AICPA BB-Legal  
**TOPICS:** A-Head: Jurisdiction  
**KEYWORDS:** Blooms : Analysis

76. A motion to dismiss for failure to state a claim upon which the court may grant relief is also known as a(n):  
a. motion for directed verdict.  
b. offer of proof.  
c. demurrer.  
d. motion for a new trial.

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04  
**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis  
**STATE STANDARDS:** United States - NC - AICPA BB-Legal  
**TOPICS:** A-Head: Civil Dispute Resolution  
**KEYWORDS:** Blooms : Analysis
77. Andrew, an attorney, has a case that was recently heard by the United States Court of Appeals (8th Circuit). Andrew believes the case involves a significant issue of U.S. Constitutional law. He would like to have the United States Supreme Court hear the case. One way by which the U.S. Supreme Court may review the case is by:
   a. forum non conveniens.
   b. writ of certiorari.
   c. stare decisis.
   d. appellate novus

   ANSWER: b
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.01 - 03.01
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: The Court System
   KEYWORDS: Blooms: Application

78. Which is NOT TRUE about a pretrial conference?
   a. It is a meeting between the attorneys and their clients to discuss issues and fees.
   b. It is held to encourage settlement of a dispute without a trial.
   c. It involves the judge and the attorneys representing the parties to a dispute.
   d. The purpose is to simplify the issues in dispute.

   ANSWER: a
   POINTS: 1
   DIFFICULTY: Moderate
   LEARNING OBJECTIVES: SRBL.MANN.15.03.04 - 03.04
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: Civil Dispute Resolution
   KEYWORDS: Blooms: Analysis

79. A quorum consists of how many justices on the U.S. Supreme Court?
   a. 3
   b. 5
   c. 6
   d. 7

   ANSWER: c
   POINTS: 1
   DIFFICULTY: Easy
   LEARNING OBJECTIVES: SRBL.MANN.15.03.01 - 03.01
   NATIONAL STANDARDS: United States - AICPA: BB-Risk Analysis
   STATE STANDARDS: United States - NC - AICPA BB-Legal
   TOPICS: A-Head: The Court System
   KEYWORDS: Blooms: Knowledge
80. Court-annexed arbitration:
   a. is used in a growing number of federal courts, but is not being used in state courts.
   b. is used in civil cases in which the parties seek limited amounts of damages.
   c. typically uses arbitrators who are medical doctors since cases using this kind of arbitration are medical malpractice disputes.
   d. results in a binding award which cannot be appealed to the courts.

   **ANSWER:**  b
   **POINTS:**  1
   **DIFFICULTY:**  Moderate
   **LEARNING OBJECTIVES:**  SRBL.MANN.15.03.05 - 03.05
   **NATIONAL STANDARDS:**  United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:**  United States - NC - AICPA BB-Legal
   **TOPICS:**  A-Head: Civil Dispute Resolution
   **KEYWORDS:**  Blooms : Analysis

81. What is jurisdiction? How does subject matter jurisdiction differ from jurisdiction over the parties? How does *in personam* jurisdiction differ from jurisdiction *in rem*?

   **ANSWER:**  Jurisdiction is the power or authority of a court to hear and decide a case. Subject matter jurisdiction refers to the power or authority of a court to hear a particular kind of case, whereas jurisdiction over the parties to a lawsuit refers to the power of a court to bind the parties to a suit to the decision of the court. A court must have both subject matter jurisdiction and jurisdiction over the parties. *In personam* jurisdiction refers to the power of a court over a person in contrast to jurisdiction over the property of the person. *In rem* jurisdiction refers to the power of a court over the property of a person.

   **POINTS:**  1
   **DIFFICULTY:**  Challenging
   **LEARNING OBJECTIVES:**  SRBL.MANN.15.03.03 - 03.03
   **NATIONAL STANDARDS:**  United States - AICPA: BB-Risk Analysis
   **STATE STANDARDS:**  United States - NC - AICPA BB-Legal
   **TOPICS:**  A-Head: Jurisdiction
   **KEYWORDS:**  Blooms : Synthesis
82. Explain the process of jury selection and the differences in the types of challenges. In addition, discuss the implications of race-based or gender-based exclusion from a jury by a prosecutor or defense attorney.

**ANSWER:**

*Voir dire* is the examination of potential jurors by the parties' attorneys or in some courts by the judge. The questioning and evaluation of the potential jurors is based on trying to create an unbiased jury that will allow the parties an impartial hearing. The attorneys can strike a potential juror from the jury pool in two ways: 1) challenge for cause, and 2) peremptory challenge. Challenge for cause is used when a prospective juror has exhibited bias in some objective way. Peremptory challenges can be used by the attorneys for purely subjective reasons. Each party has a limited number of peremptory challenges but has an unlimited number of challenges for cause. The Supreme Court held that the U.S. Constitution prohibits discrimination in jury selection on the basis of race or gender.

