

BPA BUSINESS LAW & ETHICS PRACTICE TEST (SAMPLE)

STUDY GUIDE



Prepare with structure. Pass with confidence



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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. What are the two forms of future interests in property?**
 - A. Leasehold and freehold
 - B. Reversion and remainder
 - C. Present and future possession
 - D. Life estate and joint estate
- 2. What federal act is aimed at combating organized crime through racketeering?**
 - A. RICO
 - B. The Racketeer Influenced and Corrupt Organizations Act
 - C. The Organized Crime Control Act
 - D. The Prohibition Act
- 3. Who is considered the party bringing a lawsuit?**
 - A. Defendant
 - B. Plaintiff
 - C. Witness
 - D. Juror
- 4. What does the right of survivorship entail?**
 - A. Property automatically passes to the deceased's estate
 - B. Property automatically passes to the surviving tenant
 - C. Property is distributed according to a will
 - D. Property is held in common interests
- 5. The liability of landlords to tenants injured on their property is known as what type of liability?**
 - A. Premises liability
 - B. Contractual liability
 - C. Negligence liability
 - D. Vicarious liability

- 6. Which of the following is NOT included in Alternative Dispute Resolution (ADR)?**
- A. Mediation
 - B. Litigation
 - C. Arbitration
 - D. Negotiation
- 7. Is John's interest in a car advertised for \$15,000 considered a valid offer?**
- A. No, he has not accepted the offer
 - B. Yes, it constitutes a valid contract
 - C. No, it lacks specificity
 - D. Yes, but it's a preliminary inquiry
- 8. Transferring only some of the rights under a lease by a tenant is known as what?**
- A. Sublease
 - B. Assignment
 - C. Joint tenancy
 - D. Lease extension
- 9. Does a principal's incapacitation render a durable power of attorney void or unenforceable?**
- A. True
 - B. False
- 10. Which type of deed is associated with transferring property without any guarantees?**
- A. Quitclaim deed
 - B. Warranty deed
 - C. Deed of trust
 - D. Special warranty deed

Answers

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1. B
2. A
3. B
4. B
5. A
6. B
7. A
8. A
9. B
10. A

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Explanations

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1. What are the two forms of future interests in property?

- A. Leasehold and freehold
- B. Reversion and remainder**
- C. Present and future possession
- D. Life estate and joint estate

The two forms of future interests in property are reversion and remainder. A reversion is a future interest retained by a grantor after conveying a lesser estate to another party; it comes back to the original owner once the lesser estate terminates. For example, if a property owner grants someone a life estate, the property reverts to the owner or their heirs upon the death of the life tenant. On the other hand, a remainder is a future interest that arises when a grantor creates a life estate and specifies that after the life tenant's interest ends, the estate will pass to a third party. This third party holds a remainder interest in the property. Selecting reversion and remainder illustrates the distinction between types of future interests, emphasizing their critical role in property law and how they govern the transfer and future possession of property rights. Other choices do not correctly represent future interests. Leasehold and freehold refer to estates regarding possession and duration but do not indicate future interests specifically. Present and future possession describe the timing of possession rather than distinct categories of future interests. A life estate is a type of present interest rather than a future interest, and a joint estate is not commonly recognized as a specific future interest in property law.

2. What federal act is aimed at combating organized crime through racketeering?

- A. RICO**
- B. The Racketeer Influenced and Corrupt Organizations Act
- C. The Organized Crime Control Act
- D. The Prohibition Act

The correct answer, which is focused on the federal act aimed at combating organized crime through racketeering, is the Racketeer Influenced and Corrupt Organizations Act, commonly referred to as RICO. This legislation was enacted in 1970 to provide enhanced penalties for individuals involved in organized crime activities and to allow for the prosecution of not just the criminal acts themselves, but also the conspiracy to commit such acts. RICO is instrumental in targeting the syndicates and enterprises that engage in a pattern of racketeering activity. For instance, it makes it possible for law enforcement to hold individuals liable not only for their own criminal actions but also for the acts of others in the organization, thereby disrupting the operations of organized crime groups more effectively. The other choices, while related to crime and enforcement, do not specifically target organized crime through racketeering in the way RICO does. The Organized Crime Control Act, while encompassing a broader focus on organized crime, does not have the same specific provisions or the effective impact of RICO in prosecuting racketeering activities. The Prohibition Act, on the other hand, is historical legislation that addressed the legality of alcohol but is not aimed at organized crime in the context of racketeering.

