

Copyright

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Information available mainly in German

The links marked with an * lead to sites with information mainly in German.

Revision of L.L.C. (GmbH) legislation

Please note that the stipulations on the L.L.C. (GmbH) form were modified on January 1, 2008. The amendments affect the following points:

- Founding and maintaining a GmbH with only 1 person is now permitted. Until now at least 2 people were required.
- Equity share capital, which is at least CHF 20'000, has to be fully paid in. Until now it was possible to pay in only 50%. In-kind payment instead of payment in cash is still permitted.
- There is no longer any cap on equity share capital. Until now the maximum permitted was CHF 2 million.
- Paying in the equity share capital in full means the partners are no longer liable jointly and severally, which is a major advantage.
- The obligation to transfer equity shares can be fulfilled simply by putting this in writing as can the transfer itself. The public act of signing is no longer required.
- The requirement in the articles of association that other partners have to approve equity share transfer can be set aside.
- Ownership of a number of equity shares per member is now permitted. Until now each member could only have one share.
- Liability for further contributions and services is now permitted up to double the face value and can be determined individually for each equity share.
- The accounting regulations are new in analogy to legislation on shareholding as is the obligation to draw up an annual report and an auditors report.
- The executive director(s) do not necessarily have to be members. Management of the company can be assigned to third parties.
- The company has to have a representative domiciled in Switzerland. Under the new stipulations the representative may also be a manager or a director.
- Auditing: regular auditing is only required for large GmbHs. Limited auditing is sufficient for most GmbHs. The audit may be dispensed with provided all members agree.

Further information can be found on the website of the Federal Department for Justice and Police www.ejpd.admin.ch* and under www.gruenden.ch*.

Abbreviations used on the following pages

CR = Commercial Register OCR = Ordinance on the Commercial Register CO = Swiss Code of Obligations CC = Swiss Civil Code
SVA Zurich = Social Insurance Institute of the Canton of Zurich

Simple partnership and general partnership / Information for board members and executive directors

Article by the MSM Group, Winterthur www.msmsgroup.ch

A simple partnership is a community based on law and a partnership under Swiss law. Art. 530 of the Swiss Code of Obligations (CO) defines it as a contractual association of two or more individuals to attain a mutual goal by means of mutual powers and funds. According to Art. 530 para. 2 CO the simple partnership is defined conversely as the form of corporation that arises if the conditions are not met for any other form of corporation. Individuals who "carry on trade, manufacturing or any other business according to commercial principles under a mutual firm" (Art. 552 CO) become a general partnership. The simple partnership is not a legal entity and therefore has no legal capacity. The partners are primarily liable joint and severally for the corporation's debts. Be aware that in that moment when you cannot decide for any other legal form and engage in business mutually with others you become part of either a simple partnership or a general partnership. Both may be informal, that is they come into existence without a written contract simply through mere activity performed, e.g. by representation with a mutual name, letterhead or by submitting quotations and invoices in the name of the association.

It is incumbent on members of the board of a joint stock company (AG) or the executive director of a limited liability company (GmbH) to supervise and manage the corporation according to the legislation. Breach of this obligation can lead to the office bearers being held personally liable. Make sure you have regular access to the required information and compare events continuously with the business plan / budget and intervene quickly when something goes wrong. Special care should be taken to pay the OASP contributions regularly because a more stringent level of personal liability is applied in respect of such contributions. The obligations and responsibilities referred to may also be incumbent on so-called de facto organs meaning persons who are not formal members of the board or executive directors but who may substantially influence management of the business.

