

ANTIGONI ALEXANDROPOULOU
EUROPEAN UNIVERSITY CYPRUS, CYPRUS

SOCIETAS UNIUS PERSONAE

Abstract:

In 9th April 2014 the European Commission has issued a proposal directive for single member limited liability companies that intend to repeal directive 2009/102/EC and to introduce a new form of company called Societas Unius Personae (SUP). The proposal directive intends to facilitate cross border activities for small and medium sized enterprises, improve the business environment and reduce the cost of doing business abroad. The new form of company will have limited liability, one shareholder, a minimum capital of one euro (or 1 unit in the national currency for countries outside the Eurozone), one share that cannot be divided, its registered seat and its real seat may be in different member states, and dividends may be distributed to the sole shareholder only after a balance sheet test and a solvency declaration signed by the management body. The registration of the SUP may be completed in its entirety electronically without the physical presence of its founder before the national registry. The proposal directive has raised criticism with respect to its legal basis. The European Commission has considered SUP to be a national and not a European company form and has therefore based its proposal to article 50 TFEU instead of article 352 as it did with its proposal for the SPE which it had to withdraw after it was opposed by certain member states and therefore could not achieve unanimity in the European Parliament. The proposal is of highly legal interest and clearly shows the new legal trends in European Company Law that is the abolishment of minimum capital in limited liability companies, the lifting of geographical barriers with the use of electronic means, the recognition of the registration seat as decisive for the law applicable to the company and the strengthening of competitiveness among the different legislations within the EU.

Keywords:

Societas Unius Personae, SUP, EU