

at least: (i) General Partner and (ii) Stockholder. The General Partner has unlimited liability for the obligations of the Partnership and the Stockholder has no liability whatsoever for the obligations of the Partnership. The General Partner and the Stockholder can be either a legal entity (also registered in other jurisdiction) or an individual (also a foreigner).

The minimum share capital of the Partnership amounts to PLN 50,000 (approx. € 11,900.). It can be contributed in cash or in kind. Contribution in kind can include: (i) shares/stocks, bonds or other securities, (ii) tangible or intangible assets, (iii) going-concern or its organised part (business unit). Please note that the profit share participation can be structured irrespective

of contributions made by the General Partner(s) and by Stockholder(s), e.g. the General Partner having unlimited responsibility and contributing 80% of the share capital may be entitled to 5% or even to only 1% of the profit earned by the Partnership. Usually, the profit share participation is structured as 95% to 99% to the Stockholders and 5% to 1% to the General Partner.

The Partnership can issue stocks, certificates, debentures, bonds and other securities. Its stocks can be listed on New-Connect (alternative market of the Warsaw Stock Exchange); it is a similar concept to AIM at the London Stock Exchange.

The Partnership is a perfect tool for running business activity, for setting up new operations or for the restructuring of

a current business. Appropriate structuring provides savings of income tax that would normally be due on operational profits and subsequently reinvest almost the entire earnings due to the postponed distribution of proceeds (dividend) to the Stockholder. The distribution can be postponed for several years.

The Partnership is also an excellent vehicle for optimisation of disposal of tangible assets (e.g. real estate), disposal of stocks, shares, bonds and/or other securities – especially in the circumstances where significant profit on the disposal is expected. The Partnership can also be an ideal tool for the creation of a tax shield by a ‘step up’ on depreciable assets (both intangible and tangible); from its book value to the market value.

Please note that at the end of the day it is possible for the Stockholder to reduce the income tax burden substantially or to avoid taxation at all (e.g. by distribution of a dividend to Polish Closed Investment Fund, Luxembourgian SIF, Cypriot ICIS or by redemption of stocks/investment certificates under certain circumstances).

For further details please see GGI intranet ITPG section and respective pdf-file on Limited Joint Stock Partnership.

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Practice Group Enhanced Business Opportunities

The need to understand other business cultures “These Germans even manage to organise their delays”

By Astrid Rechel

Practice Group Enhanced Business Opportunities is publishing the Geneva Group Intercultural Guide. Authors from all continents are contributing with their country profiles. Last opportunity to sign-up for additional contributions of countries not yet covered.

What might the words in our headline, pronounced by an Asian businessman, stand for? It might have been sharp criticism or sincere admiration, it might have been complete astonishment or final comprehension. Whatever the personal feelings of this businessman might have been, they were definitely a deeply felt expression, but on a collision course with a different business culture.

It happened in a daily situation which
...next page



The need to understand other business cultures

could have been at any international conference by Geneva Group International (it actually did not). The Asian conferee was hurrying to meet the scheduled start of the first workshop in the morning.

Arriving at the meeting room with a little delay, he was wondering whether his German colleague was still having his wake-up coffee outside. Asked by the Asian attendee if there had been any changes in the programme, the German, relaxing, answered: "No, but there are still some minutes to go to meet the Academic Quarter."

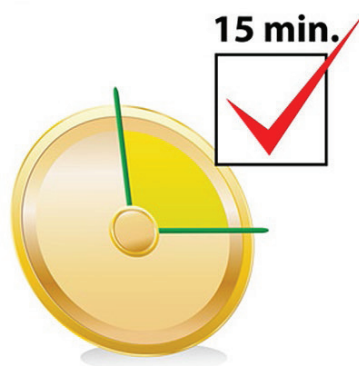
The German explained that it is the traditionally accepted tolerance in his country for a lecture to start 15 (but no more!) minutes later than the defined start (which, by the way, dates from the time when students were called by the university bells to get going

on their way to the lessons). The Asian colleague, apparently impressed by the explanation, concluded with his above quotation: "These Germans even manage to organize their delays".

This little incident is nothing spectacular, nor did it have tremendous impact on the outcome of the conference where it happened. But it is only one of hundreds of situations business people

come across when doing international business and which collectively – and sometimes also just one single incident – can be the key to successfully doing business abroad. And intercultural ignorance can even make a deal fail despite being perfectly prepared from both the technical and commercial aspect.

In many sessions of GGI Practice Group Enhanced Business Opportunities (PG EBO) such intercultural topics have been the subject of lively discussions and impressive personal experiences concluding with the words: "Had I known that before ..."



This was the spark of motivation for GGI Practice Group Enhanced Business Opportunities (PG EBO) to initiate the publication of a GGI guide on intercultural behaviour. The project and the topics of relevance have been fervently discussed in various intensive

practice group sessions.

The result is a scheme of country profiles of about eight pages per country dealing with the chapters 'How to address someone', 'Getting to know each other', 'Enjoy your meal and drink', 'Appropriately dressed and well behaved in business and beyond', 'The art of negotiating and contracting', 'Respect the other sex and generation', 'The power

of colours' and of course 'Facts and Figures', links and further information.

PG EBO is especially proud that authors from all continents have made a commitment to cooperate in this challenging project. PG members from many countries have already handed-in their country profiles. However, some countries are still not covered yet and all GGI firms, irrespectively of whether they have already been attending PG EBO in the past or are newcomers, are invited to become an author. The EBO chairpersons, Elisabeth Heller and Astrid Rechel, ask interested members to quickly make contact with them in order to check if their country is still 'on sale'.

We have scheduled to close the collection of country profiles before the next GGI conference, the Panamerican Conference in Miami, end of June. The coordination of the project is being undertaken by Natalie Kutschera (n.kutschera@hellerconsult.com) who can be contacted to obtain the schedule, for more information about the contents of the different chapters or any questions related the project.



GENEVA GROUP INTERNATIONAL

Intercultural Guide and Business Etiquette

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