The Limited Liability Company

The limited liability company is the most common form of company in Romania, being the legal entity that best serves the interests of investors both from the point of view of the reliability of the activity, and from the perspective of its management. The limited liability company is abbreviated "SRL" in Romania and is the equivalent of the American limited liability company Limited Liability Company (abbreviated to LLC) or the German economic structure "Gesellschaft mit beschränkter Haftung" (abbreviated to GmbH), or the structure called "limited" , the structure used in most Latin American states.

The limited liability company is characterized by:

- ✓ ***the character intuitu personae***, which means that this economic structure is based on the trust between the associates;
- ✓ ***the division of the share capital into fractions called shares***, which cannot be negotiable securities;
- ✓ ***the liability of the associates is limited*** to their contribution to the share capital.

The limited liability company may also have a single partner, natural or legal person, of Romanian or foreign nationality, who will be the owner of all shares. Instead, the maximum number of associates is 50 people.

At present, the Romanian law no longer conditions the subscription and payment of a certain amount as share capital.

Through registration, the company acquires legal personality, becoming, under the law, a collective subject of law. The conclusion given by the judge is sent, ex officio, to the Official Gazette of Romania for publication at the expense of the company and to the Financial Administration in whose territorial area is the main headquarters of the company for fiscal registration, mentioning the registration number in the Trade Register .

Company's name (company)

• Choosing the name of the company (company) is the step prior to its registration in the Trade Register;

• The company is a mandatory element for identifying and individualizing the company and has the role of distinguishing a company from any other professional;

• The company must be chosen so as not to confuse with other companies or names previously registered in the trade register.

• A company is distinctive when it consists of a name that is not necessary, generic or usual and when it is not identical or similar to other companies previously registered in the trade register.

The distinctiveness of the company is appreciated both from the point of view of the spelling and of the topic of the words that form the name.

• They do not represent elements of distinctiveness, without the enumeration being limiting.

- articulation of words;
- reversing the order of the words that became part of a registered or reserved company;
- doubling one or more of the letters or numbers that have become part of a registered or reserved company;
- adding or removing adverbs, prepositions, conjunctions, numbers, punctuation marks and other similar features, having a vague meaning, as well as abbreviations that are not likely to change the meaning of the name;
- the use of different words from a semantic point of view, but phonetically identical;
- the use of abbreviations of the words that are part of a registered or reserved company;
- use of symbols equivalent to letters and words, for example, @, #, n,% etc .;
- use / non-use of diacritics;
- the addition, deletion or replacement of a part of the registered or reserved name, if the addition, deletion or replacement does not change the meaning of the company or the use of the words "group", "holding", "company", "trust", "corn", "trans" or the like;
- adding the word "Romania" regardless of the language in which it is rendered.

• The company is registered in the trade register, in the registration certificate and in the other documents issued by the trade register in capital letters and with diacritics;

• In order to reserve, the company is subject to the operation of verifying the cumulative fulfillment of the general and special conditions of legality, availability and distinctiveness towards the companies registered in the trade register or reserved for registration.

• The verification and reservation of the company is done at national level.

• The company may not contain the words "scientific", "academy", "academic", "university", "university", "school", "school" or their derivatives.

• The company containing the words "national", "Romanian", "institute" or their derivatives or words or phrases characteristic of central or local public authorities and institutions can be used only with the consent of the General Secretariat of the Government, respectively of the prefect.

The company must include all the elements required by law, depending on the type of legal entity concerned:

- The company of a general partnership consists of the name, firm or name of at least one of the partners, with the mention "general partnership", written in full.
- The company of a limited partnership consists of the name, company or denomination of at least one of the limited partners, with the mention "limited partnership", written in full.
- The company of a joint stock company or limited partnership consists of a name with its own meaning and is followed, as the case may be, by the mention "joint stock company", written in full or "S.A.", or "limited partnership" ", written in its entirety.
- The company of a limited liability company consists of a name with its own meaning, to which can be added the name of one or more partners and is followed by the mention "limited liability company", written in full or "S.R.L."
- The company of a European company consists of a proper name that will be preceded or followed by the abbreviation "S.E.", according to Council Regulation (EC) no. 2,157 / 2001.
- The company of the autonomous administration, the national company or the national company is the one established by the normative act of their establishment.
- The company of the national research-development institute is the one established by its founding act.
- The company of the cooperative society consists of a proper name and is accompanied by the phrase "cooperative society".
- The company of the credit cooperative consists of its own name, accompanied by the phrase "credit cooperative" or "cooperative bank", indicating the name of the locality where it has its registered office. The chosen phrase is mandatory for all credit cooperatives within the same cooperative network. The firm of the central credit house shall consist of the proper name referred to in the first subparagraph, accompanied by the phrase "central house" or "cooperative central bank".

- The company of the agricultural cooperative consists of a proper name, accompanied by the phrase "agricultural cooperative".
- The company of a European cooperative society consists of a proper name, preceded or followed by the mention "European cooperative society" or the initials "S.C.E.", and when the members of the European cooperative society have limited liability, and the phrase "limited liability".
- The company of the economic interest group consists of a proper name, preceded or followed by the phrase "economic interest group" or the initials "G.I.E."
- The signature of the European Economic Interest Grouping consists of a proper name, preceded or followed by the phrase "European Economic Interest Grouping" or the initials "G.E.I.E."
- The company of the subsidiary of a legal entity follows the rules provided for the legal form in which the respective person was incorporated, to which the word "subsidiary" can be added, according to the option of this registered legal entity.
- The company of the branch consists of the company of the legal entity that established it, the name of the locality where its registered office is located, followed by the word "branch" and the name of the locality where the branch has its headquarters. In the case of the establishment by the same legal entity of several branches in the same locality, it can be added to the mentions from par. (1) an indication of the nature to distinguish them from each other.

The patrimony of the company

Financial resources are a component of the patrimony of commercial companies. It represents the totality of rights and obligations that can be expressed in money, belonging to a natural and legal person, whose needs are intended to satisfy them, as well as the goods to which they refer.

As stocks of values, the components of patrimony result from the flows of receipts and payments in which financial resources continuously participate and from their transformation from monetary values into material values and again monetary values in the circuit of commercial capital.

The economic means of the company's assets are highlighted in three groups: immobilized assets, current assets and means in the process of regularization.The patrimony is

highlighted in the accounting balance sheet of the commercial company in the form of economic means (stocks of values) in assets and sources of their formation in liabilities.

Share capital

In Romania, any share capital is divided into fractions equal in value and are named according to the type of company chosen, social shares, shares or interests. Of these, only shares are negotiable securities and are specific to joint stock companies or limited liability companies. The social parts are specific to limited liability companies. The parties of interest are a division of the share capital of the joint-stock company and the simple limited company. The shares of interest belong to the associates in proportion to the share of contribution to the formation of the social capital.

The equity is composed of the social capital, constituted by the contribution in money or in kind of the associates, from the value of the shares issued and sold and from the favorable differences in the valuation of the patrimony. Also, the equity includes the profit funds allocated to development (development fund, social investment fund).

The share capital can be increased by:

- issuing new shares or by increasing the nominal value of existing shares in exchange for new cash and / or in-kind contributions,
- by incorporating reserves, except legal reserves, as well as benefits or issue premiums,
- by offsetting liquid and due receivables on the company with its shares. Favorable differences in the revaluation of assets will be included in reserves, without increasing **the share capital.**

The registered office of the future company

Types of social headquarter

- **Virtual registered office**: our law firm can offer a virtual registered office, for the purpose of registering the company, for a period of one year. This is useful at the beginning of the business because the costs are much lower than in the case of establishing a headquarters in a physical space and also allows the focus of the associates on the financial and commercial aspects necessary to start the business;

- **Cubicle headquarters** - this is the optimal option if you have already benefited from a virtual headquarters or the business you want to start requires the physical existence of a workspace;
- **Ordinary registered office** - is the variant of registered office established in a physical space, rented or owned, in which can be undertaken both management activities of the company and other activities included in the object of activity of the company.