Procedure for founding a sole enterprise, corp. / plc. (AG) and L.L.C. (GmbH) (1 of 7)			
Preparation			
Draw up a draft concept or a business plan	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u></p> <p>To start with check whether you possess the personal qualities required to work independently and if you have sufficient knowledge or experience. Further information > www.gruenden.ch* > From the idea to a business > The business type. Consult members of your own family, your friends and acquaintances, and draw up a draft concept or a business plan. Further information (in German) can be found at www.gruenden.ch.</p>		
Apply for permits	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u></p> <p>Inquire whether you need authorization for what you have in mind or whether there are statutory legal requirements to be met. Further information can be found at www.bewilligungen.zh.ch* and www.arbeitsbewilligungen.zh.ch (both Canton of Zurich) and http://bewilligungen.kmuinfo.ch* (national level).</p>		
Inquire first whether you will be able to work in a self-employed capacity	<table border="0" style="width: 100%;"> <tr> <td style="width: 70%; vertical-align: top;"> <p><u>Applies to the sole enterprise:</u></p> <p>At an early stage contact your compensation fund to see whether or not the self-employed activity you have in mind will be recognized under the OASI (AHV) legislation. Further information can be found at www.ausgleichskasse.ch* or www.svazurich.ch.</p> <p>For some trades and professions approval to begin working in a self-employed capacity is given exclusively by SUVA. More information can be found at www.suva.ch* > FAQ> Who are compulsorily insured with SUVA?</p> </td> <td style="width: 30%; vertical-align: top; background-color: #ADD8E6;"> <p><u>Applies to the corp./plc and L.L.C.:</u></p> <p>no action required</p> </td> </tr> </table>	<p><u>Applies to the sole enterprise:</u></p> <p>At an early stage contact your compensation fund to see whether or not the self-employed activity you have in mind will be recognized under the OASI (AHV) legislation. Further information can be found at www.ausgleichskasse.ch* or www.svazurich.ch.</p> <p>For some trades and professions approval to begin working in a self-employed capacity is given exclusively by SUVA. More information can be found at www.suva.ch* > FAQ> Who are compulsorily insured with SUVA?</p>	<p><u>Applies to the corp./plc and L.L.C.:</u></p> <p>no action required</p>
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Make preliminary inquiries about insurance above all personal insurance	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><u>Applies to the sole enterprise:</u></p> <p>Check <u>your own insurance needs and obligations</u>, including insurance that covers your business risks.</p> <p>Organize the following insurance <u>for yourself</u>:</p> <ul style="list-style-type: none"> - 1st pillar (OASI, IV, EO) - professional / private pension plan 3a / 3b - take out a daily indemnity policy for sickness - take out an accident insurance (occupational accidents BU and non-occupational accidents NBU) <p>It is not usually possible for <u>you</u> to join a 2nd pillar pension fund (BVG). However you can pay contributions to the pillars 3a and 3b.</p> <p>If you <u>employ others</u> you are also obliged to take out the necessary insurance for your employees. You will also have to organize the 2nd pillar occupational pension fund (BVG) and obligatory accident insurance <u>for your employees</u>.</p> <p>Premiums are charged in each case on the basis of the insured salary.</p> <p>Consult the SUVA www.suva.ch, your own professional association and private insurers and get quotations for insurance. More information can be found in the Guide for SME at www.bsv.admin.ch* and at www.gruenden.ch*.</p> </td> <td style="width: 50%; vertical-align: top; background-color: #ADD8E6;"> <p><u>Applies to the corp. / plc and L.L.C.:</u></p> <p>Check <u>your own insurance needs and obligations</u>, including insurance that covers your business risks.</p> <p>Arrange the following if needed for <u>yourself * and your employees</u>:</p> <ul style="list-style-type: none"> - 1st pillar (OASI, IV, EO) - professional / private pension plan 3a / 3b - take out a daily indemnity policy for sickness - take out an accident insurance (obligatory: occupational accidents BU: non-occupational accidents NBU, if employees work more than 8 hours per week) - take out a daily indemnity policy for accident - children's allowances ** <p>Premiums are charged in each case on the basis of the insured salary.</p> <p>Consult the SUVA www.suva.ch, your own professional association and private insurers and get quotations for insurance. 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Obtain financial backing	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u></p> <p>Finding the necessary capital is a further challenge. Potential backers generally require a business plan so they can consider your project in detail and assess its prospects for success. Further information (in German) can be found at www.gruenden.ch. Once financial backing is guaranteed you will be able to open an account in the name of the firm with the bank of your choice.</p>		
Premises	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u></p> <p>Look out for suitable business premises. Bear in mind that you usually have to deposit three months' rent in advance as a bond onto a blocked account. Further information (in German) can be found at www.gruenden.ch. If renovation or alterations are needed consult the local building authorities first (for municipalities in the Canton of Zurich see www.statistik.zh.ch* > Data according to municipality; other municipalities are easily found using a search engine).</p>		

