

Name \_\_\_\_\_

## Joining Forces: The Magic of Limited Liability Partnerships (LLPs)

### Short Answer Key

1. Limited liability benefits partners in an LLP by protecting their personal assets from most business debts and lawsuits.
2. An advantage of the flexible structure of LLPs is the ability for partners to manage the business as they see fit, while a disadvantage could be the potential complexity of registration and compliance requirements.
3. Partners in an LLP might be personally liable for their own negligence or professional malpractice, potentially putting their personal assets at risk.
4. Partners face challenges such as registration requirements and compliance with specific state regulations when setting up an LLP.
5. Answers may vary, but an example could be a group of healthcare professionals, like doctors or therapists, who want to form a practice together while enjoying limited liability protection.

