

Answer all questions below

Check Your

Understanding

1. Which form of business organization would be most appropriate in each of the following cases? Explain your choice.
 - a) a three-person law firm
 - b) a corner convenience store owned and operated by a single owner
 - c) a savings and loan organization for school-district employees only
 - d) a chain of 12 restaurants with 60 owners
 - e) an enterprise providing inexpensive public transportation to the residents of a community
2. Explain the difference between each of the following pairs of terms:
 - a) a general partner and a limited partner
 - b) a public corporation and a private corporation
 - c) dividends and patronage
3. Prepare a comparison chart to summarize what you know about the different forms of business. Use the following criteria: ownership, size, decision making, investor liability, profit distribution, and factors attracting investors and capital.