MAKE A FRENCH START
9 insights to grow your business in France
FOREWORD

MAKE A FRENCH START
9 insights to grow your business in France
Even in a global economy, investment remains local. Investing in a foreign country for the first time is a leap into the unknown: from language to culture, business practices and regulations, nearly everything is different, and having a good product or service may not be enough to succeed. The size and buoyancy of a country’s market, its infrastructure, ecosystems, human capital and business environment are all crucial factors that need to be analyzed to assess the challenges at hand, seize opportunities and make the right choices when considering all the various options.

More than 28,000 foreign companies made these choices when they established themselves in France. Many have been expanding here for some considerable time, offering proof that businesses can prosper in the French economy.

This figure also reflects France’s investment attractiveness, which is founded on a powerful economy – the sixth largest in the world – and various structural advantages, as well as highly effective incentive schemes, including one of the best research tax credits available in OECD countries. It also shows the confidence investors have in France’s ability to face up to the challenges of the digital revolution, knowing that it is one of the most creative and innovative nations in the world. It is worth remembering, too, that France boasted the largest delegation of startups after the United States at the Las Vegas Consumer Electronics Show in January 2018, and that Paris is now home to Station F, the world’s largest startup campus.

Ever at the cutting edge of technological progress, France embarked on a path of structural transformation in 2017, starting with far-reaching reforms to employment and tax law. With companies now enjoying greater flexibility and security in managing their workforce, corporate tax being gradually reduced to 25% by 2022, and capital gains tax and labor costs both falling, France’s investment attractiveness is taking a major step forward. These changes will continue over the coming months, which should encourage an ever greater number of investors to choose France.

Mazars and Business France are convinced of France’s growing attractiveness and are keen to explain these latest reforms as clearly as possible. This is why they have decided to join forces and use their combined skills to create this guide. Mazars offers internationally renowned consulting, auditing, tax and accounting services in 86 countries, with 20,000 employees in 300 branches, while Business France is the national agency supporting the international development of the French economy, providing support each year to more than 1,000 foreign investment projects. What better partnership could there be to provide you with an operational response to your key preoccupations regarding tax issues, employment regulations, state aid and corporate law? What better alliance of expertise could there be to provide answers tailored to the specificities of your investment project and to help you with the various formalities involved? We hope this guide will fully satisfy your requirements and provide valuable insight.

Marc Biasibetti
Partner - Mazars

Caroline Leboucher
C00 of Business France
Invest - Business France
MAKE A FRENCH START
9 insights to grow your business in France
Drawing on conversations with hundreds of foreign business leaders looking to set up in France and all of their combined experience, Business France and Mazars have identified 10 key questions on this issue to which this guide seeks to provide some initial answers.

However, by their very nature, the various schemes discussed hereafter are subject to potential regulatory changes. Should you wish to obtain the very latest information, and for any further enquiries, we would therefore recommend that you contact Mazars and Business France experts, whose details can be found at the end of this guide.
MAKE A FRENCH START
9 insights to grow your business in France
France is back!

France is a popular destination for foreign investors, who deem its economy to be attractive and inventive. Eighty-three percent of foreign decision makers believe that France is undertaking positive reforms to modernize its economy, while 88% now see France as an attractive environment for investment.¹

Company directors appear convinced that France has undertaken an ambitious program of reforms to boost the performance of its competitive model and become even more welcoming to foreign companies.

This latest booklet from our “Make A French Start!” collection is geared towards offering international investors greater clarity regarding the key stages involved in establishing a company in France, from choosing a legal status and selecting a marketing channel, to meeting accounting obligations.

Our multi-disciplinary teams have also contributed practical advice to this publication, to make the decision-making process more straightforward when it comes to accessing commercial premises or conducting acquisitions in France.

Entrepreneurs, enjoy your read!

---

¹ 2018 Kantar Public survey of 700 foreign senior executives.
#1 WHAT TYPE OF ESTABLISHMENT SHOULD I SET UP IN FRANCE?  
P. 10

#2 UNDER WHAT LEGAL FORM SHOULD I SET UP MY ESTABLISHMENT?  
P. 16

#3 WHAT ARE THE KEY STAGES INVOLVED IN ESTABLISHING MY COMPANY?  
P. 20

#4 WHAT CRITERIA WILL THE DIRECTOR OF THE ENTITY NEED TO MEET?  
P. 24

#5 UNDER WHAT TERMS CAN I RENT BUSINESS PREMISES?  
P. 27

#6 WHAT ACCOUNTING AND COMPLIANCE OBLIGATIONS MUST I FULFILL?  
P. 30
#7 WHAT ARE THE DIFFERENT WAYS OF ACQUIRING A COMPANY?
P. 36

#8 WHICH MARKETING CHANNEL IS BEST SUITED TO MY BUSINESS ACTIVITIES?
P. 43

#9 WHAT COMMERCIAL DOCUMENTS DO I NEED TO LAUNCH MY BUSINESS?
P. 46

OUR SERVICES
P. 54
WHAT TYPE OF ESTABLISHMENT SHOULD I SET UP IN FRANCE?
A foreign company can be established in France by setting up a legal entity whose form can range from the simplest to the most complex, and from the most dependent on the parent entity to the most autonomous.

The legal forms presented below (Liaison office, Branch and Corporation) cater for a variety of needs and expectations. They require varying levels of investment and relate to different stages of development on French territory. The type of entity selected will depend on criteria linked to the project’s state of progress, the perceived risk, the size of the company or even the type of business activity envisaged.

However, it will still be possible to change the entity’s form as the business grows.

1. Liaison office: the least restrictive type of entity

The liaison office is the least restrictive type of entity for those setting up business in France for the first time. It is essentially an advantageous observation point. A liaison office plays a representation role, helping the foreign firm prepare for negotiations with customers in France.

A liaison office cannot make commercial transactions and is therefore not classed as a stable establishment in France. It does not have independent legal personality and is therefore not required to keep accounts.

If the liaison office conducts commercial transactions, it is liable to be reclassified as a stable establishment and thus become subject to tax in France.

