



Business Management
Vocabulary Terms Chapter 5

(A) Partnership, (B) Proprietor, (C) Business Plan, (D) Unlimited Financial Liability, (E) Sole Proprietorship, (F) Limited Partnership, (G) Creditors.

1. _____ – A written document that describes the nature of the business, the company's goals and objectives, and how they will be achieved.
2. _____ – A business owned and managed by one person is known as a sole proprietorship.
3. _____ The owner manager in addition to owning and managing the business, the proprietor often performs the day-to-day tasks that make a business successful, with the help of hired employees
4. _____ – (those to whom money is owed) have first claim against the assets.
5. _____ – a business owned by two or more people.
6. _____ – According to law, each member of the partnership has an unlimited financial liability for all the debts of the business.
7. _____ - The laws of some states permit the formation of a limited partnership, which restricts the liability of a partner to the amount of the partner's investment. [Texas does have Limited Partnerships.](#)



Business Management
Vocabulary Terms Chapter 6

(A) Dividends, (B) Close Corporation, (C) Board of Directors, (D) Prospectus, (E) Stockholders, (F) Officers, (G) Quasi-public Corporation, (H) Charter, (I) Nonprofit Corporation, (J) Shares, (K) Joint Venture, (L) Limited Liability Company, (M) Cooperative, (N) Capital Stock, (O) Proxy, (P) Virtual Corporation, (Q) Open Corporation, (R) Corporation

1. _____ – A business owned by a group of people and authorized by the state in which it is located to act as though it were a single person, separate from its owners.
2. _____ (certificate of incorporation) – The official document through which a state grants the power to operate as a corporation.
3. _____ (shareholders) – The owners of a corporation.
4. _____ – Ownership is divided into equal parts called shares. A person who buys one share becomes a stockholder.
5. _____ – Profits that are distributed to stockholders on a per-share basis.
6. _____ – The ruling body of the corporation. Board members are elected by the stockholders.
7. _____ – Top executives who are hired to manage the business. Officers are appointed by the Board of Directors
8. _____ – The general term applied to the shares of ownership of a corporation.
9. _____ – Written authorization for someone to vote on behalf of the person signing the proxy.
10. _____ – Does not offer its shares of stock for public sale.
11. _____ – (publicly owned corporation) – Does offer its shares of stock for public sale.
12. _____ – Formal summary of the chief features of the business and its stock offering.
13. _____ – An agreement among two or more businesses to work together to provide a good or service.
14. _____ – A network of companies that form alliances among themselves as needed to take advantage of fast-changing market conditions.
15. _____ – Special type of corporation that is taxed as if it were a sole proprietorship or partnership.
16. _____ – An organization that does not pay taxes and does not exist to make a profit.
17. _____ – Government financial support (called a subsidy) may be required. This type of business is usually described as a quasi-public corporation. Government imposes regulatory controls over quasi-public corporations.
18. _____ – A business owned and operated by its user-members for the purpose of supplying themselves with goods and services.