

SOLE PROPRIETORSHIP	PARTNERSHIP	CORPORATION	LIMITED LIABILITY COMPANY
<p>Also called sole trader (UK) = Entreprise Individuelle → Single ownership → so no sharing of profit and loss → so one man's capital → so one man's control → less legal formalities → !!! UNLIMITED LIABILITY: Your personal and business assets are considered the same. Thus your personal assets can be used to pay the liabilities of the business.</p>	<p>When 2 or more entities associate to → Share profits and losses. → Via a contractual relationship. → Each acting as an agent of the partnership (Mutual agency) → !!! UNLIMITED LIABILITY (however there are several types: general, limited and limited liability partnerships) = SNC (Société en Nom Collectif), Société en Commandite</p>	<p>A legal entity distinct from its owners (→ pers morale) → Set up by shareholders who invest in an initial capital → Becomes a public company as it later floats on stock market and will issue stocks and bonds in order to raise/ increase its capital; will then have shareholders and stockholders and reward their investment via dividends → Operate for profit → Is run by a board of directors elected by the shareholders → So: a separate legal entity, unlimited life, LIMITED LIABILITY: Company owners are only liable for the amount they invested. Creditors and lenders have no claim to the owners' personal assets for payments owed by the shareholders → SA in France (Corp. or Inc. for corporations, most of the time, although there are several types of corporations.)</p>	<p>A legal entity distinct from its owners (→ pers morale) → Set up by shareholders who invest in an initial capital (no minimum amount) → Is a private company. Can't float on the stock market unless it goes public through flotation (=Flotation is the process of converting a private company into a public company by issuing shares and making them available to the public for purchase. It will then become a PLC) → So: a separate legal entity, unlimited lifetime (defined when it registers), LIMITED LIABILITY</p>