<table>
<thead>
<tr>
<th>Legal status</th>
<th>Tax status</th>
<th>Employment status (of the legal representative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No legal personality</td>
<td>Not subject to corporate tax</td>
<td>Employee or agent</td>
</tr>
<tr>
<td>No share capital</td>
<td>Not subject to VAT (but the parent company may request that the VAT paid on expenses be refunded)</td>
<td>In cases where establishing the entity involves the signature of a short or medium-term employment contract (&lt; three months): registration with the URSSAF office of the Bas Rhin département only</td>
</tr>
<tr>
<td>Same company name as the foreign company</td>
<td>Subject to housing tax</td>
<td></td>
</tr>
<tr>
<td>Commercial transactions not permitted</td>
<td>Subject to social security contributions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No separate account keeping</td>
<td></td>
</tr>
</tbody>
</table>

- No legal personality
- No share capital
- Same company name as the foreign company
- Commercial transactions not permitted
- Not subject to corporate tax
- Not subject to VAT (but the parent company may request that the VAT paid on expenses be refunded)
- Subject to housing tax
- Subject to social security contributions
- No separate account keeping
Setup formalities

Company registration

**WHEN?**

— Mandatory within 15 days of the liaison office opening

**HOW?**

— With the Business Formalities Center (Centre des Formalités pour les Entreprises or CFE)
— Online process https://www.guichet-entreprises.fr

**COST?**

— Around €200 (depending on the region)
2. Branch: the intermediate option

Setting up a liaison office is not a suitable option for a company wishing to set up in France to geographically expand their commercial operations.

The branch is a permanent establishment that is separate from the registered office and headed by an individual with the authority to enter into agreements with third parties on the company’s behalf.

Opening a branch is therefore an intermediate solution for companies intending to set up in France. This form of legal entity is classed as a stable establishment engaging in commercial operations, therefore registration on the Company Register (Registre du commerce et des sociétés – RCS) is mandatory.

A branch has a certain degree of autonomy in running its business and in terms of governance, despite having no legal personality.
Registration on the Company Register (RCS)

**WHEN?**

— Mandatory within 15 days of operations commencing

**HOW?**

— With the Commercial Court Registry and the Business Formalities Center (CFE)

— List of documents:
  > Copy of the foreign parent company’s registration certificate
  > Certified true copy of the parent company’s articles of association (in French)
  > Copy of the document nominating the branch’s representative
  > Two official forms
  > Proof of domiciliation in France
  > Identity of the representative (passeport, resident permit in certain case)

**COST?**

— Around €200 *(depending on the region)*

— It is highly recommended that the company use the services of a legal firm (translation of the articles of association, employment contracts, etc.)
3. Subsidiary: the most durable form of establishment

This is the most durable and sophisticated legal form for a foreign company wishing to develop its business in another country. It comes with certain constraints but also numerous advantages:

- The separation of the assets of the parent company from those of the subsidiary, given that subsidiaries are separate legal entities in France.
- Companies established in France can apply for government support when they are founded or when they seek to develop their operations in France.

French law provides for a wide array of legal forms, thus catering closely for the needs and expectations of foreign investors.

The joint stock company is the most popular legal form because of the advantages it offers, although other forms of company are available.

The public limited company (société anonyme or SA), simplified limited company (société par actions simplifiée or SAS) and limited liability company (société à responsabilité limitée or SARL) share many common aspects.

However, these corporate forms differ in terms of the rules regarding their establishment and governance. The SAS offers the greatest contractual freedom.²

---

2: See the fact sheet on corporate forms
UNDER WHAT LEGAL FORM SHOULD I SET UP MY ESTABLISHMENT?
A French subsidiary can take various corporate forms, the main characteristics of which are as follows:

<table>
<thead>
<tr>
<th>Organizational flexibility</th>
<th>Limited liability company (SARL)</th>
<th>Simplified limited company (SAS)</th>
<th>Public limited company (SA)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Moderate</td>
<td>Very high</td>
<td>Very low</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Partners and their responsibilities</th>
<th>Limited liability company (SARL)</th>
<th>Simplified limited company (SAS)</th>
<th>Public limited company (SA)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Private individuals or legal entities</td>
<td>Private individuals or legal entities</td>
<td>At least two partners, be they private individuals or legal entities</td>
</tr>
<tr>
<td></td>
<td>Between 1 and 100</td>
<td>The liability of partners is limited to their contributions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The liability of partners is limited to their contributions</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate purpose</th>
<th>Limited liability company (SARL)</th>
<th>Simplified limited company (SAS)</th>
<th>Public limited company (SA)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Commercial</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Share capital</th>
<th>Limited liability company (SARL)</th>
<th>Simplified limited company (SAS)</th>
<th>Public limited company (SA)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Freely set by the articles of association, the minimum being €1</td>
<td>The company’s governance is freely organized according to the firm’s articles of association. In particular, the articles of association can freely set the rules according to which the members of the board of directors are appointed and dismissed, as well as the number of directors and their powers. SAS can be run by a private individual or a legal entity, who may or may not be a partner.</td>
<td>Minimum of €37,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company governance</th>
<th>Limited liability company (SARL)</th>
<th>Simplified limited company (SAS)</th>
<th>Public limited company (SA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company’s governance is organized in accordance with the French Commercial Code.</td>
<td>The Manager must be a private individual who may or may not be a partner in the business.</td>
<td>The company’s director must be a private individual.</td>
<td></td>
</tr>
</tbody>
</table>

The only position on the director’s board that is mandatory by law is that of Chairman.

Only one Chairman can be appointed. However, a company can appoint one or more CEOs or chief operating officers who hold the same powers as the president.
<table>
<thead>
<tr>
<th>Organizational flexibility</th>
<th>Limited liability company (SARL)</th>
<th>Simplified limited company (SAS)</th>
<th>Public limited company (SA)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Moderate</td>
<td>Very high</td>
<td>Very low</td>
</tr>
</tbody>
</table>

**Status of the director**

From a social security perspective, the Manager of an SARL is considered to be an employee only if he is not a majority partner and they receive a salary.

If he is a majority partner, in social security terms they are considered to be a self-employed individual.

From a social security perspective, the director is considered to be an employee.

If he does not hold an employment contract alongside their role as a director, the President is not eligible for unemployment coverage, which is available solely to employees.

**Status of the director – Unemployment coverage**

Given the lack of a superior-subordinate relationship, a non-salaried director of a company is not usually eligible for unemployment coverage.

In some circumstances, he may simultaneously serve as a director and hold an employment contract, with the latter entitling them to unemployment coverage.

**Statutory auditor**

Mandatory if the company exceeds two of the following three thresholds at the end of the accounting year:

- Balance sheet total of €1,550,000 or more.
- Net turnover of €3,100,000 or more.
- 50 or more employees on average.