Procedure for founding a sole enterprise, corp. / plc. (AG) and L.L.C. (GmbH) (2 of 7)			
Inquire whether you are subject to VAT	<p><u>Applies to the sole enterprise:</u></p> <p>Whether or not you are liable for VAT depends on its turnover. If the turnover is above CHF 75,000, you are liable for value added tax. However, because other factors need to be taken into consideration it is advisable to consult the Swiss Federal Tax Administration www.estv.admin.ch* and see how what you have in mind is affected. Ask whether you fulfil the requirements for a simpler method of payment (percentage, settlement on the basis of turnover rather than amounts invoiced).</p> <p>Further information (in German) can be found at www.gruenden.ch.</p>	<p><u>Applies to the corp. / plc and L.L.C.:</u></p> <p>Whether or not a company is liable for VAT depends on the turnover attained in Switzerland. If the turnover is above CHF 75,000, it is liable for value added tax. However, because other factors need to be taken into consideration it is advisable to consult the Swiss Federal Tax Administration www.estv.admin.ch* and see how what you have in mind is affected. Ask whether you fulfil the requirements for a simpler method of payment (percentage, settlement on the basis of turnover rather than amounts invoiced).</p> <p>Further information (in German) can be found at www.gruenden.ch.</p> <p>You can also request a VAT number before the firm is entered into the commercial register. The number only becomes valid after the company has been registered.</p>	
Decide on a name for your company	<p><u>Applies to the sole enterprise:</u></p> <p>Decide on a name for your firm. If you are forming a sole enterprise your own family name has to be incorporated in the firm's name. It is wise to check whether the name you plan to use is available so as to avoid any disputes with other firms using a similar name. The Federal Commercial Registry Office www.zefix.admin.ch* will carry out a search of the register on your behalf. Further information (in German) can be found at www.gruenden.ch.</p>	<p><u>Applies to the corp. / plc and L.L.C.:</u></p> <p>Decide on a name for your firm. Please note that the legal form must be included in the company name (e.g. "corp."/ "plc" or "L.L.C."). It is wise to check whether the name you plan to use is available so as to avoid any disputes with other firms using a similar name. The Federal Commercial Registry Office www.zefix.admin.ch* will carry out a search of the register on your behalf. Further information (in German) can be found at www.gruenden.ch.</p>	
Register the URL	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u></p> <p>Reserve the URL you desire if available through SWITCH Foundation www.switch.ch. This takes 2 to 3 working days. and costs CHF 17 per year.</p>		
Stationery and Internet home page	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u></p> <p>Create your own company logo and corporate identity, have stationery printed and prepare your Internet site. If possible enlist the help of a professional. If you intend using your logo as a <u>trade mark</u> and wish to guard against misuse, register it with the Institute for Intellectual Property IGE www.ige.ch. Bear in mind that although the visual presentation of the company is important, customers will in the end judge you on the quality of your products and services and to how you deal with them. Please note how the company name is to be used pursuant to Art. 954a CO: The complete, unchanged name of the registered firm or of the company, as registered with the commercial register, must be used in correspondence, on order forms and invoices and company notifications. In addition abbreviations, logos, commercial names, signs and other details may also be used. Further information (in German) can be found at www.gruenden.ch.</p>		
Check to see if you have to make an entry in the Commercial Register	<p><u>Only applies to the sole enterprise:</u></p> <p>Natural persons who engage in trade or commerce and whose rough income exceeds a minimum of 100,000 francs (annual turnover) are obliged to register with the commercial register as a sole enterprise (Art. 36 HRegV).</p> <p>HRegV see www.admin.ch* > Dokumentation > Systematische Sammlung > Landesrecht (or better search for the term Handelsregisterverordnung [in German, French and Italian])</p>		
Forming a company			
Determine capitalization and subscription level	<p><u>Applies to the sole enterprise:</u></p> <p>no action required</p>	<p><u>Applies to the corp. / plc:</u></p> <p>Determine the level of share capital (minimum CHF 100,000.-) and the nominal value of the shares (minimum 1 centime) and decide how many shares are to be allotted to each of the founding partners.</p> <p>Decide how the shares are to be paid up (cash, goods, property, in-kind payments) and what share capital has to be paid up, or covered by in-kind payments, goods or property when the company is founded (minimum CHF 50,000; at least 20% of the nominal value of each share has to be paid up). Open a blocked account at the bank of your choice to pay in cash.</p>	<p><u>Applies to the L.L.C.:</u></p> <p>Determine the level of equity share capital (minimum CHF 20,000) and the value of the equity shares (CHF 100) and decide how the shares are to be allotted to each of the founders.</p> <p>Decide how the shares are to be paid up (cash, goods, property, in-kind payments) but note that the share capital has to be paid up in full.</p> <p>Open a blocked account at the bank of your choice to pay in cash.</p>