3. Who is considered the party bringing a lawsuit?

- A. Defendant
- B. Plaintiff**
- C. Witness
- D. Juror

The party bringing a lawsuit is referred to as the plaintiff. This individual or entity initiates legal proceedings by filing a complaint against another party, known as the defendant. The plaintiff's role is to present their case to the court, seeking a legal remedy or relief based on the claims made in the lawsuit. In contrast, the defendant is the party being accused or sued, witnesses provide testimony and evidence relevant to the case, and jurors are citizens selected to hear the case and make a decision based on the evidence presented. Understanding these roles is crucial for grasping how the legal system functions, as each party contributes differently to the judicial process.

4. What does the right of survivorship entail?

- A. Property automatically passes to the deceased's estate
- B. Property automatically passes to the surviving tenant**
- C. Property is distributed according to a will
- D. Property is held in common interests

The right of survivorship is a legal concept that specifically applies to joint property ownership, particularly in joint tenancy arrangements. Under this principle, when one co-owner of a property passes away, their interest in the property does not go to their estate or heirs but instead automatically transfers to the surviving co-tenant(s). This means that the surviving tenant gains full ownership of the entire property, enhancing their ownership stake without the need for probate or other legal processes typically associated with transferring property ownership after someone dies. This concept is crucial for individuals who wish to ensure that their property bypasses the complexities of probate and directly transfers to the remaining owners, thereby simplifying the process of property succession. The other options reflect different scenarios of property transfer: one relates to distribution through a will, another to the passing of property to an estate, and the last involves common interests, which do not encompass the immediate transfer unique to the right of survivorship. Thus, the correct answer aligns perfectly with the definition and implications of the right of survivorship.

5. The liability of landlords to tenants injured on their property is known as what type of liability?

- A. Premises liability**
- B. Contractual liability
- C. Negligence liability
- D. Vicarious liability

The correct answer is premises liability because it specifically pertains to the responsibilities and obligations a landlord has toward tenants and visitors on their property. Premises liability arises when a landlord fails to maintain safe conditions, leading to injuries. This legal concept holds landlords accountable for accidents that occur due to hazardous conditions in common areas, such as stairs, hallways, or outdoor spaces. In this context, landlords have a duty to ensure that their properties are safe and free from dangerous conditions that could cause harm to tenants. If a landlord neglects this duty, they may be sued for injuries that result as a direct consequence of their failure to maintain the premises or to warn tenants of potential dangers. Contractual liability, on the other hand, relates to obligations arising from contractual agreements, and negligence liability focuses more broadly on failing to exercise reasonable care in various situations. Vicarious liability involves one party being held responsible for the actions of another, typically in employer-employee relationships. While these concepts are important in the realm of law, they do not specifically address the liability concerning landlords' responsibilities to their tenants regarding property safety.

6. Which of the following is NOT included in Alternative Dispute Resolution (ADR)?

- A. Mediation
- B. Litigation**
- C. Arbitration
- D. Negotiation

Litigation is the correct answer because it is not considered a form of Alternative Dispute Resolution (ADR). ADR encompasses methods that allow parties to resolve disputes outside of traditional court settings, emphasizing a more flexible and collaborative approach. Mediation involves a neutral third party helping disputing parties find a mutually agreeable solution, while arbitration often involves a third party making a binding decision after hearing both sides. Negotiation, similarly, allows the parties themselves to directly communicate and reach a settlement without outside help. In contrast, litigation refers to the process of taking a dispute to court, where a judge or jury makes a legal ruling based on the evidence and law. This process is generally seen as more formal, adversarial, and time-consuming compared to the methods included in ADR, making litigation fundamentally different from the collaborative goal of resolution found in mediation, arbitration, and negotiation.

