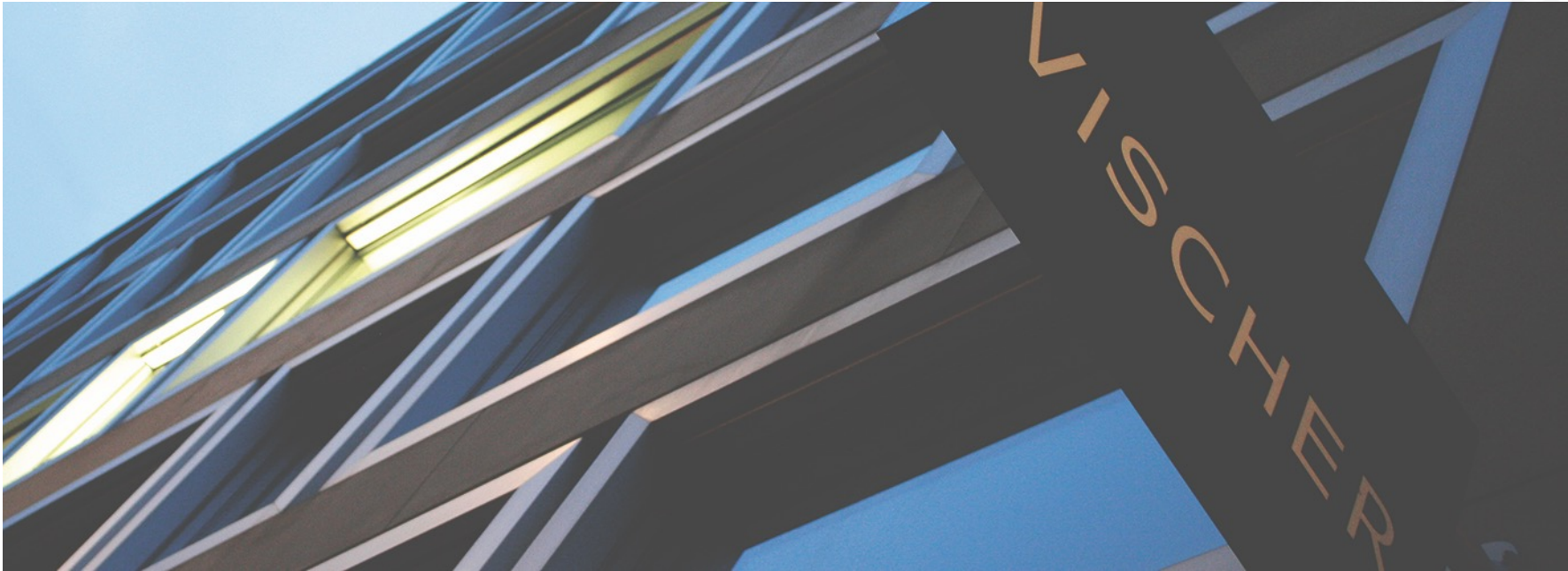


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Setting-up a start-up company.



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Setting-up a start-up company.

- **Legal structures available under Swiss law**
- **Incorporation requirements**
- **Basics of Swiss contract law**
- **Residence and work permits**
- **Financing (legal aspects)**
- **Q&A**

Legal structures available under Swiss law.

- **Sole ownership (*raison individuelle*)**
- **Partnerships**
- **Corporate structures: LLC (*Sàrl*) and corporations (*SA*)**
- **Non-profit structures (associations and foundations)**

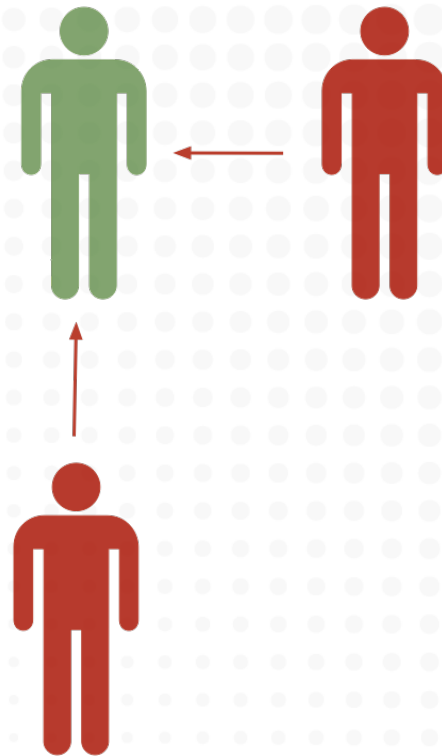
Sole ownership.