Procedure for founding a sole enterprise, corp. / plc. (AG) and L.L.C. (GmbH) (3 of 7)			
Elect the company organs	<p><u>Applies to the sole enterprise:</u> no action required</p>	<p><u>Applies to the corp. / plc:</u> Determine which of the shareholders will be appointed to the board of directors. Appoint an independent auditor entitled to practice under audit legislation meeting the requirements of Art. 728 CO with respect to independence and get confirmation from the auditor that the appointment has been accepted. If all shareholders give their approval the (limited) audit can be dispensed with if the corporation employs less than the equivalent of 10 full-time employees on average per year (c.f. Art 727a paras. 2 to 5 CO).</p>	<p><u>Applies to the L.L.C.:</u> no action required All shareholders are mutually responsible for managing the firm, however, shareholders may make other arrangements in the articles of association in deviation from this stipulation. Each executive director is entitled to represent the company. In deviation from this other stipulations may be made in the articles, however at least on one executive director must be appointed to represent the company. Appoint an independent auditor entitled to practice under audit legislation and meeting the requirements of Art. 728 CO with respect to independence and get confirmation from the auditor that the appointment has been accepted. If all shareholders give their approval the (limited) audit can be dispensed with if the corporation employs less than the equivalent of 10 full-time employees on average per year (c.f. Art 727a para. 2 to 5 CO).</p>
Determine the organizational structure	<p><u>Applies to the sole enterprise:</u> no action required</p>	<p><u>Applies to the corp. / plc:</u> Determine the organizational structure of the company, appoint managers and decide who is authorized to sign on behalf of the company. It may be necessary to apply for and obtain permits for specialists from abroad > see "Permits" above. At this stage draw up rules for management determining who is responsible for specific areas and tasks within the company and what competence is assigned to the board members. If management of the company is delegated to individual board members or to third parties rules of management are expressly required by law.</p>	<p><u>Applies to the L.L.C.:</u> Determine the organizational structure of the company, appoint managers and decide who is authorized to sign on behalf of the company. If stipulated in the articles of association, select an auditor. It may be necessary to apply for and obtain permits for specialists from abroad > see "Permits" above. At this stage establish rules for management determining the responsibility and competence of the executive director and other office bearers.</p>
Establishment	<p><u>Applies to the sole enterprise:</u> A sole enterprise comes into existence when business commences. The firm exists regardless of whether it is registered with the commercial register.</p>		<p><u>Applies to the corp. / plc and L.L.C.:</u> Both a corporation and a limited liability company come into existence when they are entered into the commercial register.</p>
Payment of foundation capital	<p><u>Applies to the sole enterprise:</u> no action required</p>	<p><u>Applies to the corp. / plc:</u> If founders pay in cash subscriptions the share capital should be paid onto a blocked bank account and placed at the disposal of the company. Further information on the topic Lodgement of capital is available e.g. at www.zkb.ch*</p>	<p><u>Applies to the L.L.C.:</u> If the founders pay in cash subscriptions, the equity share capital is paid in at the disposal of the company. Further information on the topic Lodgement of capital is available e.g. at www.zkb.ch*</p>
Preparing to notify the Commercial Registry Office	<p><u>Applies to the sole enterprise:</u> Prepare the entry for the commercial register. The entry must contain the following information: Name of the firm, translations of the name into other languages if any, domicile (political district), address (street and number), purpose (actual activity engaged in), personal data of the firm's owner (name, given name, place of origin or for citizens of other countries citizenship, place of residence), data of other authorized signatories (family name, given name, place of origin or for citizens of other countries citizenship, place of residence, type of signing authority). The firm's owner must sign the application for registration with his personal signature and business signature as must the other authorized signatories; all signatures must be officially certified. The application for registration is to be submitted to the cantonal commercial register. It can be delivered personally or sent by post. Usually the extract from the commercial register is available about one week later (an extract from the Swiss Commercial Gazette can be ordered; this can be obtained within 24 to 48 hours). Information sheets, forms and specimen forms can be found on the cantonal commercial registry's website: national guide to the cantonal commercial registers > www.zefix.admin.ch; Commercial Registry Office of the Canton of Zurich website > www.hra.zh.ch</p>		

