

Economic Vocabulary Activity (a. 1828) : one ts has a part in ty; esp : S)

CHAPTER 3: BUSINESS ORGANIZATIONS

Directions: Read each vocabulary clue on the left, then write the letter of the matching term in the blank space.

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|--|--------------------------|
| _____ 1. check representing a portion of corporate earnings | a. merger |
| _____ 2. non-cash charge a firm takes for the general wear and tear of its capital goods | b. dividend |
| _____ 3. government document that gives permission to create a corporation | c. credit union |
| _____ 4. an amount borrowed | d. conglomerate |
| _____ 5. a combination of two or more businesses to form a single firm | e. principal |
| _____ 6. a corporation that has manufacturing or service operations in a number of different countries | f. multinational |
| _____ 7. when an owner is fully responsible for all losses and debts of a business | g. unlimited liability |
| _____ 8. group that promotes the welfare of its business members and the community | h. depreciation |
| _____ 9. the combination of an automobile manufacturer and a tire company, for example | i. collective bargaining |
| _____ 10. negotiations between labor and management over such issues as pay and work hours | j. public utility |
| _____ 11. financial organization that accepts deposits from, and makes loans to, employees of a company | k. labor union |
| _____ 12. sum of net income and non-cash charges, such as depreciation | l. cash flow |
| _____ 13. organization of workers formed to represent its members' interests in various employment matters | m. chamber of commerce |
| _____ 14. firm of at least four businesses that make unrelated products, none of which is responsible for a majority of its sales | n. charter |
| _____ 15. a company—owned either by investors or a municipality—that offers an important product to the public, such as electric service | o. vertical merger |

Name _____ Date _____ Class _____

GUIDED READING Activity 3-1

For use with textbook pages 57–66

FORMS OF BUSINESS ORGANIZATION

RECALLING THE FACTS

Directions: Use the information in your textbook to answer the questions. Use another sheet of paper if necessary.

1. What are the advantages and disadvantages of a sole proprietorship?

Advantages:

Disadvantages:

2. What is the difference between a general partnership and a limited partnership?

3. What is bankruptcy?

4. What are the advantages and disadvantages of a corporation?

Advantages:

Disadvantages:

5. Explain the connection between a bond, principal, and interest.
