

General partnership

General partnerships (*Družba z neomejeno odgovornostjo - d.n.o.*) is a partnership of two or more partners who are liable for the obligations of the partnership to the full extent of their assets. This liability cannot be diminished by agreement. The partners' liability for the partnership's obligations is unlimited but only arises after a creditor's unsuccessful claim against the general partnership itself. General partnerships are legal persons that obtain such status by court registration. The name of the partnership must contain the name of at least one partner and the abbreviation d.n.o.

Founders

General partnerships may be established by two or more domestic or foreign persons by signing a partnership agreement – an act on establishment. Legal relations between the partners are regulated by a partnership agreement. The management and representation of the partnership must be performed by all partners unless the partnership agreement provides for a different solution. Partners cannot freely dispose of their share without the consent of the other partners.

Contributions

The minimum founding capital is not prescribed. Contributions are not required upon the establishment of a partnership. The founding capital is replaced by the unlimited liability of the partners. If not otherwise stated in the act of establishment the founders contribute equal shares. Contributions may be in cash, in kind, or in rights or services. The value of non-cash contributions is evaluated by all the founders.

Dissolution

The general partnership terminates upon the expiration of the term for which it was established, the partners' decision, bankruptcy, the death of a partner, denouncement or a court decision. General partnerships may not have less than two partners. If the number of partners falls below the prescribed minimum the remaining partner has one year to restore the prescribed number or they must continue the business activities as a sole trader (s.p.).

Limited partnership

The limited partnership (*Komanditna družba - k.d.*) is a partnership of two or more persons where at least one (a general partner) is fully liable, including their private assets, and at least one (a limited partner) is not liable for the partnership's obligations. The name of the limited partnership must contain the name of at least one general partner and the abbreviation k.d. If not otherwise stated, a limited partnership is subject to the same provisions that govern general partnerships.

Founders

General partnerships may be established by two or more domestic or foreign persons by signing the act on establishment. At least one partner is fully liable (a general partner) and at least one partner is not liable for the partnership's obligations (a limited partner). Legal relations between the partners are regulated by contract. General partners manage and represent the limited partnership in the same way as with general partnerships. Limited

partners are excluded from the right of management and representation and cannot oppose decisions concerning the partnership's business activities. However, a limited partner may act as proxy by agreement with a general partner.

Contributions

The minimum founding capital is not prescribed. If not otherwise stated in the act of establishment, the founders contribute equal shares. Contributions may be in cash, in kind, or in rights or services. The value of non-cash contributions is evaluated by all the founders. A limited partner who has fully paid their contributions to the partnership has no further liability for the partnership's debts.

Dual company

A dual company is a special form of limited partnership where all the general partners are companies in which the shareholders are not liable for the company's obligations. The law prescribes some special requirements for dual companies (documents, management). A joint-stock company, limited liability company and limited partnership by shares cannot be transformed into a dual company. A dual company may not be a general partner in the limited partnership as well.

Partnership limited by shares

A partnership limited by shares (*Komanditna delniška družba - k.d.d.*) is a corporation where, besides the corporation itself, one or several partners assume full liability. They are called general partners and entrusted with the right of management of which they may only be deprived on good grounds by court order.

A partnership limited by shares may be established by five domestic or foreign persons by signing the act of incorporation. Partnerships limited by shares are legal persons that obtain such status by court registration. The name of the partnership must contain the abbreviation k.d.d.

Legal relations between general partners and shareholders are regulated by the same provisions as limited partnerships while other aspects of the organisation and business structure are governed by provisions regulating joint-stock companies. General partners may include natural persons who are also members of the management board or a director in case there is only one general partner, while shareholders may also be legal persons.

At the shareholders' meeting the general partners have voting rights proportional to their share in the capital of the company. General partners are prohibited from voting when the shareholders' meeting is deciding on the following questions: election and recall of members of the supervisory board, dismissal of general partners, appointment of auditors, enforcement and renunciation of indemnity claims.