Procedure for founding a sole enterprise, corp. / plc. (AG) and L.L.C. (GmbH) (4 of 7)**Preparation of paperwork**

Applies to the corp. / plc:

Consult a notary in advance and find out which papers are needed and what information needs to be submitted when the incorporation act is signed. Draw up these papers or commit this task to a notary or a trustee. Drafts of the documents needed for the entry in the commercial register may be submitted to the Commercial Registry Office for checking. However, the Office only checks to see if the papers conform to binding legal requirements and not whether the papers themselves and the contents are the most suitable for the particular case in question.

Information and papers needed to form the company:

- Personal data of the founders (or their representatives), members of the board, the authorized representatives of the company and the auditors (name, given name, date of birth, place of origin and address; if a firm of auditors is appointed the name of the firm and its domicile);
- Application for registration in the commercial register, signed by two members of the board of directors or by one member with power of proxy and the corporate signatures of all authorized signatories (further members of the board of directors, directors, managers, persons with power of attorney, other authorized representatives of the company). All signatures must be officially certified;
- Minutes of the constitutional meeting;
- Clear and unequivocal articles of association containing the details required in legislation (in particular the name of the company, its registered domicile and purpose). When formulating the purpose of the company it is best not to define the field of activity too narrowly enabling the company to cope with future change. However, descriptions that are too broad in scope (e.g. services of all kinds or manufacture of goods of all kinds) are not permitted;
- Proof that members of the board of directors and the auditors have accepted their appointments (declaration of acceptance of the appointments) if this is not apparent from the memorandum of association);
- If necessary, proof that the auditors required under the legislation have accepted the appointment (confirmation that the appointment has been accepted) if this is not apparent from the memorandum of association;
- Minutes of the constitutional meeting of the board of directors, stating who was elected chairman and what signing authority has been given;
- If shares are paid in cash: Confirmation from the bank where the deposits have been made if the bank is not already mentioned in the memorandum of association;
- If the company does not dispose of a legal domicile where it is registered: Declaration by the domicile holder that the company has been granted a legal domicile where it is registered (c/o address);
- Declaration by the founders to the intent that no other payment in kind exists and that shareholders have not be granted any privileges other than those mentioned in the documents (Stampa declaration);
- Lex Friedrich declaration if the company intends to acquire real estate for purposes other than for a permanent business unit.

If in kind payments are made, or if such are to be made, or if special privileges are granted to shareholders the following documents also have to be submitted:

- Contracts for in-kind payments including the necessary documents (inventories and/or acquisition balance sheets);
- Take-over contracts including the necessary documents (inventories and/or acquisition balance sheets);
- Memorandum of association signed by all founders;
- Unreserved confirmation of an audit by a state supervised auditing company, accredited auditing specialist or auditor.

Information sheets, forms and specimen forms can be found on the cantonal commercial registry's website:

national guide to the cantonal commercial registers > www.zefix.admin.ch; Commercial Registry Office of the Canton of Zurich website > www.hra.zh.ch

Procedure for founding a sole enterprise, corp. / plc. (AG) and L.L.C. (GmbH) (5 of 7)**Preparation of paperwork**

Applies to the L.L.C.:

Consult a notary in advance and find out which papers are needed and what information needs to be submitted when the incorporation act is signed. Draw up these papers or commit this task to a notary or a trustee. Drafts of the documents needed for the entry in the commercial register may be submitted to the Commercial Registry Office for checking. However, the Office only checks to see if the papers conform to binding legal requirements and not whether the papers themselves and the contents are the most suitable for the particular case in question.

