

In this video Daniel Streiff explains all the legal ramifications on starting a business in Germany. You will find all relevant founding contracts for free under www.legalstrasse.com.

For feedback or questions just message daniel@streifflaw.de or call us under +49 30 8597 6915

The video covers the basics on starting a business in Germany and gives an overview of the limited liability companies GmbH and UG. Subsequently, all the founding steps are explained and the founding documents in detail.

At each step and each document, all the major pitfalls are covered that can endanger the startup in the short or the long run.

As such, you should avoid these five common mistakes when setting up a company:

- starting a business in Germany before incorporating and company registration
- mess up the founders' and managing directors' social status and risk criminal punishment
- not considering regulation (permits, legal boundaries) about implementing your business model
- using the standard form instead of Articles of Association with multiple founders
- leaving out vesting clauses, restrictions on trade of shares and redemption clauses

The basic steps are the following:

1. "date" your co-founders and work on your idea
2. notary appointment
3. bank appointment and company bank account setup
4. company registration in Germany in commercial register
5. regulation: trade registration, status check of Managing Director with DRV, IHK chamber of commerce, tax authorities

The documents for starting a business in Germany are:

- Articles of Association (company bylaws) = company constitution for organization and relationship of company bodies
- Shareholder Agreement = secret agreement between founders

- Managing Director Service Agreement = service contract for managing director that qualifies working relationship with company

You will find all contract templates on www.legalstrasse.com where you can download them for free. The comments in the documents will help you fill out the marked passages.

Any Questions?

Then leave as a quick message under hi@streifflaw.de or call as under +49 30 8597 6915

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