The Directors of the Company

The directors are the persons who fulfill the function of effective management of the company and are called "administratori" in Romanian language.

Administrators can be individuals, Romanian or foreign citizens or they can be legal entities based in Romania or in other states.

Regardless of the legal form, the company is managed by one or more directors.

The directors, if there are several, work together, but are not organized in collective management bodies and lead (also within the other types of companies: **Collective-Name Company, Sleeping Partnership Company, Partnership Limited by Shares**),

If the **administrator** **of the company is a legal entity**, an administration contract will be concluded between the managed company and the company that will be the administrator, a contract which will establish the rights and obligations of the parties, as well as the management rules. In case of administration of the company by another legal person, it is obliged to appoint a permanent representative, natural person. He is subject to the same conditions and obligations and has the same civil and criminal liability as an administrator, a natural person, acting in his own name, without this legal person being exempted from liability or reduced joint and several liabilities. When the legal person appointed administrator revokes his representative, he has the obligation to appoint, at the same time, a replacement.

According to Romanian law, the company's administrators can be held liable for the way they fulfill their duties only by the decision of the partners or if the company goes bankrupt, the creditors of the bankrupt company can be held liable for acts that led to the prejudice of interests in their relations with society.

The main management structure of the company in Romania is the **general meeting of associates / shareholders**. The constitutive act establishes the rules for convening and

adopting decisions and whether the exercise of the vote can be delegated by special mandate by the associate / shareholder who cannot take part in the meeting.

In the limited liability company, each shareholder entitles the holder to one vote in the respective meeting.

The general meeting of associates has the following main obligations:

- ✓ to approve the annual financial statement and to establish the distribution of the net profit.
- ✓ to appoint the administrators and the censors, to revoke / dismiss them and to discharge them, as well as to decide to contract the financial audit, when it is not obligatory, according to the law;
- ✓ to decide the pursuit of the administrators and censors for the damages caused to the company, designating also the person in charge to exercise it;
- ✓ to modify the constitutive act.

The administrators are obliged to convene the meeting of the associates at the registered office, at least once a year or as many times as necessary. An associate or a number of associates, representing at least a quarter of the share capital, the vaputea requests the convening of the general meeting, showing the purpose of this convocation.

In small companies, at most 15 associates, the choice of auditors is optional. If no auditors are appointed, the control of the company's management is ensured by the associates, provided that they are not administrators.

Dividends represent the share of profit that is paid to each partner / shareholder. Dividends are distributed in proportion to the share of participation in the share capital, if by the constitutive act the associates / shareholders do not establish other distribution rules. Dividends shall be paid within the time limit set by the general meeting, but not later than 6 months from the date of approval of the annual financial statement for the financial year ended.

Transmission of social shares.

The shares may be transferred between the partners, but also to persons outside the company, with the consent of the majority shareholders or unanimously, depending on how the rules for adopting decisions are established by the Articles of Association of the company.

of associates of the company. The transmission has effect towards third parties only from the moment of its registration in the trade register.

Dissolution and liquidation of the company

Companies can be dissolved by:

- the passage of time established for the duration of the company;
- the impossibility of achieving the object of activity of the company or its realization;
- declaring the company's nullity;
- the decision of the general assembly;
- the decision of the tribunal, at the request of any partner, for good reasons, such as serious agreements between the partners, which impede the functioning of the company;
- bankruptcy of the company;
- other causes provided by law or by the articles of association of the company.

The limited liability company is dissolved by the bankruptcy, incapacity, exclusion, withdrawal or death of one of the partners, when, due to these causes, the number of partners has been reduced to one. The case is excepted when there is a continuation clause in the articles of association with the heirs or when the remaining partner decides to continue the existence of the company in the form of a limited liability company with a sole shareholder.

The dissolution of the company has the effect of opening the liquidation procedure.

The dissolution takes place without liquidation, in case of merger or total division of the company or in other cases provided by law. From the moment of dissolution, the directors, administrators, respectively the directorate, can no longer undertake new operations than those that are necessary to complete the operations of dissolution and / or liquidation of the company.