- **Pros |**

- Limited regulatory burden;
- Minimum (or no) capital requirement;
- Profits acquired directly;
- Self-employed status.

- **Cons |**

- Unlimited liability;
- No business continuity;
- Financing only through debt.



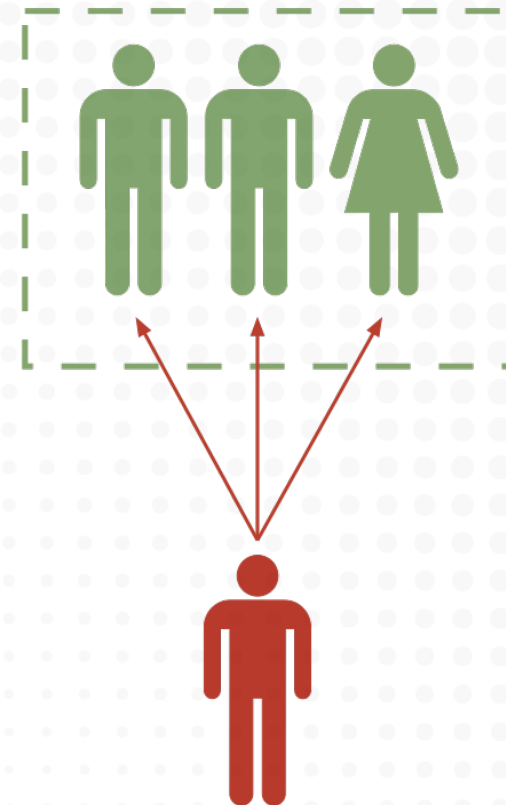
Partnerships.

- **Pros |**

- Easy to create (only contract);
- Possibility to agree on costs and profits allocation;
- Self-employed status.

- **Cons |**

- Unlimited liability;
- Conflicts among partners;
- Shared ownership on business assets.



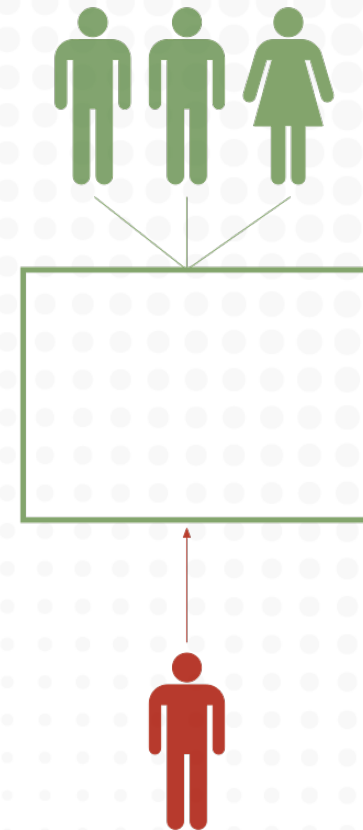
Corporate structures.

- **Pros |**

- Limited liability;
- Facilitated transfer of ownership;
- Business continuity;
- Separate legal entity;
- Financing through debt or equity.

- **Cons |**

- Regulatory burden;
- Incorporation and maintenance costs;
- Requirement of corporate records.



