

# LEGAL FORMS OF THE ENTERPRISE

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#1 CABINET SAW IN NORTH AMERICA

CONTACT US

1-866-SAWSTOP

TABLE SAWS ▸

BY MODEL

BY USE

WHY SAWSTOP

SUPPORT

COMPANY

WHERE TO BUY

## Benefits

"SawStop reminds me of the airbag in a car..."

... You don't see it, notice it or think about it until after the incident and then you think whoa, that just saved me." —Dr. Reid Mueller, hand surgeon.



*SawStop is recognized by the industry, as well as its consumers as*

***North America's #1 Saw***

# Motives for Forming a New Legal Entity in Entrepreneurship

- Limiting personal liability.
- Sharing profit interests among managers, employees, and investors.
- Raising capital, and satisfying requirements of investors.
  - Future liquidity
  - Tax treatment

## **Retain a lawyer with expertise in your jurisdiction.**

- Relatively simple and relatively inexpensive for companies owned solely by founder and with no outside investors (e.g., 1000 – 5000 USD in legal fees).
- Raising capital requires significant legal expense (e.g., 10,000 to 50,000 USD in legal fees for venture financing).
- Lawyers who specialize in new ventures will often offer deferred or discounted fees for start-ups.
- Cross-border issues are particularly challenging (e.g., U.S. company doing business in China).

# Differentiating Attributes

- Taxation of income.
  - Entity taxed separately. (May result in double taxation.)
  - Entity passes through income to owners. (Income taxed once.)
- Equity traded on public markets vs. private ownership.

# Representative Entity Types (Approximate Equivalence)

	US	UK	DE	CN	IN
Sole Proprietorship	d.b.a.	Sole Trader	e.K./e.Kfm./ e.Kfr.	独资经营	Trader Firm
Corporations	Inc. (C corp, public and private)	Ltd. (private company) Plc (public company)	GmbH (private) AG (public)	有限公司 (private) 股份有限公司 (public)	Pvt. Ltd. (private) Ltd. (public)
Limited Liability Pass-Through Entities	LLC LLP S-Corp	LLP	KG etc.	有限合伙 (LP)	n/a