Joint - Stock Company

In Romania, the joint stock company represents a legal structure with the highest degree of complexity. This is because it is designed for big business - such as international companies or companies whose shares are listed on the stock exchange.

It must be said that any large-scale business can be carried out through a less complex form of society. However, there are cases when the need for structured organization determines the organization of the business in the form of a joint stock company. In this case, the tools provided by law for joint stock companies (for example: organizing management at decision-making levels, shares that represent negotiable securities, etc.) may be more convenient for shareholders, this type of company being much more rigorous and what not, rigidly regulated, but ensuring a better organization of the business. For example, situations that "require" a more structured organization of the business can be: very large number of shareholders or assistance in the business of some shareholders - investment funds, the need to supplement the company's funds at certain times by issuing bonds (companies on shares can be financed by issuing bonds), forecasting the company's listing on a capital market, etc.

Our experience in the field of company law has exceeded 20 years, so we are entitled to say that we are knowledgeable and experienced partners for our clients, foreign or local investors.

The field of experience of our lawyers: setting up joint stock companies according to the clients' needs, in this respect imagining the feasible structure is essential for the good organization of the business from the beginning, legal advice on internal and external operations / actions of the company (relations between levels management within the company, the relations between management and employees or various departments, the internal organization of the company, the company's representation in relations with third parties, the company's liability to shareholders and / or third parties, etc.).

Therefore, through our Romanian lawyers we offer to foreign and local investors the services of setting up the joint stock company in Romania.

What are the characteristics of Romanian joint stock companies?

The stocks are fractions of the registered capital which have a certain nominal value. The law stipulates that the nominal value of a social share cannot be less than RON 0,1. Depending on the manner of transmission, the stocks can be nominative or to the barer. The nature of the stocks is determined by the articles of incorporation. Barer stocks can be transformed in nominative stocks and vice versa by decision of the General Assembly.

The stocks have an equal nominal value granting equal rights to their holders. Even so, in accordance with the articles of incorporation and the provisions of the law, preference stocks can be issued, but

these types of stocks don't give the right to vote in the General Assembly to their owners; our law firm in Romania can offer more details concerning this subject.

These types of stocks give their owners right to a priority dividend distribution taken over the financial year, before any deductions, and they will not exceed one quarter of the share capital and they will have the same value as ordinary stocks. Administrators, directors, and auditors of the company cannot be holders of preferred dividend stocks.

The stocks are negotiable titles, they incorporate a certain patrimonial value and this is the reason why they are considered securities or bonds. Stocks can be traded on the regulated market.

Shareholder in a joint stock company

A shareholder can be any natural or legal person, which holds in various percentages parts of the share capital of the joint stock company. The number of shareholders in a joint stock company cannot be less than two. If there is only one shareholder left in the joint stock company for a period longer than nine months, then any interested person can ask the court to dissolve the company. However, this undesirable problem can be solved by completing the mandatory number of shareholders by the deadline set for the dissolution of the company.

The registered capital for a Romanian joint stock company

What is the minimum share capital for a joint stock company in Romania?

The share capital of the joint stock company cannot be less than 90,000 lei. The Government will be able to change, at most once every 2 years, the minimum value of the share capital, taking into account the exchange rate, so that this amount represents the equivalent in lei of the amount of 25,000 euros.

Shareholders' contributions to the share capital can be made in cash and in kind. Cash contributions are mandatory for the establishment of any form of company. Contributions in receivables can also be contributed to the closed joint stock company, which will have the legal regime of contributions in kind (in goods).

However, receivables in receivables cannot be made if the joint stock company is of the open type, ie those constituted by public subscription.

Benefits in labor or services may not constitute a contribution to the formation or increase of the share capital.

Our team of lawyers in Romania can provide more information on the rights and obligations of those owning shares in a Romanian joint stock company.

The general assembly of stockholders in Romania

The General Assembly of Stockholders is the most important decision and deliberation body of the joint-stock company, deciding over all the matters regarding the company in accordance with de provisions of the law. The general meetings of a Romanian joint stock company can be organized as the following: ordinary, extraordinary or they may take the form of special meetings.