Information and papers needed on forming the company:

- Personal data of the founders (or their representatives), members of the board of management, the authorized representatives of the company and the auditors (name, given name, date of birth, place of origin and address; if a firm of auditors is appointed the name of the firm and its domicile);
- Application for registration in the commercial register, signed by two members of the board of management or by one member with power of proxy and the corporate signatures of all authorized signatories (further members of the board of management, persons with power of attorney, other authorized representatives of the company). All signatures must be officially certified;
- Minutes of the constitutional meeting;
- Clear and unequivocal articles of association containing the details required by the legislation (in particular the name of the company, its registered domicile and purpose). When formulating the purpose of the company it is best not to define the field of activity too narrowly leaving room for the company to cope with future change. However, descriptions that are too broad in scope (e.g. services of all kinds or manufacture of goods of all kinds) are not permitted;
- If the executive director has to be chosen by vote: Proof that the persons concerned has accepted the appointment (declaration of acceptance of the appointment if this is not apparent from the memorandum of association);
- If necessary, proof that the auditors required under the legislation have accepted the appointment (declaration of acceptance of the appointment if this is not apparent from the memorandum of association);
- If necessary, either a copy of the founders' decision or, if prescribed in the articles of association, the decision of the board of management appointing a chairman of the board of management;
- If necessary, either a copy of the founders' decision or, if prescribed in the articles of association, the decision of the board of management appointing further individuals who are entitled to represent the company;
- If shares are paid up in cash: Confirmation from the bank where the deposits have been made if the bank is not already mentioned in the memorandum of association;
- If the company does not dispose of a legal domicile where it is registered: Declaration by the domicile holder that the company has been granted a legal domicile where it is registered (c/o address);
- Declaration by the founders to the intent that no other payment in kind exists and that shareholders have not be granted any privileges other than those mentioned in the documents (Stampa declaration).

If in kind payments are made, or if such are to be made, or if special privileges are granted to shareholders the following documents also have to be submitted:

- Contracts for in-kind payments including the necessary documents (inventories and/or acquisition balance sheets);
- Take-over contracts including the necessary documents (inventories and/or acquisition balance sheets);
- Memorandum of association signed by all founders;
- Unreserved confirmation of an audit by a state supervised auditing company, accredited auditing specialist or auditor.

Information sheets, forms and specimen forms can be found on the cantonal commercial registry's website:

national guide to the cantonal commercial registers > www.zefix.admin.ch; Commercial Registry Office of the Canton of Zurich website > www.hra.zh.ch