Mandatory if:

- The SAS has a controlling stake in one or more companies or is controlled by one or more companies.
- The SAS exceeds two of the following three thresholds at the end of the accounting year:
  - Balance sheet total of €1,000,000 or more.
  - Net turnover of €2,000,000 or more.
  - 20 or more employees on average.

Mandatory from the moment the company is set up, with no fixed thresholds.
<table>
<thead>
<tr>
<th>Organizational flexibility</th>
<th>Limited liability company (SARL)</th>
<th>Simplified limited company (SAS)</th>
<th>Public limited company (SA)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Moderate</td>
<td>Very high</td>
<td>Very low</td>
</tr>
</tbody>
</table>

**Registration duty**

- The sale of partner’s shares in an SARL is subject to registration duty equal to 3% of the sale price (after an allowance of €23,000, depending on the number of shares sold with respect to the total number of shares issued by the company).

  Generally speaking, registration duty is paid by the buyer.

  Officially however, the seller and buyer are jointly liable for registration duty.

- The sale of shares in an SAS or SA is subject to registration duty of 0.1% of the sale price.

  Generally speaking, registration duty is paid by the buyer.

  Officially however, the seller and buyer are jointly liable for registration duty.
WHAT ARE THE KEY STAGES INVOLVED IN ESTABLISHING MY COMPANY?
The stages involved in establishing a company

Setting up a company requires a certain number of steps to be taken before it can be registered:

**Initial steps**

- Eventually, seek and obtain government funding and/or support, if applicable (see Booklet 2 “Available supports and grants”).
- Define the partners and their share of the company’s capital.
- Choose the directors and define their respective powers (limited or not).
- Choose a corporate form.
- Choose a company name and check its availability.
- Define the corporate purpose.
- Find premises (commercial lease, domiciliation agreement, acquisition of real estate), (see Fact sheet 5 of this booklet “Under what terms can I rent business premises?”).

**When setting up the company**

- Open a bank account in the name of the company being formed, into which the funds making up the firm’s share capital will be deposited.
- Have the partners agree upon the essential clauses of the articles of association or sign a partnership agreement.
- Draft and sign the articles of association.

**ESTABLISHMENT: HELPFUL TIP**

- The articles of association can only be signed once the company’s share capital has been paid into a frozen bank account, which enables the company to be registered and a deposit certificate to be issued by the bank.

It is therefore strongly recommended that the bank account be opened well in advance.

Experience shows that finding a bank in which to deposit the share capital, opening an account and paying in the funds are the most time-consuming parts of the process of establishing a company in France.

Advice: ask the parent company’s bank if it already has a subsidiary in France or a partner bank.

- As regards the registered office, it is mandatory to provide the French Company Register (RCS) with documents proving that the company has use of the premises in which the registered office is located. A common solution is the use of a domiciliation company.

Advice: It is common for foreign groups setting up operations in France to start with domiciliation, before evolving towards property rental or acquisition once they are successfully established.
Setup formalities

**STEP 1**
Signature of all the documents required to register the company

**STEP 2**
All the required documentation is sent to the Business Formalities Center (CFE)

**STEP 3**
The Company Register (RCS) issues the firm with a company registration certificate ("extrait Kbis")

The CFE centralizes the various formalities and provides the necessary information to the relevant authorities

---

The company registration certificate is the company’s identification document. It is the only official legal document certifying the legal existence of a commercial enterprise.

It provides information about the company’s business activities and specifies the company’s name, registered office, legal form, share capital, establishment duration and date, and the identity of the company directors.

The Business Formalities Center informs the relevant French authorities that the company has been established: the tax authorities (which, among other roles, provides the company with a VAT number), social security, the URSSAF collection agency for social security contributions and the INSEE national institute for statistics and economic studies.

This process can now be completed online. To cater for the requirements of companies in terms of electronic document signature, certification and archiving, www.infogreffe.com – an economic interest grouping of French Commercial Court Registries – offers services to secure electronic communication and declarations via the internet.

**Today, a company can be registered online in just a few clicks by uploading scanned versions of the signed legal documents.**

Helpful tip: The various formalities a company is required to undertake during the course of its existence can also be completed online.

Post-registration formalities

Setting up Business in France

Insurance, Bank account, retirement fund, etc...

Forwarding of the company registration certificate to the bank to release the funds.

*Signing up to a retirement fund* is mandatory – even if there are no employees (in which case there are no contributions to pay) – within **three months of registration**

Certain insurance policies are mandatory (for premises, vehicles and particular business activities)

First recruitment declaration (in the event of recruitment)

In the event that an employee is recruited: a **pre-recruitment declaration** (*Déclaration préalable à l’embauche or DPAE*) must be sent to the URSSAF (to register the employee with social security, the National Employment Office, etc.)
WHAT CRITERIA WILL THE DIRECTOR OF THE ENTITY NEED TO MEET?
The director is a key stakeholder in the company’s organization. Each day, this individual makes the decisions required for the company to operate. They represent the company in dealings with third parties and may enter into agreements on its behalf.

**CRITERIA COMMON TO ALL DIRECTORS**

To run a commercial business or head a commercial enterprise, a director must have legal capacity, i.e. they must be an adult (aged over 18) or an emancipated minor, and not be the subject of a conflict of interest or a ban (as a result of a court ruling).

Indeed, a conflict of interest may arise when an individual runs two businesses whose activities may hinder each other.

Running a commercial business is considered to be incompatible with the following positions: government employee, public or ministerial officer (solicitor/bailiff), lawyer, statutory auditor, chartered accountant and architect.

In addition to the legal capacity to engage in commercial activities, certain lines of business require the submission of a specific declaration or authorization request.

The Commercial Court Registry checks that the necessary conditions are fulfilled before registering the company on the French Company Register (RCS).

**FOREIGN COMPANY DIRECTORS: HOW CAN YOU RUN YOUR BUSINESS IN FRANCE?**

Foreign company directors who are European nationals can run their business under the same terms as a French citizen. Company directors who are non-European Union nationals have two options:

1) **You wish to reside in France**

You will need to apply for a long-stay visa in your country of residence, as well as a residence permit. All the information you need to apply for a visa and residence permit is available at the welcometofrance website.