The Ordinary General Assembly rallies at least once a year, in no more than five months from the conclusion of the financial exercise and is obliged to discuss and approve or amend the annual financial statements on the basis of reports from the Board Administrators, to elect and dismiss the members of the Board of Administrators and the auditors of the company.

The General Extraordinary Assembly takes place every time a decision needs to be taken in regards to the legal change of the company's status or the change of the company's social headquarters; the extraordinary assembly also decides on the aspects such as modifying the company's business activities, the establishment of a secondary registered address or on its dissolution, the prolongation of the society duration, the increase of the registered capital, its decrease or its replenishment by issuance of new social shares as well as for any modification of the articles of association etc.

The Special Assembly rallies at the request of the stockholders holding of certain class of stocks such as the preferred shares with no voting rights. According to the law, the decision of the General Assembly to modify the rights and obligations regarding a certain class stocks will not take effect until this decision is approved by the Special Assembly.

All the decisions will be opposable to the third parties only after their publication in the conditions mentioned by the Romanian Law.

Management structure of a Romanian joint stock company

According to the Romanian law, the administration and management of the company is realized by the board of administrators or/and the directors of the company this is called the unitary system of administration or by a Directorship and a Supervision Board, this being the dual system of administration and management. The system of administration and management of the company is established by the articles of incorporation.

The Board of Directors / CEO of the Joint-Stock Company

The company is managed by one or more directors and if there are several directors, they are organized and function as a collective body, called the Board of Directors.

The Board of Directors may delegate the management of the company to one or more directors, appointing one of them as General Manager.

If the shareholders opt for the dualist system the management the company will be managed by the board of directors and the supervisory board.

What is the unitary system of administration and management in Romania?

In this case, the administration of the company is realized at a single level trough the Board of Administrators. The Board of Administrators can delegate the leadership attributions to the directors of the company. The joint stock company can be administrated by one or more administrators, but their number needs to always be an odd number. If there are more administrators, they will form a Board of Administrators.

The number of administrators of the company is determined by the articles of incorporation. If the company is subject to an annual audit on its financial situation, the company needs to have at least three administrators. The administrators cannot be employees of the company. The Board of Administrators is headed by a president who is elected by the board from its members. The main attributions of the Board of Administration are the following:

- determining the main directions of activity and development of society;
- establishes the accounting policies and the system of financial control;
- appoints and removes the directors of the company and supervises the activity of the directors;
- prepares the annual report and the organization of the General Meeting of Shareholders and implementing its decisions.

What is the dual system of administration and management in Romania?

In this system, the separation of the control powers and executive powers is complete. The Directorship ensures the administration and leadership of the company's activity and the Supervision Board controls and supervises the directorship's activity. The members of the

directorship cannot be members of the Board of Supervisors and they cannot be employees of the company.

The members of the Directorship are named by the Board of Supervisors. Once every three months, the Directorship has to present a written report to the Board of Supervisors regarding its activity. The attributions of the Board of Supervisors are presented below:

- exercises a permanent control over the management of the company by the Directorship;
- appoints and dismisses the members of the Directorship;
- verifies the compliance with the law of the articles of incorporation of the decisions of the General Assembly and of the operations management of the company;
- reports at least once a year to the General Assembly of Stockholders on its supervision activity.

Inventory control of the Romanian joint stock company

In a joint-stock company, control over documents and administrator's operations are surveyed by the censors. According to the dispositions of the law, a Romanian joint-stock company must have three censors and a substitute, if through the articles of association it is not appointed a higher number, but in all the cases their number must be odd.

The censors are chosen for a period of three years with the possibility to prolong their mandate. The censors are obliged to oversee the inventory of the company, to check if the financial situations are legally drawn up and in conformity with the registers, if they are regularly kept. The censors have to draw up a report about all these aspects for the general meeting. Every shareholder has in this respect, the right to present to censors certain facts that he/she considers to be included in their report.

What are the legal requirements for the financial control of the joint stock company?

As a rule, the joint stock company will have 3 auditors and an alternate, if the articles of association do not provide for a larger number. In all cases, the number of censors must be odd. The auditors are elected by the general meeting of shareholders.