Procedure for founding a sole enterprise, corp. / plc. (AG) and L.L.C. (GmbH) (6 of 7)		
Legal situation on in-kind payments and acquisition of assets	<u>Applies to the sole enterprise:</u> no action required	<u>Applies to the corp. / plc and L.L.C.:</u> If share or equity capital is covered by in-kind payments, a declaration to this effect must be included in the articles of association (Art. 628 paras. 1 and 2, Art. 777c paras. 1 and 2 CO) and special formalities must be observed. The same applies if capital is paid in in cash with the intention of purchasing substantial assets on or after foundation of the company. Compare section 2 of the Stampa declaration.
Preliminary check of papers	<u>Applies to the sole enterprise:</u> no action required	<u>Applies to the corp. / plc and L.L.C.:</u> It is advisable to submit drafts of the papers required by the Commercial Registry Office in advance for a preliminary check. This takes about seven working days and generally costs between CHF 200 and 300; if there are complications this may be expensive.
Notarization of the foundation papers	<u>Applies to the sole enterprise:</u> no action required	<u>Applies to the corp. / plc and L.L.C.:</u> Submit the necessary notarial papers to the notary in good time so that he can prepare the act of signing. The subscribers (for a Ltd company) / members (for an L.L.C.) must be present when the company is formally founded either in person or be represented by an appointee and the foundation papers must be signed in the presence of the notary. They must produce official identification (e.g. a passport). Legal representatives must also present appropriate identification and submit an officially certified power of proxy.
Official certification of signatures	<u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u> All signatures on the application to the Commercial Registry Office must be officially certified This can be done by a notary, town official or at the counter of the Commercial Registry Office. Each individual must produce appropriate identification. Duration: about 30 minutes. It is best to make an appointment in advance. Costs for certification of a signature: CHF 20 to CHF 30 by a notary; CHF 20 by the municipality; CHF 10 by the commercial register	
Registration at the Commercial Registry Office	<u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u> The application for registration (either drawn up by the applicant or on the commercial registry office's form) is to be submitted to the cantonal commercial register. It can be delivered personally or sent by post. It is advisable to order an extract from the commercial register. The application will be checked by the Commercial Registry Office. If the application is complete and complies with the legislation, the company is registered in the cantonal commercial register within approximately seven working days. The Federal Commercial Registry Office is notified of the entry. After this office has given its approval, usually within one or two working days, the registration procedure is concluded. The Federal Commercial Registry Office then gives instructions for the entry to be published in the Swiss Commercial Gazette (SHAB). This takes about another three working days. <u>Basic fee:</u> CHF 120 for a sole enterprise; CHF 600 for a Ltd company (a supplement is charged if the capital exceeds CHF 200,000); CHF 600 for an L.L.C. (a supplement is charged if capital exceeds CHF 200,000) <u>Other charges:</u> - for each office bearer CHF 20 - for each authorized signatory CHF 30 - drawing up an application CHF 70 - extract from the commercial register CHF 50 - confirmation of the entry prior to publication in SHAB CHF 120 - official fees depending on what is involved, between CHF 5 and 150 <u>Special features for the corp./plc. and the L.L.C.:</u> As soon as the company has been inscribed in the commercial register, it can obtain an extract for presentation to the bank and is able to use the deposited capital. The stock company (as a legal entity) is now founded and acquires legal personality when the entry is published in the commercial register. From this point in time the company is now fully entitled to act. <u>Legal transactions before registration > Corp. / plc and L.L.C.:</u> Legal transactions may be made before the company is entered in the commercial register but those entering into such transactions are liable joint and severally for debts incurred. Such individuals can only be relieved of this liability if commitments are expressly made in the name of the future company and if such commitments are subsequently accepted by the company within three months of its being registered in the commercial register.	

Procedure for founding a sole enterprise, corp. / plc. (AG) and L.L.C. (GmbH) (7 of 7)			
Preparation of further paperwork	<p><u>Applies to the sole enterprise:</u> no action required</p>	<p><u>Applies to the corp. / plc:</u> Depends on the articles of association: issuing shares, share certificates or contracts with shareholders. Opening a shareholders register (names of personal shareholders)</p>	<p><u>Applies to the L.L.C.:</u> Provide evidence showing shares have been paid up (optional). Establish and maintain a register of shareholders (obligatory).</p>
Bookkeeping requirement begins	<p><u>Applies to the sole enterprise:</u> If you are obliged to register your company in the commercial register, you are also required to keep regular books. On the other hand firms that have voluntarily registered in the commercial register are not subject to the compulsory bookkeeping requirement. Nevertheless, even if you are not subject to the bookkeeping requirement self-employed persons (professionals and farmers) are obliged to keep and preserve accounts for taxation purposes (see. Art. 125 para. 2 Federal Law on the Direct Tax to the Confederation DBG > www.admin.ch*). Costs incurred in connection with formation may be booked to the accounts per date of foundation – provided receipts are available. Further information (in German) can be found at www.gruenden.ch.</p>		<p><u>Applies to the corp. / plc and L.L.C.:</u> You are obliged to keep books when the company is registered in the commercial register. Costs incurred prior to formation may be booked to the accounts per date of foundation – provided receipts are available. Further information (in German) can be found at www.gruenden.ch.</p>
Registration with the association's compensation fund or that of the canton	<p><u>Applies to the sole enterprise:</u> Contact either your association's compensation fund or that of the canton to let them know that you have become self-employed and to get more information about obligatory OASI (AHV) payments and about employees' family allowances. More information can be found at: - www.ausgleichskasse.ch* - SVA Canton of Zurich www.svazurich.ch</p>		
Registering the company's activity at its domicile	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u> Notify the authorities at the company's domicile about your activity – either the municipality or the district office: - for municipalities in the Canton of Zurich see www.statistik.zh.ch* > Data according to municipality - other municipalities are best found using a search engine</p>		
After the company is founded			
Further notification	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u> As a rule either an extract from the commercial register or the text entry are required when applying for a company phone number. Depending on the circumstances a deposit is payable per phone or fax number (about CHF 800). The Traffic Department requires an extract from the commercial register when company vehicles are registered and for number plates.</p>		
Take out appropriate insurance	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u> Take out the necessary insurance cover (fire, water damage, premises and operational liability among others). This type of insurance costs between CHF 1,000 and 5,000 annually. Further information (in German) can be found at www.gruenden.ch. At the same time take out the personal insurance already referred to under the heading "Make preliminary inquiries about insurance".</p>		
Beginning of the development phase	<p><u>Applies to the sole enterprise, corp. / plc and L.L.C.:</u> Congratulations! You have now founded your own company. Now you move on to the development phase. What you do during the initial months is decisive to the continued existence of your company. Keep your eye on the key factors. Further information (in German) can be found at > www.gruenden.ch.</p>		