2) **You wish to remain in your country of residence**

Before 2014, a preliminary declaration had to be submitted to the local Préfecture. This is no longer the case. Today, no specific formalities are required of those who wish to run a company in France without residing in the country. When travelling to France (business trips, board meetings, etc.), you will need to apply for a short-stay visa.

However, bear in mind that running a French company from abroad can prove difficult from an operational perspective, particularly during the launch phase.

---

3: Consult the list on the AFE website: [https://www.afecreation.fr/pid15151/set-up-a-business-in-france.html](https://www.afecreation.fr/pid15151/set-up-a-business-in-france.html)
DIRECTORSHIPS AND EMPLOYMENT CONTRACTS

Company directors are not tied to the company through an employment contract, but by a directorship. Thus, their remuneration and the terms governing their dismissal are set by the company’s articles of association. However, there are circumstances where it is possible to serve as a director while holding an employment contract with the company so as to perform a separate technical role (e.g. CEOs of public limited companies, chairmen of SAs and SASs, and managing directors who are minority shareholders of SARLs).

To hold an employment contract and a directorship simultaneously, the following conditions must be fulfilled:

> The job position must be unrelated to the directorship: a technical role requiring specific skills that differ from those the individual uses in their role as a director.

> Remuneration that is separate from that received by virtue of the directorship.

> A superior-subordinate relationship with the company, i.e. the individual is under the latter’s authority and control. Thus, it is difficult for a chairman or a majority partner to hold two such roles simultaneously: a chairman and sole proprietor cannot, in principle, also hold an employment contract and is therefore not eligible for unemployment coverage.

> The directorship can be revoked, despite there being an employment contract.
5 UNDER WHAT TERMS CAN I RENT BUSINESS PREMISES?
Any form of real estate (buildings, land or other) intended for non-agricultural use can be covered by a professional or commercial lease.

The latter accounts for the vast majority of leases signed by businesses.

## 1. Commercial lease

| When? | > When premises are rented to a tenant classed as a commercial enterprise, a manufacturer or a craftsman, so that they may run their commercial or industrial operations or exercise their trade.  
|       | > **Helpful tip: This system does not apply to liaison offices.**  
|       | > This status can be extended via an agreement  
| Duration | > Nine years minimum  
| Is it possible to terminate a commercial lease before it expires (other than for wrongdoing)? | > **Tenant:**  
|       | - At the end of each three-year period of the lease, without a particular reason being required (six months’ notice), hence the commonly used term “3-6-9 lease”.  
|       | - At any time in the event that the tenant retires or receives a disability allowance (six months’ notice).  
|       | > **Lessor:**  
|       | - Only at the end of each three-year period of the lease and for certain specific reasons (construction, rebuilding or adding height to the existing building, reassignment of residential accommodation used for business purposes in a secondary capacity, or execution of the work required or authorized as part of a renovation project, or in the event that the building is to be demolished within the scope of urban redevelopment).  
| What happens when the initial commercial lease expires? | > A commercial lease does not necessarily end when it expires.  
|       | > **If it is not renewed or if a new lease is not signed: it continues tacitly for an indefinite period.**  
|       | > **Helpful tip: In such cases the lease is less secure. It can be terminated at any time by either the tenant or the lessor, with at least six months’ notice. Termination takes effect on the last day of a calendar quarter.**  
| Right to renew a lease | > Tenants have a genuine right to renew their lease. The latter will be renewed for a minimum of nine years.  
|       | > A lease’s renewal is subject to strict conditions of form.  
|       | > The lessor can only obstruct the right to renew the lease if they pay the tenant eviction compensation or provide legitimate justification.  
| Rent | > **Initial rent payment:** Not regulated and set freely by the parties.  
|       | > **Rent may be indexed:** Based on standard indices (usually the service sector rent index (ILAT) or the commercial rent index (ILC)).  
|       | > **Three-year rent review:** Upon request from the lessor or the tenant after three years, and then three years after the date upon which the previous rent revision became applicable. |
### 2. The exception to a commercial lease: A dispensatory short-term lease

#### When?
- This type of lease allows for dispensation from the rules governing commercial leases. It must be agreed under the following terms:
  - Lease signed when the tenant moves into the premises.
  - For a maximum of three years.
  - In response to the express desire of the parties not to be bound by the rules governing commercial leases.

#### Duration
- Three years in total (initial lease and successive leases signed by the same parties).
- No minimum duration

#### What happens when the initial dispensatory lease expires?
- The agreement ends **as of right** on its expiry date, without further formalities being required.
- **In the event that the tenant wishes to remain in the premises:**
  - The lessor has one month to express their opposition to the tenant staying in the premises.
  - If they are not opposed to the tenant staying, the latter can sign a new lease that is subject to the rules governing commercial leases.

#### Rent
- Not regulated and set freely by the parties.

---

### 2. Professional lease

#### When?
- In the event that premises are rented for professional activities that are neither commercial, industrial, agricultural or related to a trade. Such contracts are generally signed by independent professionals.

#### Duration
- Minimum of six years.

#### Contract form
- Always written.

#### What happens when the initial professional lease expires?
- Professional leases are **renewed tacitly** upon expiry, for a duration identical to their initial duration.
- If the lessor or the tenant does not wish to renew the contract upon expiry, they must notify the other party with **six months' notice by registered letter with acknowledgement of receipt or via a bailiff's writ.**

#### Is it possible to terminate a professional lease before it expires (other than for wrongdoing)?
- **Tenant:** The lease can be terminated at any time via a termination letter (registered letter with acknowledgement of receipt or bailiff's writ; six months’ notice).
- **Lessor:** Only when the contract expires.

#### Rent
- Not regulated and set freely by the parties.
WHAT ACCOUNTING AND COMPLIANCE OBLIGATIONS MUST I FULFILL?
Commercial operations, whether they are run by a private individual or a legal entity, must fulfill certain accounting obligations. Indeed, any business that appears on the French Company Register (RCS) and which is subject to the actual-profit taxation system (régime réel) must keep standard or simplified accounts, in accordance with French accounting principles.

1. General obligations applicable to all commercial enterprises in France

A. ACCOUNT KEEPING

Commercial businesses are required to keep up-to-date accounts that are honest, and which reflect reality.

These accounts may be kept by the company itself, or entrusted to a chartered accountant registered with the French Order of Accountants.

B. ACCOUNTING OBLIGATIONS

In order to keep up-to-date accounts that are honest, and which reflect reality, the company (or its accountant) must:

> **Record the firm’s accounting transactions (purchases, sales, etc.) in chronological order** in the accounting day book.