As an exception, the financial statements of companies subject to the legal obligation to audit (according to law 82/1991) will be audited by financial auditors - individuals or legal entities

Joint stock companies managed in a dual management system are subject to financial audit.

In the case of companies whose annual financial statements are not subject, according to the law, to the financial audit, the ordinary general meeting of shareholders will decide to contract the financial audit or to appoint the auditors, as the case may be.

The Romanian "Collective-Name Company" (Societatea in Nume Colectiv)

It does not represent a very common type of Romanian entity. This type of company is based on the full trust of the associates. The Collective Name Company must be registered by minimum two founders (known as shareholders). The company's share capital is comprised of interests and they are not transmissible. The company guarantees its obligations through the assets owned.

The social obligations are guaranteed with the social patrimony. (2) Associates in the company in a collective name and limited partners in the simple limited company or limited limited by shares are unlimitedly and jointly liable for the social obligations. The company's creditors will first go against it for its obligations and, only if the company does not pay them within 15 days at most from the date of default, they will be able to go against these associates. (3) Shareholders, limited partners, as well as associates in the limited liability company are only liable up to the concurrence of the subscribed social capital.

Sleeping Partnership Company" – (Societate in Comandita Simpla)

It represents a type of company that is not registered on a common basis in Romania. The characteristic element of this type of company is the fact that it has two types of shareholders - the shareholders that are personally liable for the obligations of the company and who are called "comanditati" and the shareholders that are only liable based on the amount of the shared capital that they subscribe, which are called "comanditari".

The decisions regarding the company are taken by the vote of the majority of shareholders. The administrators of the company can be appointed only from the shareholders that are personally liable for the obligations of the company. The company's interests may be

transmitted to other entities, but this can happen only as long as the company's statutory document mentions the right do to so.

Partnership Limited by Shares (Societatea in Comandita pe Actiuni)

It is not a very common type of Romanian entity. This business form is similar with the "Sleeping Partnership Company" because it needs to be incorporated by at least two shareholders, and just like in the case of the "Sleeping Partnership Company", the company's shareholders have different types of liability, and this can be presented by our team of lawyers in Romania.

The main difference between the two types of companies is that the Partnership Limited by Shares Company has a shared capital formed of stocks. The liability for the company's obligations is different for the shareholders, thus, there are shareholders that are personally liable for the obligations of the company and they are called"comanditati". Our law firm in Romania can provide further details regarding the rights and the obligations of the company's founders.

The other types of shareholders, "comanditari", are liable for the company's debts only to the amount with which they have participated at the company's share capital. This business form must be incorporated with a minimum share capital of RON 90,000 (or its equivalent in EUR, which is EUR 18,400). The company can be administrated only by the shareholders that are personally liable for the company's obligations.

What are the tax obligations for a Romanian subsidiary?

Since the company is considered a commercial entity, it needs to be registered for tax purposes. The tax requirements applicable to Romanian business forms, including to the subsidiary, can be found in the Fiscal Code, which provides the legal basis for the accounting requirements and tax obligations imposed to local businesses. Our law firm in Romania can provide an extensive presentation on the main types of taxes applicable to a Romanian subsidiary. Some of the main fiscal obligations are presented below:

- local subsidiaries have to register with the Ministry of Public Finance;

- the institution will issue a tax identification number, necessary for corporate taxpayers;
- the company also has to register for value added tax and to file tax returns;
- the tax returns are administered by the National Agency for Fiscal Administration;
- subsidiaries in Romania can also choose not to register for value added tax, in specific

A secondary office

The following are considered secondary headquarters: branches, agencies, representative offices, work points, or other similar legal entities.