Useful agencies and sources of information			
www.zuerich.ch	Zurich Portal	www.venturelab.ch *	Venturelab innovation promotion
www.location.zh.ch	Economic Development, Canton of Zurich	www.bbt.admin.ch	Innovation promotion agency
www.greaterzuricharea.ch	Greater Zurich Area	www.ctistartup.ch	CTI Start-up
www.arbeitsbewilligungen.zh.ch	Labor permits in the Canton of Zurich	www.startzentrum.ch *	Start Business Incubator Zurich
www.bewilligungen.zh.ch *	Permit platform of the Canton of Zurich	www.btools.ch *	Business Tools - courses for founders
www.hra.zh.ch	Commercial Registry of the Canton of Zurich	www.swissparks.ch	Club for CH technology parks & incubators
www.notariate.zh.ch *	Notaries in the Canton of Zurich	www.technopark.ch	Alliance of technology parks
www.svazurich.ch	SVA Zurich (social security institute)	www.transfer.ethz.ch	ETH Transfer
www.zkb.ch *	Cantonal bank of Zurich	www.unitectra.ch	Technology transfer of Bern and Zurich universities
www.kmuadmin.ch *	Official counter for online company formation	www.kantonalbank.ch	Group of cantonal banks
www.kmuinfo.ch *	SME Portal of Seco	www.ebk.admin.ch	Swiss Federal Banking Commission > other banks
www.kmu-next.ch *	KMU-next – Business Succession Platform	www.seca.ch	Swiss venture capitalists' umbrella organization
www.kmu.unisg.ch	Swiss Institute for SMEs, University of St. Gallen	www.osec.ch	Osec Business Network Switzerland
www.ch.ch	Swiss Portal	www.poolofexperts.ch	Pool of Experts for Export Questions
www.ausgleichskasse.ch *	Cantonal Compensation fund	www.statistik.zh.ch *	Statistical Office Canton Zurich > Municipalities
http://bewilligungen.kmuinfo.ch/ *	Permit platform of the Confederation	www.bfs.admin.ch	Federal Office for Statistics – Statistics for Switzerland
www.bsv.admin.ch	Federal Office for Social Insurance > SME Advice	www.advofinder.ch	Search for an attorney – Zurich Bar Association
www.estv.admin.ch *	Federal Tax Administration > VAT	www.swisslawyers.com *	Swiss Bar Association
www.ezv.admin.ch *	Federal Custom's Administration	www.stv-usf.ch	Swiss Trustee Association
www.seco.admin.ch	State Secretariat for Economic Affairs	www.treuhand-kammer.ch *	Trustee Chamber
www.locationswitzerland.admin.ch	Location Switzerland > Econ. development of cantons	www.iuni.ch *	Practice-oriented legal information
www.suva.ch	SUVA Swiss Accident Insurance Fund		
www.zefix.admin.ch	Federal Office for the Commercial Register		