

Features of a partnership

- Purpose:**
- Running a business trade with 2 or more natural persons
- Creation:**
- By signing of a partner contract
- Legal entity:**
- No own legal entity - the company is, however, capable of taking actions, suing or being sued and being claimed against for debt
- Form regulations:**
- Signing of a partner contract
 - Registration in the register of commerce
- Organs:**
- Partner
 - Managing Director (generally also a partner)
- Company designation:**
- The personal name of at least one partner with unlimited liability must be included with the addition: " Co.", "& Cie-", "+ Son", "+ Heirs" and "Bros." etc. (The personal name of limited partners may not be included in the company name, otherwise they become liable in the same way as general partners.)
- Foundation:**
- Number of founders
 - 2 or more natural persons
 - Origin of founders
 - Swiss and foreign citizens (at least one representative must be resident in Switzerland).
 - Cost factors during foundation
 - Drawing up of a partner contract
 - Registration in the register of commerce
 - From approx. CHF 3,000 (partner contract)
 - Costs of foundation
 - Approx. CHF 400 (registration in register of commerce)
- Liability:**
- First of all business assets
 - Secondly, partners, unlimited and joint
- Taxes:**
- The partners pay tax on both business income and capital assets together.
- Recommendations
- Carefully draw up a written partner contract.
- Advantages**
- No minimum capital
 - Simple foundation
 - Combination of the strength and capital of 2 or more persons in order to achieve a mutual business objective.
 - Unlimited liability of partners
- Disadvantages**
- Independence of the company from the partners (if 1 of 2 leaves, this may endanger existence of the company although conversion into a proprietorship is possible)
 - Restraint of trade agreement among the partners if no other converse agreements are reached.
 - Any disagreements between the partners