**POINTS:**

1

**DIFFICULTY:**

Challenging

**LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04

**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

**STATE STANDARDS:** United States - NC - AICPA BB-Legal

**TOPICS:** A-Head: Civil Dispute Resolution

**KEYWORDS:** Blooms: Analysis

83. When do the federal courts have jurisdiction to hear a case? Over what types of cases do the federal courts have concurrent jurisdiction? Over what types of cases do the federal courts have diversity jurisdiction?

**ANSWER:**

Federal courts have exclusive jurisdiction to hear cases involving federal crimes, bankruptcy, patents, copyright and trademarks, admiralty, antitrust, suits against the United States, and suits involving specified federal statutes. Federal courts have concurrent jurisdiction with state courts to hear cases involving federal questions and diversity of citizenship. Diversity jurisdiction arises where there is "diversity of citizenship" and the amount in controversy exceeds $75,000.

**POINTS:**

1

**DIFFICULTY:**

Challenging

**LEARNING OBJECTIVES:** SRBL.MANN.15.03.02 - 03.02

**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

**STATE STANDARDS:** United States - NC - AICPA BB-Legal

**TOPICS:** A-Head: Jurisdiction

**KEYWORDS:** Blooms: Synthesis
84. Describe how a civil case is commenced and how it proceeds through the court system. Be sure to use appropriate terminology in describing the various stages of a lawsuit.

**ANSWER:** The three stages in a lawsuit are (1) the pleading stage, (2) the pre-trial stage, and (3) the trial. There may also be an appeal after the trial. Key terms that should be discussed include: pleadings, complaint, summons, default judgment, demurrer, answer, reply, judgment on the pleadings, discovery, pretrial conference, summary judgment, *voir dire*, challenges for cause and peremptory challenges, opening statement, direct examination, cross-examination, offer of proof, directed verdict, closing arguments, jury instructions, verdict, special verdict, motion for a new trial, appeal, and writ of execution.

**POINTS:**

1

**DIFFICULTY:** Challenging

**LEARNING OBJECTIVES:** SRBL.MANN.15.03.04 - 03.04

**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

**STATE STANDARDS:** United States - NC - AICPA BB-Legal

**TOPICS:** A-Head: Civil Dispute Resolution

**KEYWORDS:**

85. What is alternative dispute resolution? Discuss the various devices that can be used.

**ANSWER:** Alternative dispute resolution refers to the various nonjudicial methods of dealing with disputes that have developed. These include consensual arbitration, compulsory arbitration, conciliation, mediation, mini-trials, summary jury trials, and negotiation. Arbitration is binding, controlled by the parties, affords privacy, allows for a decision by an individual with special expertise in the area of dispute, and gives a relatively speedy resolution of the dispute. Its disadvantages are that there are no public norms for decisions, no precedent and no guarantee of uniformity of decisions. The advantages of mediation and conciliation are that they preserve relations, are controlled by the parties, afford privacy, and are flexible. Their disadvantages are that they are not binding, lack finality, cannot be compelled, and have no binding precedents so that decisions are not uniform. Mini-trials are structured settlement processes that combine elements of negotiation, mediation, and trials. A summary jury trial is a mock trial in which the parties present their case to an advisory jury. The verdict is not binding, but does influence the negotiations in which the parties must participate following the mock trial. Negotiation is a consensual bargaining process in which the parties attempt to reach an agreement. No third parties are involved.

**POINTS:**

1

**DIFFICULTY:** Challenging

**LEARNING OBJECTIVES:** SRBL.MANN.15.03.05 - 03.05

**NATIONAL STANDARDS:** United States - AICPA: BB-Risk Analysis

**STATE STANDARDS:** United States - NC - AICPA BB-Legal

**TOPICS:** A-Head: Civil Dispute Resolution

**KEYWORDS:**

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86. Describe the structure of the federal court system. How does the federal court system compare/contrast with the state court system of the state where you are living? How are state and federal courts similar? How are they different? Explain your answer.

**ANSWER:** The federal court system consists of the U.S. District Courts, which are the federal trial courts, the U.S. Courts of Appeals, and the U.S. Supreme Court, which is the highest tribunal in the United States. Other, specialized federal courts include the U.S. Court of Federal Claims, the U.S. Tax Court, the U.S. Bankruptcy Courts, and the U.S. Court of Appeals for the Federal Circuit. Most state court systems consist of inferior trial courts, general jurisdiction trial courts, courts of appeals, and a state supreme court. Most states also have specialized courts to handle matters such as wills and estates and family concerns, such as divorce and child custody.

**POINTS:**

**DIFFICULTY:**

**LEARNING OBJECTIVES:**

**NATIONAL STANDARDS:**

**STATE STANDARDS:**

**TOPICS:**

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