> **Establish an invoicing** system in some cases.

> **Conduct an inventory** (mandatory at least once a year) to verify the existence and value of the company’s assets and liabilities at accounting year end.

> **Publish a financial statement** at the end of each financial year based on the company’s account entries and inventory (balance sheet, income statement and annexes).

> **Have a bank account.**

> **Keep all accounting records** for at least 10 years after accounting year end:

- **Accounting records must be drafted in euros and in French**

- **Elles sont constituées de :**

  - The accounting daybook: Chronological record of accounting transactions.
  - The general ledger: Contains all the company’s accounts.
  - Supporting documents: Purchase orders, delivery or receiving slips, customer and supplier invoices, etc.

4: Commercial Code (Title I - BOOK II – Chapter III)

5: Article L123-22 of the French Commercial Code
In addition to accounting records, which must be kept for 10 years after accounting year end, the company must also keep any documents sent or received during the course of its operations. The period of time during which the authorities can conduct retrospective audits will differ depending on the type of document and the legal obligations relating to it.

> **TAX DOCUMENTS:** 6 Six years from the date of the last transaction listed or the date on which the document was signed

Tax documents include:

- All documents relating to taxes and levies (income and corporate tax, direct local taxes such as property tax, taxes on sales such as VAT, etc.).
- Industrial and commercial profits (*bénéfices industriels et commerciaux* or BIC), non-commercial profits (*bénéfices non commerciaux* or BNC), agricultural profits (*bénéfices agricoles* or BA).
- The corporate property contribution (*cotisations foncières des entreprises* or CFE) and the corporate value-added contribution (*cotisation sur la valeur ajoutée des entreprises* or CVAE).

> **CORPORATE DOCUMENTS: THREE TO FIVE YEARS, DEPENDING ON THE TYPE OF DOCUMENT**

- Articles of association 7 Five years as of the date the company lost its legal-entity status.
- Instruments relating to the company’s workings (merger agreement, etc.): **Five years**.
- Register of Annual General Meeting and Board Meeting minutes, as well as registered shares and transactions: **Five years** from the date they cease to be used.
- Attendance sheets and powers, report of the director or the board of directors, report of the statutory auditor: for the last **three financial years**.

> **CIVIL AND COMMERCIAL DOCUMENTS: TWO TO 30 YEARS, DEPENDING ON THE TYPE OF DOCUMENT**

- Contracts and correspondence drafted within the scope of commercial relationships: **Five years**.
- Banking documents, goods transport: **Five years**.
- Customs declarations: **Three years**.
- Documents relating to intellectual property: **Five years** from the date protection ceases.
- Insurance policies: **Two years** from the date the policy is cancelled.

---

6: Article L102 B of the Tax Procedures Code
7: Article 2224 of the French Civil Code
2. Simplified obligations for small businesses

In some circumstances, small businesses can keep simplified accounts, i.e. record their accounts payable and receivable only at financial year end. They can present a simplified balance sheet and income statement, with a standard annex.

**Definition of a small business**

A small business can take advantage of the simplified system, on condition that it fulfills two of the following three criteria:

- Balance sheet total of less than €4 million.
- Turnover of less than €8 million.
- 50 permanent employees on average.

**Definition of a micro-enterprise**

A micro-enterprise is not required to publish an annex (it only needs to present a simplified balance sheet and income statement), on condition that it fulfills two of the following three criteria:

- Balance sheet total of less than €350,000.
- Turnover of less than €700,000.
- 10 permanent employees on average.

**Exceptions**

Certain categories of company cannot take advantage of these simplification measures, e.g. banks, insurers and mutual insurers, public listed companies, etc.
3. Obligations specific to large companies

Definition of a large company

These are businesses that employ more than 300 people and generate turnover of €18 million or more.

What are their specific obligations?

In addition to the obligations specified in part 1, these companies must present:

> Convertible assets and cash in hand, as well as current liabilities.
> A forecast income statement.
> A cash flow statement and an annual balance sheet.
> A financing plan.

Groups of companies must also present:

> Consolidated financial statements (statements for all the group’s companies: balance sheet, consolidated income statement and annex).
> Group annual report.

4. Compliance obligations

A. LEGAL OBLIGATIONS

> Produce a declaration of extra-financial performance.
> Fulfill the general duty of vigilance that is incumbent upon companies.
> Operate under the civil liability system and the principle of loyalty, to which the company director must adhere.
> Comply with the regulations relating to the obligation to prevent and detect corruption.
> Follow the guidelines of the report on internal control procedures (2003 Financial Security Act).
B. PRINCIPLES OF GOOD GOVERNANCE

Corporate governance rules are not contained in French legislation or regulations, but in the codes of conduct drafted by the bodies representing companies (MEDEF, AFEP).

Currently, public listed companies alone are able to refer to a code of governance. However, those that choose not to comply with the latter are **obliged to explain and justify this decision**, or provide reasons for not adhering to some of the provisions of the code if they comply with it only partially.

This obligation is essentially French law’s version of the Anglo-Saxon “comply or explain” principle.

- **The AFEP/MEDEF Code**
- **The MiddleNext code**
WHAT ARE THE DIFFERENT WAYS OF ACQUIRING A COMPANY?
ACQUIRING A COMPANY IN ITS ENTIRETY

Taking over a company is a complex endeavor, but it can be a viable alternative to setting up a subsidiary.

It involves the acquisition of all or a majority of the shares of the company targeted.

Acquiring a company involves the acquisition of the firm’s assets and liabilities, which is why such a transaction must be accompanied by suitable guarantees (see “Asset and liability guarantee” below).

Depending on the company’s legal form, the buyer acquires either partner’s shares or stock.

The registration duty applicable to the sale of these securities varies according to this criterion:

- Registration duty on partner’s shares: 3% after an allowance of €23,000
- Registration duty on stock: 0.1%

It can be advantageous to modify the company’s legal form prior to acquisition, so as to reduce the registration duty payable. However, this must not be the only reason behind the change (tax risk).
The process can also take longer than establishing a new company. It comprises several stages geared towards securing the transaction:

### Defining the company profile

- Sector of activity
- Location
- Company size
- Company type: startup, family company, company undergoing redeployment, etc.

