

## Section 1: Guided Reading and Review

# Sole Proprietorships



### A. As You Read

As you read Section 1, supply the missing information in the spaces provided.

#### Sole Proprietorships

1. Owned and managed by: \_\_\_\_\_
2. Percentage of U.S. businesses: \_\_\_\_\_
3. Percentages of U.S. sales generated: \_\_\_\_\_

List and explain the advantages of sole proprietorships.

4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_

List and explain the disadvantages of sole proprietorships.

9. \_\_\_\_\_
10. \_\_\_\_\_
11. \_\_\_\_\_

### B. Reviewing Key Terms

Find the term that does not belong in each set and explain how it does not relate to the other three.

12. (*business license*, certificate of occupancy, *business organization*, registration of business name) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
13. (*liability*, health codes, *zoning laws*, dangerous chemical codes)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
14. (human capital, *fringe benefits*, physical capital, financial resources)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



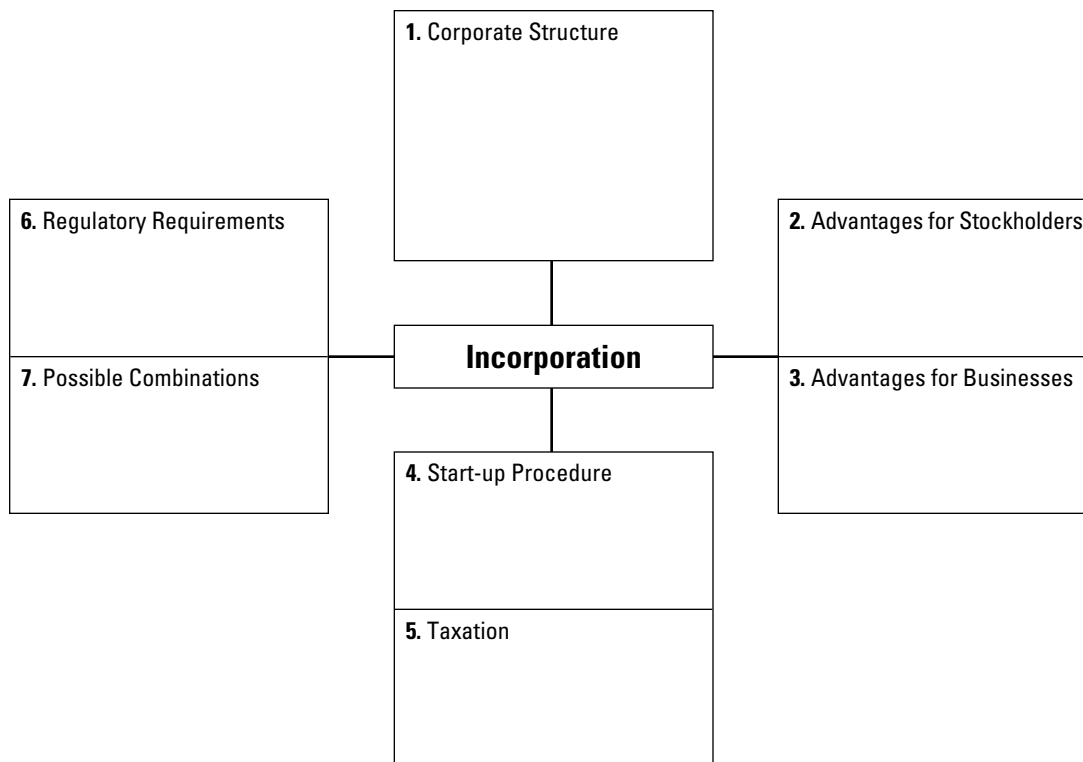
## Section 3: Guided Reading and Review

# Corporations, Mergers, and Multinationals



### A. As You Read

As you read Section 3, supply the missing information in the graphic organizer.



### B. Reviewing Key Terms

Read the statements below. In the space provided, write *T* if the statement is true, or *F* if it is false.

- \_\_\_ 8. Companies in the same business might form vertical mergers.
- \_\_\_ 9. Multinational corporations usually headquarter in several countries.
- \_\_\_ 10. If you buy stocks, you own part of a corporation.
- \_\_\_ 11. Corporate bonds pay dividends.
- \_\_\_ 12. Corporations have a legal identity.
- \_\_\_ 13. Dividends represent a portion of corporate profits.
- \_\_\_ 14. Privately held corporations are also closely held corporations.
- \_\_\_ 15. The federal government issues a company's certificate of incorporation.
- \_\_\_ 16. A conglomerate merges more than three companies making unrelated products.
- \_\_\_ 17. Publicly held corporations sell stocks to the Securities and Exchange Commission.
- \_\_\_ 18. Stockholders must pay a capital gains tax whenever they sell their shares.

