

Name \_\_\_\_\_

## The One-Person Show: Understanding Sole Proprietorships

### Multiple-Choice Questions

1. What is a sole proprietorship?
  - a) A business with many owners.
  - b) A business with unlimited employees.
  - c) A business where the owner and the business are the same legal entity.
  - d) A business that operates only online.
  
2. What is one advantage of a sole proprietorship?
  - a) Limited personal liability.
  - b) Easy access to capital.
  - c) Complex paperwork.
  - d) Full control over decisions.
  
3. What is a disadvantage of a sole proprietorship?
  - a) Limited access to capital.
  - b) Limited tax benefits.
  - c) Multiple owners.
  - d) No personal liability.
  
4. In a sole proprietorship, who bears all the financial risks?
  - a) The government.
  - b) Shareholders.
  - c) The sole proprietor.
  - d) Lenders.
  
5. What is a potential limitation of a sole proprietorship's growth?
  - a) Access to employee benefits.
  - b) Unlimited personal liability.
  - c) Full control over decisions.
  - d) Limited resources and expertise.