7. Is John's interest in a car advertised for \$15,000 considered a valid offer?

- A. No, he has not accepted the offer**
- B. Yes, it constitutes a valid contract
- C. No, it lacks specificity
- D. Yes, but it's a preliminary inquiry

In this scenario, John's interest in the car priced at \$15,000 does not constitute a valid offer because he has not taken any action to accept the offer being made by the seller. An offer in contract law requires a clear proposal made by one party and acceptance by another. Simply expressing interest does not legally bind either party to a contract. Thus, John's action remains as a manifestation of interest rather than an acceptance, and without that acceptance, there is no agreement. The other choices don't apply in this situation. A valid contract requires an acceptance of an offer, while terms like "lacks specificity" or "preliminary inquiry" do not accurately describe John's situation usually characterized by his lack of acceptance. Therefore, focusing on the requirement of acceptance clarifies why his interest alone doesn't fulfill the criteria of a valid offer or agreement.

8. Transferring only some of the rights under a lease by a tenant is known as what?

- A. Sublease**
- B. Assignment
- C. Joint tenancy
- D. Lease extension

Transferring only some of the rights under a lease by a tenant is known as a sublease. In a sublease situation, the original tenant retains some degree of control and responsibility for the property while allowing another individual, the subtenant, to occupy the premises. The sublease does not relieve the original tenant of their obligations under the original lease, and the subtenant typically has a relationship with the original tenant rather than the landlord. In contrast, an assignment involves transferring all rights and obligations under the lease to another party. In this case, the original tenant essentially steps out of the contract, and the assignee becomes directly responsible to the landlord for the terms of the lease. Joint tenancy refers to a form of property ownership where two or more individuals hold title to property jointly, with rights of survivorship. This concept doesn't pertain to lease agreements directly. A lease extension is a modification of an existing lease that extends the duration of the lease agreement. This term does not involve the transfer of rights but rather changes the terms of an existing agreement. Understanding these distinctions is crucial in the context of real estate and property law, emphasizing the specific legal terminology that delineates various forms of agreements and responsibilities.

9. Does a principal's incapacitation render a durable power of attorney void or unenforceable?

A. True

B. False

A durable power of attorney is designed to remain effective even when the principal becomes incapacitated. This means that if the principal is unable to make decisions for themselves due to reasons such as illness or mental incapacity, the durable power of attorney continues to be valid, allowing the agent to act on behalf of the principal. The key distinction here is in the term "durable." Unlike a standard power of attorney, which may become void upon the principal's incapacity, a durable power of attorney is specifically structured to endure such situations. This ensures that the agent can manage the principal's affairs even in times of physical or mental limitations, as long as the document was executed properly and within the legal framework required. The option indicating that a principal's incapacitation renders a durable power of attorney void or unenforceable is incorrect because it fundamentally misunderstands the intended purpose of a durable power of attorney. Thus, the correct understanding is that a durable power of attorney remains valid even in the face of the principal's incapacity.

10. Which type of deed is associated with transferring property without any guarantees?

A. Quitclaim deed

B. Warranty deed

C. Deed of trust

D. Special warranty deed

The type of deed associated with transferring property without any guarantees is the quitclaim deed. This deed allows the grantor to transfer their interest in the property to the grantee without making any promises about the nature of that interest. Essentially, the grantor is transferring whatever rights they may have in the property, if any, without ensuring that the title is clear or free from defects. This lack of guarantees makes quitclaim deeds particularly useful in specific situations, such as transferring property among family members or clearing up title issues, but it also means that the grantee takes on a risk regarding the property's title. In contrast, a warranty deed provides guarantees about the title and assures the grantee that the grantor holds clear title to the property and has the right to sell it. A deed of trust is a financing instrument used to secure a loan with real property, and a special warranty deed guarantees that the grantor has not encumbered the title during their ownership but does not provide assurances about issues that may have existed before their ownership. Each of these alternatives, unlike the quitclaim deed, involves some level of assurance or obligation regarding the title, which distinguishes them significantly from a quitclaim deed.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://bpalawethics.examzify.com>

We wish you the very best on your exam journey. You've got this!

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