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

1. Corporate Structure
2. Advantages for Stockholders
3. Advantages for Businesses
4. Start-up Procedure
5. Taxation
6. Regulatory Requirements
7. Possible Combinations

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.  
   T
9. Multinational corporations usually headquarter in several countries.  
   T
10. If you buy stocks, you own part of a corporation.  
   T
11. Corporate bonds pay dividends.  
   F
12. Corporations have a legal identity.  
   T
13. Dividends represent a portion of corporate profits.  
   T
14. Privately held corporations are also closely held corporations.  
   T
15. The federal government issues a company’s certificate of incorporation.  
   T
16. A conglomerate merges more than three companies making unrelated products.  
   T
17. Publicly held corporations sell stocks to the Securities and Exchange Commission.  
   T
18. Stockholders must pay a capital gains tax whenever they sell their shares.  
   T