### Analysis of the target company

- Launch of an **audit (due diligence)**
  - Financial audit
  - Legal audit (social, tax, corporate law, intellectual property)
  - Environmental audit

Limits the risks relating to the acquisition, while allowing the points already negotiated to be verified and the risks to be costed so as to be able to negotiate the price if possible.

### Negotiation

- The company is valued based on the due diligence report
- A schedule is drawn up until the actual day of the acquisition or closing
Formalization of the agreement

— **Letter of intent (LOI):** This is the document in which the buyer states their intention to start or continue negotiating with the seller. It formalizes this intention and allows a relationship based on trust to be established between the seller and the buyer. It can also be issued prior to due diligence being conducted. Its contents can vary a great deal (price or price range, execution timetable, fate of the directors currently in place).
  
  • It may be a **binding offer**
  
  • Or a **non-binding offer**

— **Promise to buy:** The buyer commits to buying the company and the seller acknowledges this commitment, while reserving its decision to complete the acquisition. The promise can also be reciprocal, in which case the seller and the buyer mutually agree to sell and buy the company.

— **Memorandum of understanding:** Sets in stone the acquisition of the company. The negotiations are complete, the price has been set, the terms and conditions have been finalized and all that remains is to sign this essential document, which binds the two parties. Its signature takes place before the effective transfer of ownership: closing

---

Closing

— **Signature of the transfer agreement:** This is the document that formalizes the various elements of the acquisition and cements the agreement between the parties regarding these different points. The transfer of ownership takes place on this date.

— **Asset and liability guarantee:** This is geared towards safeguarding and guaranteeing the buyer against any liabilities of which it was unaware on the day of the acquisition, and for which the seller remains liable.

  **The seller** guarantees or warrants for the sincerity of the financial statements presented to the buyer. It also guarantees that if any new liabilities are revealed that existed prior to the acquisition, it will cover their cost. Similarly, the seller can also offer a guarantee regarding the actual presence and value of the assets of the company it is selling. Thus, if there are fewer assets than agreed, it will have to cover the difference.

  **The buyer** is therefore offered a degree of security regarding the state of the company it is acquiring. This serves as protection against unknown liabilities that the seller may be reluctant to disclose and any discrepancies observed in the company’s assets subsequent to the acquisition.
DO YOU HAVE AN ACQUISITION PROJECT IN FRANCE?

Business France helps you find investment opportunities to pursue an acquisition in France. Our network of regional partners and highly skilled private partners can create comprehensive solutions to guide you to a successful outcome!

Your local Business France investment advisor and a dedicated team based in France can provide you with customized and confidential support throughout the acquisition process – from business setup strategy and investment criteria to closing and implementing your project.

JOINT VENTURES: AN ALTERNATIVE TO SETTING UP A SUBSIDIARY

Setting up a joint venture with a local partner is an alternative to establishing a wholly-owned subsidiary (new company or acquisition).

This requires the foreign investor to join forces with a local company to benefit from the latter’s knowledge of the local market, competition, legislation and administrative provisions.

Joint ventures have no legal definition in French law. The parties agree solely to pursue a specific objective, often for a limited period of time, by pooling human and financial resources in the aim of minimizing the risks involved in the project.

A joint venture can take different forms:

**Incorporated joint venture**

**WHAT IS IT?**

- A new legal entity
- In which the two parties (foreign company and local company) invest

**HOW?**

- Shareholders’ agreement: sets out the workings of the joint company
  > Governance, skills sharing, decision making processes, etc.

**Unincorporated joint venture**

**WHAT IS IT?**

- Where no new legal entity is formed
- A purely contractual relationship

**HOW?**

- Collaboration agreement between the two parties (foreign company and local company)
  > Cooperation or R&D agreement, brand licensing, etc.
ACQUISITION OF BUSINESS ASSETS

It is also possible to set up operations in France by acquiring a company’s goodwill.

What is Business assets?

Business assets is a set of assets that collectively make up an economic unit set up for commercial purposes. These comprise:

> Tangible assets, such as equipment, goods and facilities.
> Intangible assets, such as clientele, lease rights and trade name.

For example, the Business assets of a bakery comprises:

> Tangible property: The bakery’s furnishings and all the equipment needed to make its products
> Intangible property: Lease rights, clientele

Business assets is “intangible property”. It is part of the company’s assets.

It differs from the acquisition of a company in that only the assets are transferred to the buyer.

In France, the sale of Business assets is regulated. The transfer agreement must include certain clauses and a procedure must be implemented to inform any creditors, as the latter have the right to oppose the payment of the price agreed, for instance.

Finally, the transfer of Business assets is also subject to registration duty, whose rate varies according to the price. The rate is 5% for prices higher than €200,000 and is, in principle, paid by the buyer.
ACQUISITION BEFORE A COURT

It is also possible to take over a company that is the subject of collective insolvency proceedings.

What are collective insolvency proceedings?

French law provides for three types of collective insolvency proceedings:

> **Safeguarding procedures**, which can be initiated on behalf of a debtor that has encountered difficulties that it cannot overcome alone.

> **Administration proceedings**, when a debtor is in cessation of payments, i.e. they can no longer pay their debts with the assets available to them.

> **Liquidation proceedings**, when the debtor is in cessation of payments and there is no prospect of recovery for the company.

Terms governing the takeover

> An offer to acquire all or part of the business can be submitted from the moment administration or liquidation proceedings begin. In the event that a safeguarding procedure has been launched, only one or more lines of business can be sold.

> The timeframe during which offers may be submitted, together with information on the business activity for sale, must be published by the trustee or the court-appointed administrator.

Contents and details of the offer

> The contents of the offer are strictly regulated by the French Commercial Code. The offer must be made in writing and include certain mandatory information.

> The workforce aspects of the offer are particularly important. The buyer may only choose the job positions and the number of employees it wishes to keep and may under no circumstances select which employees will remain.

Role of the Court

> The Court assesses the offers based on three criteria set out in the French Commercial Code:

  - The future sustainability of the operation.
  - Job preservation (the dominant factor in practice).
  - Settlement of debts.