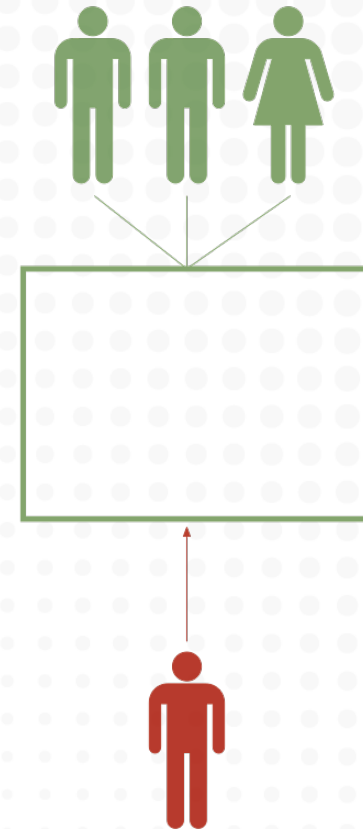
Non-profit structures (association).

- **Pros |**

- Low incorporation costs;
- Democratic control (by law);
- Limited liability;

- **Cons |**

- Limited purpose by law (only limited commercial activity);
- Financing only through debt;
- Limited redistribution of profits.



Incorporation requirements – SA vs. Sàrl.

	SA	Sàrl
Share capital	CHF 100,000 (min. CHF 50,000)	CHF 20,000
Share par value	> 0	> 0
Public disclosure	Directors name and domicile	Directors and shareholders name and domicile / share ownership
Ancillary obligations	No	Limited, if provided in articles of association
Additional contributions	No	Yes, if provided in articles of association
Conditional share capital / Capital band	Yes	No

Incorporation requirements – Main steps.

- **Company name** | Decision on company name and verify availability.
- **Administrative information** | Decision on the purpose of the company, the address of the company and the persons to be elected on the board of directors (and signatory powers).
- **Identity documents** | To be collected for all shareholders and board members (legalized signature).
- **Subscription amount** | Open blocked bank account and wire the funds. Other types of subscription?
- **Organization** | Special terms in the articles of association? Shareholders agreement?

Basics of Swiss contract laws.

- **Main terms provided by law** | Most contract types have standard terms applicable by law. Nevertheless, always recommended to specify the terms in writing.
- **Form** | Certain contracts require a handwritten signature (e.g. employment contracts) – No Docusign.
- **IP** | Make sure to retain IP from your projects (employees, partners, consultants, etc.). Use NDAs.
- **Legal limitations** | Certain contracts are very flexible (e.g. services contracts), whereas other have a lot of standardized (optional) regulations (e.g. sale contracts) and other are subject to legal limitations (e.g. employment contract).
- **Risk assessment** | Determine your risks for each transaction. Possibility to use standardized terms and conditions. Reach for help in case of doubt.

Residence and work permits.

	EU/EFTA (excl. Croatia)	Others
Principle	Right to work in CH	Right to work in CH subject to authorization (depending on economic interest)
Request	M form if Swiss resident, F form if French resident, with business plan	M Form with business plan (incl. financial forecasts, company organisation), resume and cover letter
Procedure	OCPM	OCPM in coordination with OCIRT and SEM
Timeline	Approx. 4 to 6 weeks. Start working as of filing date	Min. 3 months. Start working as of approval date date
Switch to self employment	No additional requirement	New permit

Residence and work permits.

Conditions applicable to non-EU/EFTA nationals

- **General conditions to work as self-employed |**
 - Admission serves the interests of CH;
 - Project fundings and operational requirements are available;
 - Sufficient revenues to remain financially autonomous and appropriate domicile in CH;
 - Available quotas; and
 - Personal qualifications (C-level employees, specialists, qualified workers, etc.).
- **Exceptions |** Limited exceptions/exemptions for cross-border workers and students following graduation from a Swiss university.

Financing – legal aspects.

- **Equity** | Require a share capital increase (notary) – implementation costs and lengthy procedure. Direct dilution of all shareholders. Limited (to no) possibility of reimbursement of the investors.
- **Debt** | Only contractual – limited costs and rapid implementation. No dilution of the shareholders. Reimbursement terms to be closely checked. Possibility to provide for (mandatory/optional) conversion into shares.
- **Share Transfer?** | Limited implementation costs but only indirect financing and potential tax issues.

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Merci beaucoup.

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