

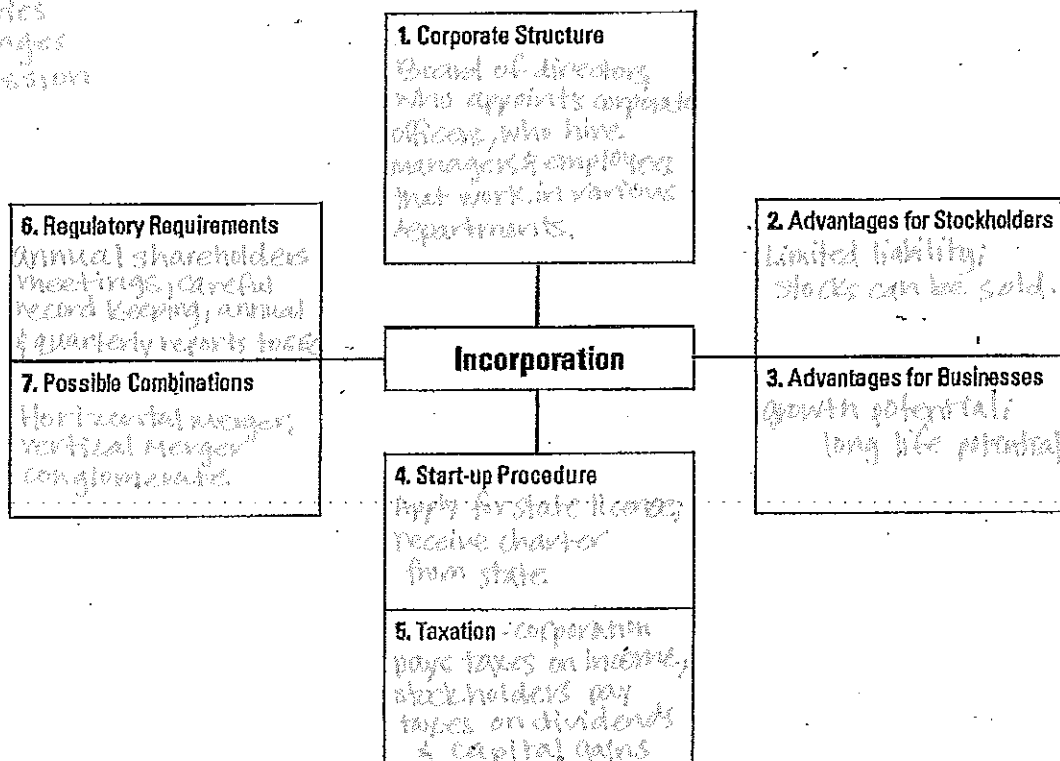
Section 3: Guided Reading and Review

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.

- F 8. Companies in the same business might form vertical mergers. *that's a horizontal merger*
- T 9. Multinational corporations usually headquarter in several countries.
- T 10. If you buy stocks, you own part of a corporation.
- F 11. Corporate bonds pay dividends. *stocks pay dividends*
- T 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.
- F 15. The federal government issues a company's certificate of incorporation. *The state*
- T 16. A conglomerate merges more than three companies making unrelated products.
- F 17. Publicly held corporations sell stocks to the Securities and Exchange Commission. *they sell to the public*
- F 18. Stockholders must pay a capital gains tax whenever they sell their shares. *must be sold for profit*