

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.

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J	

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 2: Guided Reading and Review **Partnerships**

A. As You Read

As you read Section 2, supply the requested information in the spaces provided.

1. Typical examples of a general partnership	1
2. What limited partners do and do not do	2
3. How limited liability partnerships compare with general partnerships	3
4. Items often covered under articles of partnership	4
5. Capital and taxation advantages of partnerships	5
6. Liability disadvantages of partnerships	6

B. Reviewing Key Terms

Complete each sentence by writing the correct term in the blank.

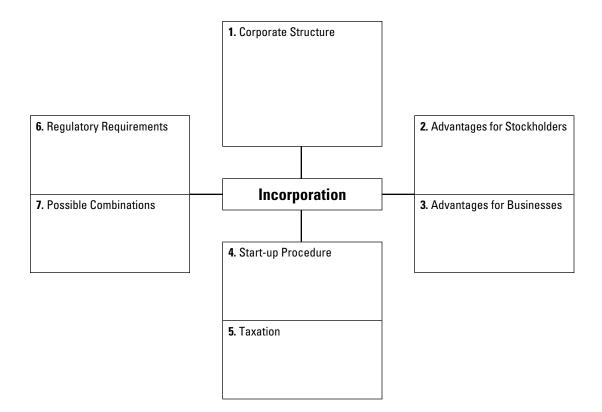
- 7. Only one partner is required to be a general partner in a ______.
- 8. Money and other valuables make up a person's or firm's ____
- 9. Ownership interests and management responsibilities are legislated under the



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.



Section 4: Guided Reading and Review **Other Organizations**

A. As You Read

As you read Section 4, supply the missing information under the headings on the chart.

Business Franchises	Advantages 1.	Disadvantages 2 .
Cooperative Organizations	Membership and/or Purpose 3.	<i>Categories</i> 4 .
Nonprofit Organizations	5.	6.

B. Reviewing Key Terms

Briefly define or identify each of the following.

7. royalties ____

8. trade association _____

9. cooperative _____