Set up of a Branche of a Romanian legal person

The registration request of the 'sucursala' branch set up by a company having his headquarters in Romania will be accompanied by:

- Associates' General Assembly decision setting up the 'sucursala' branch which has to includes the secondary headquarters, the activity object, the IDs of the persons empowered to represent the 'sucursala' branch and the conferred mandate's limits, in original;
- The Articles of Association of the company which sets up the 'sucursala' branch, updated, in certified copy;
- The Registration Certificate of the company which sets up the 'sucursala' branch, in certified by the part copy;
- The evidence related to headquarters;
- The evidence of the permits / approvals issued by the competent authorities as a prerequisite to registration in trade register, when the issuing of such permits / approvals is required by law, in certified by a part copy;
- The affidavits of the persons empowered to represent the 'sucursala' branch, showing that they meet the legal conditions for possession of this quality, certified by a lawyer, authenticated, in original;
- Tax record information for the persons empowered to represent the 'sucursala' branch, in original;

- Specimen signatures of the persons authorized to represent the 'sucursala' branch, in one of the forms prescribed by law, in original;
- Affidavit concerning the authorization of the operation, in original;
- Special or lawyer's empowerment for the persons nominated to accomplish the legal formalities, in original;
- The legal fees payment proof, in original.

Set up of a Branche of a foreign legal person

The registration request of the Romanian branch set up by a foreign legal person must be accompanied by the following documents:

- the Articles of Association of the foreign legal person which set it up, in translated and authenticated copies;
- the decision of the competent statutory authority of the legal person, concerning the set up of the 'sucursala' branch, indicating the headquarters of the Romanian branch, the activity object, the empowered to represent the 'sucursala' branch persons' IDs and the conferred mandate's limits;
- The Power of Attorney;
- The documents related to the Romanian headquarters;
- The affidavits of the empowered to represent the 'sucursala' branch persons , showing that they accomplish the legal conditions for possession of this quality , in original and where appropriate, in translated and authenticated copies, and also their speciment signatures;
- The copy of the Article of Registration of the legal person setting up the 'sucursala' branch , in photocopy holograph certified by the applicant for compliance with the original and the text 's translation made by an authorized person, who will have the notary authentication of translator's signature;
- Tax record information, for the persons who are empowered to represent the 'sucursala' branch or authentic statements and the text's translation made by an authorized person , who will have the notary authentication of translator's signature;
- The identity documents of the persons who are empowered to represent the 'sucursala' branch , in certified by the parts copies;
- Last financial situation of the company setting up the 'sucursala' branch, approved, verified or published according to the legislation of the state where it has the

headquarter, in copy, and the text's translation made by an authorized person , who will have the notary authentication of translator's signature

- A special or attorney's POA , for the nominated persons to accomplish the legal formalities, in original;
- The affidavit concerning the operation authorization, in original;
- The proof concerning payment for legal fees, in original.

The 'Representative Office'

Foreign companies and economic organizations may be represented in Romania on the basis of an authorization issued by the Ministry of Economy, Energy and Business Environment, on the basis of a written request.

The application for authorization shall be accompanied by:

- ✓ Application for authorization
- ✓ The certificate attesting the payment of the tax of 1200 USD / year, can be paid for 3, 6 or 9 months, or for multiple years)
- ✓ Extract of the Trade Register from the country of origin
- ✓ Bank credit letter
- ✓ Status of a foreign company
- ✓ Decision to set up a representation + power of attorney head of representation + power of attorney person submitting the file (they can be separate documents or a single one)
- ✓ Identity card of the head of the representative office – copy
- ✓ Space document for the representative office in Romania - copy

The settlement period is 30 days from the date of submission of documents.

INCORPORATION PROCEDURE

Necessary documents

- statements on one's own responsibility - these documents must be completed according to the standard format, as required by Romanian law,

- specimen signature - must be signed by the persons who will be administrators in the company in front of a Public Notary;
- The Articles of incorporation of the company.

Company registration

The procedure for setting up the company in Romania will take three to five working days (this is calculated from the date on which all the necessary documents are signed with the local authorities).

Once all the required documents are submitted to the Trade Register Office and the institution verifies the applicant's file, the company will receive a unique registration code (CUI). Formally, a company is recognized as a legal entity in Romania once it is registered with the Trade Register.

And remember, for the registration of a limited liability company, the minimum required share capital is 1 lei, while for a joint stock company, the share capital is set at EUR 25,000.