Helpful tip: The assets acquired may be declared inalienable by the Court ruling on the transfer. Thus, the buyer may be prevented from selling off any assets for a certain period of time.
WHICH MARKETING CHANNEL IS BEST SUITED TO MY BUSINESS ACTIVITIES?
**COMPANY**

<table>
<thead>
<tr>
<th>Sales agent</th>
<th>Commission agent</th>
<th>Exclusive distribution</th>
<th>Selective distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NONE</strong></td>
<td><strong>NONE</strong></td>
<td><strong>WRITTEN CONTRACT</strong></td>
<td><strong>WRITTEN CONTRACT</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Containing selection criteria</td>
<td>Containing a definition of the exclusive territory</td>
</tr>
</tbody>
</table>

- **PAYMENT IN THE FORM OF COMMISSION**
- Commercial exclusivity possible.

- **PAYMENT IN THE FORM OF COMMISSION**
- Price and terms & conditions of sale set by the principal.

- The distributor alone determines the price at which the product or service acquired is to be sold.

- The distributor alone determines the price at which the product or service acquired is to be sold.

- Compensation for any prejudice suffered.
- Not applicable in the event of gross misconduct.

- No compensation, except in the event of breach of contract.

- No compensation, except in the event of breach of contract.

- No compensation, except in the event of breach of contract.

**CONDITIONS OF FORM**

> Fact sheet 9: commercial documents

**CUSTOMER**
Several marketing channels may be considered by a company setting up in France. The standard channels are:

- **Direct selling** (including via an agent).
- **Selling through distributors.**

<table>
<thead>
<tr>
<th>Channel</th>
<th>DIRECT SELLING (VIA AN AGENT)</th>
<th>SELLING THROUGH A DISTRIBUTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Direct selling</td>
<td>Sales agent</td>
</tr>
<tr>
<td></td>
<td>No intermediary</td>
<td>An agent permanently charged with negotiating and setting up contracts of sale or service agreements in the company’s name and on its behalf.</td>
</tr>
<tr>
<td>Conditions of form</td>
<td>See Fact sheet 9: Commercial documents</td>
<td>No conditions of form. Registration on the Special Register.</td>
</tr>
<tr>
<td>System</td>
<td>Payment of the sales agent in the form of commission (as per the regulations if there is no agreement between the parties). Territorial exclusivity possible.</td>
<td>Payment of the commission agent in the form of commission (as per the regulations if there is no agreement between the parties). Price and terms &amp; conditions of sale set by the principal. No direct actions between the end customer and the initial seller. The commission agent has exclusive rights over the goods in their possession.</td>
</tr>
<tr>
<td>Expiry</td>
<td>Compensation for any prejudice suffered (usually two years’ worth of commission). The sales agent cannot claim compensation in the event of gross misconduct.</td>
<td>No compensation, except in the event of breach of contract.</td>
</tr>
</tbody>
</table>
WHAT COMMERCIAL DOCUMENTS DO I NEED TO LAUNCH MY BUSINESS?

MAKE A FRENCH START
9 insights to grow your business in France
When a company enters into commercial relationships with other firms, French law requires it to use certain commercial documents. Certain mandatory information must appear in all commercial documents.

1. General Terms and Conditions of Sale (GTCS) or General Terms and Conditions of Service Provision (GTCSP)

The General Terms and Conditions of Sale or General Terms and Conditions of Service Provision are essential components of a business relationship. They allow each party to understand their rights and obligations.

Helpful tip: Generally speaking, the GTCS and GTCSP are instruments that protect companies (notably by specifying: the penalties applicable in the event of delayed payments, a title retention clause, limitations of liability, etc.)

In what cases are GTCS/GTCSP mandatory?

<table>
<thead>
<tr>
<th>OPTIONAL / MANDATORY</th>
<th>PENALTIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>In a business relationship with a company (B2B)</td>
<td>GTCS/GTCSP are optional in relationships between businesses, but must be provided if requested by a business buyer.</td>
</tr>
<tr>
<td>In a business relationship with a consumer (B2C)</td>
<td>GTCS/GTCSP are mandatory in relationships with consumers. These are the documents containing the pre-contractual information a company is legally required to provide to consumers.</td>
</tr>
</tbody>
</table>
### Are GTCS/GTCSP required to take a specific form?

<table>
<thead>
<tr>
<th>MANDATORY CLAUSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In relationships with companies</strong></td>
</tr>
<tr>
<td>The GTCS/GTCSP must include:</td>
</tr>
<tr>
<td>&gt; The actual terms and conditions of sale.</td>
</tr>
<tr>
<td>&gt; A unit price schedule.</td>
</tr>
<tr>
<td>&gt; Price discounts.</td>
</tr>
<tr>
<td>&gt; Payment terms.</td>
</tr>
</tbody>
</table>

| **In relationships with consumers** |
| Prior to the signature of a contract, the company must provide the consumer with the following information: |
| > The essential characteristics of the goods or services. |
| > The price of the goods or services. |
| > The date on which the goods will be delivered, or the service will be provided, or the corresponding lead time (if the contract is not fulfilled immediately). |
| > Its identity, postal address, telephone number and email address, and its business activities. |
| > Information regarding legal guarantees, the functionalities of the content, the existence and implementation terms of the guarantees, and other contractual terms. |
| > The option of calling upon a consumer mediator. |
| > For distance selling and sales outside the establishment: The cooling-off period, the terms governing the right to withdraw, and the procedure required to exercise this right, return charges in the event of withdrawal, information on the company’s contact details, withdrawal form template. |
2. Invoices

An invoice is a document detailing the services or goods sold and their price. Invoices must be drafted in French and in duplicate (one copy for each party), on paper or electronically, and issued when the contract is fulfilled.

The company must keep its copy of the invoice for 10 years.

When is it mandatory?

<table>
<thead>
<tr>
<th>MANDATORY</th>
<th>PENALTIES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In relationships with companies</strong></td>
<td>Whenever services are provided, or goods are sold</td>
</tr>
<tr>
<td><strong>In relationships with consumers</strong></td>
<td>In cases of distance selling. In cases where used goods, works of art, collector's items or antiques are delivered to public auctions. Whenever services are provided to a private individual (if the price is €25 inc. VAT or more). For services involving work on property that is provided to private individuals, with or without a sale. Upon request from a consumer.</td>
</tr>
</tbody>
</table>

When is it issued?

<table>
<thead>
<tr>
<th>ISSUANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>When the sale has been completed or the service has been provided. An invoicing delay of 15 days is permitted to allow companies the time to complete necessary administrative processes. Periodic invoicing can be carried out when several separate orders for goods or services are fulfilled for the same customer, and when the tax applicable to these transactions is payable within the same calendar month.</td>
</tr>
</tbody>
</table>
## What information is mandatory?

