**Business Law Personal Property Test**

Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Hour \_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**True/False** *Indicate whether the statement is true or false.*

\_\_\_\_ 1. Most property is acquired by purchase, gift, or inheritance.

\_\_\_\_ 2. A bailee is always liable for any damage to goods in his or her possession.

\_\_\_\_ 3. When goods are sold on approval, they become the property of the buyer as soon as the seller approves.

\_\_\_\_ 4. Items attached to a house, such as kitchen cabinets and fixtures, are considered real property.

\_\_\_\_ 5. If two people own property as joint tenants, each owner’s share passes to his or her heirs upon death, not to the surviving joint tenant.

**Multiple Choice** *Identify the choice that best completes the statement or answers the question.*

\_\_\_\_ 6. When a bailor lends goods without charge, he or she creates a

|  |  |  |  |
| --- | --- | --- | --- |
| a. | bailment by necessity. | c. | mutual-benefit bailment. |
| b. | gratuitous bailment. | d. | pledge. |

\_\_\_\_ 7. If you find abandoned property, you

|  |  |
| --- | --- |
| a. | have the legal duty to try and find the owner. |
| b. | must advertise in the local paper for the owner. |
| c. | may keep it. |
| d. | must leave it where you found it. |

\_\_\_\_ 8. The person making a gift is a

|  |  |  |  |
| --- | --- | --- | --- |
| a. | bailor. | c. | giftor. |
| b. | donor. | d. | donee. |

\_\_\_\_ 9. Patents, copyrights, and trademarks refer to

|  |  |  |  |
| --- | --- | --- | --- |
| a. | tangible personal property. | c. | bailments. |
| b. | intangible personal property. | d. | intellectual property. |

\_\_\_\_ 10. If you have in your possession something that belongs to someone else, you are a

|  |  |  |  |
| --- | --- | --- | --- |
| a. | donee. | c. | donor. |
| b. | bailee. | d. | bailor. |

\_\_\_\_ 11. Hotel keepers are not liable for the loss of their guests’ property when it occurs as a result of

|  |  |
| --- | --- |
| a. | an accidental fire when the hotel keeper is not negligent. |
| b. | theft in the hotel lobby. |
| c. | a faulty in-room safe. |
| d. | a broken hotel room window. |

\_\_\_\_ 12. Common carriers are liable for damages to the goods they ship as a result of

|  |  |  |  |
| --- | --- | --- | --- |
| a. | the inherent nature of the goods. | c. | an act of God. |
| b. | driver accident. | d. | the shipper. |

\_\_\_\_ 13. In a bailment, there is no

|  |  |
| --- | --- |
| a. | intent to provide any standard of care by the bailee or bailor. |
| b. | intent to pass title to the property. |
| c. | obligation to return the property to the bailor. |
| d. | obligation for the bailee to care for the property. |

\_\_\_\_ 14. Community property is property that

|  |  |
| --- | --- |
| a. | has been abandoned and is available for purchase through auction. |
| b. | is received as a gift by two or more recipients. |
| c. | belongs to both spouses equally. |
| d. | belongs to the local neighborhood and is used as a park or playground. |

\_\_\_\_ 15. Which of the following is NOT considered personal property?

|  |  |  |  |
| --- | --- | --- | --- |
| a. | a house | c. | trademarks |
| b. | CD players | d. | ceiling fans |

**Matching** *Match each term with its definition.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| a. | personal property | e. | trademark | h. | special bailment |
| b. | intangible personal property | f. | bailment | i. | mutual benefit bailment |
| c. | intellectual property | g. | gratuitous bailment | j. | patent |
| d. | copyright |  |  |  |  |

\_\_\_\_ 16. Property that cannot be touched such as debts or patents

\_\_\_\_ 17. The transfer of a possession and control of personal property to someone else, with the intent to return it at a later time

\_\_\_\_ 18. A bailment for the sole benefit of the bailee

\_\_\_\_ 19. Occurs when you leave your car at a garage to be repaired; when it is fixed, the mechanic receives payment for the service

\_\_\_\_ 20. Anything that can be owned, other than real estate

\_\_\_\_ 21. A right granted to an author, composer, photographer, or artist to exclusively publish and sell an artistic or literary work

\_\_\_\_ 22. A grant giving an inventor the exclusive right to sell the invention for a period of time

\_\_\_\_ 23. Bailment for the sole benefit of the bailor

\_\_\_\_ 24. A distinctive symbol or slogan used by a business to identify and distinguish its goods from products sold by others

\_\_\_\_ 25. Inventions, works of art, software, and logos

**Short Answer**

 26. Differentiate between a carrier and a common carrier.