<table>
<thead>
<tr>
<th>SPECIFIC MANDATORY INFORMATION</th>
<th>KEY INFORMATION REQUIRED IN ALL CASES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>On invoices to companies</strong></td>
<td>Invoicing date.</td>
</tr>
<tr>
<td></td>
<td>Invoice number.</td>
</tr>
<tr>
<td></td>
<td>Identity of the buyer.</td>
</tr>
<tr>
<td></td>
<td>Identity of the seller or the service provider.</td>
</tr>
<tr>
<td></td>
<td>Individual VAT identification number of the seller and the customer, if the latter is a company (except in the case of invoices for amounts equal to or under €150 ex. VAT).</td>
</tr>
<tr>
<td></td>
<td>On the date the sale is completed or the service is provided.</td>
</tr>
<tr>
<td></td>
<td>Quantity and detailed description of the products or services.</td>
</tr>
<tr>
<td></td>
<td>Unit price excluding VAT of the products sold and the services provided, and any discount granted on the day the goods are sold or the service is delivered when it relates directly to this particular transaction, not including any discounts not specified on the invoice.</td>
</tr>
<tr>
<td></td>
<td>Any surcharges.</td>
</tr>
<tr>
<td></td>
<td>Legally applicable VAT rate.</td>
</tr>
<tr>
<td></td>
<td>Total amount payable including VAT.</td>
</tr>
</tbody>
</table>
### Penalties:
- A tax fine of €15 per missing or incorrect piece of information on each invoice (up to 25% of its total amount).
- A criminal penalty of up to €375,000 for legal entities.

Other mandatory information specific to the type of business activity may exist.

### 3. Mandatory information on all business documents

Certain pieces of information must appear on all commercial documents issued by companies (notably on purchase orders):

<table>
<thead>
<tr>
<th>MANDATORY INFORMATION</th>
<th>PENALTIES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All entities registered on the Company Register (RCS)</strong></td>
<td><strong>Fine for class 4 offences (maximum of €3,750 for a legal entity).</strong></td>
</tr>
<tr>
<td>- The unique identification number (SIREN).</td>
<td></td>
</tr>
<tr>
<td>- The acronym “RCS” followed by the name of the city that is home to the Commercial Court Registry with which the company has registered.</td>
<td></td>
</tr>
<tr>
<td>- The location of its registered office.</td>
<td></td>
</tr>
<tr>
<td>- If applicable, the company’s liquidation situation.</td>
<td></td>
</tr>
<tr>
<td>- Whether the company is run by a lessee manager or a representative manager (gérant-mandataire).</td>
<td></td>
</tr>
<tr>
<td>- Specific information when a support contract has been signed with another organization that wishes to back the establishment or takeover of a business.</td>
<td></td>
</tr>
<tr>
<td>- The existence of ring-fenced assets (the line of business to which the assets are assigned, the name under which the business will operate).</td>
<td></td>
</tr>
</tbody>
</table>

| **All commercial businesses** | |
| - The company name must be preceded or followed immediately and legibly by: | |
| | - In the case of partnerships (société en nom collectif), the words “société en nom collectif” or the acronym “SNC”. | |
| | - In the case of limited partnerships (société en commandite simple), the words “société en commandite simple” or the acronym “SCS”. | |
| | - In the case of limited liability companies (société à responsabilité limitée), the words “société à responsabilité limitée” or the acronym “SARL” and the company’s share capital. | |
| | - For public limited companies (société anonyme), depending on each case: | |
| | | - “Société anonyme” or the acronym “SA”. In addition, if the public limited company has a board of directors and a supervisory board, the legal form is indicated by the words: “Société anonyme à directoire et conseil de surveillance” (public limited company with a board of directors and supervisory board). | |
| | | - “Société par actions simplifiées” (simplified limited company) or the acronym “SAS”. | |
| | | - “Société en commandite par action” (limited partnership) or the acronym “SCA”. | |
| | | - “Société européenne” (European company) or the acronym “SE”. | |
| | - The amount of share capital, which can be rounded down to the nearest whole value. | |
| | For companies with variable capital, under the terms of article L. 231-2 of the Commercial Code, the wording indicating the company’s legal form must be followed by the words “à capital variable” (with variable capital). | |

Other wordings may be required due to the specific business activities in which the company is involved.
MAKE A FRENCH START
9 insights to grow your business in France
OUR SERVICES

MAKE A FRENCH START
9 insights to grow your business in France
Business France proposes free, confidential support to help you get established in France, in whatever form: a new site, an extension to an existing site, an industrial or technology partnership, an acquisition or a financial investment.

Business France helps you reach a decision and supports you throughout the course of your project, drawing on its network of regional partners.

Support offered by Business France:

— A sound understanding of the business environment, including the regulatory framework, tax regime, social security regime and ways of setting up business, to help you make an informed decision to invest in France

— Identifying public support mechanisms (grants, tax credits, exemptions, loans, etc.) that could facilitate and speed up your planned investment

— Welcoming talented foreigners and their families

— In-depth knowledge of France’s advantages and benefits broken down by sector, the power of its ecosystems and its talent pools

— Information on investment opportunities in France

— Facilitating administrative procedures and putting you in touch with the relevant authorities to make your investment secure

— Putting you in touch with private partners to guide and advise you throughout the process of setting up in France

Mazars offers comprehensive legal support to foreign investors in France, from helping with setup formalities, to advising you regarding the growth of your local operations:

— Identifying the right type of investment project: We help you navigate the various business setup options available in France.

— Setting up business:
  > Drafting legal documentation and registering the entity on the Companies Register.
  > Drafting / reviewing your lease agreements.
  > Drafting template commercial documents for your new establishment in France (general terms and conditions of sale or service provision, or any other sales agreement).

— Day-to-day legal support for your French entity:
  > Approving annual financial statements and helping with the formalities required to submit them to the Companies Register.
  > Drafting common legal documents (transfer of the registered office, change of governance, capital increase, etc.) and conducting the formalities relating to these processes.

— Identifying the needs of the French entity in terms of distribution:
  > Advice on distribution strategies.
  > Drafting / reviewing distribution agreements.
  > Legal support during your negotiations.

— Developing your French-based entity:
  > M&A (mergers, acquisitions, restructuring, etc.)
  > Raising capital and bringing in new investors.
MAKE A FRENCH START
9 insights to grow your business in France