



GLOBAL EXPANSION GUIDEBOOK CORPORATE

Norway



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INTRODUCTION

Welcome to the 2024 edition of DLA Piper's *Global Expansion Guidebook – Corporate*.

GLOBAL EXPANSION GUIDEBOOK SERIES

To compete and be successful today, companies need to develop and scale their businesses globally. Each country presents its own set of unique laws, rules and regulations and business practices that companies must understand to be successful. In order to help clients meet the opportunities and challenges of expanding internationally, we have created a handy set of global guides that cover the basics companies need to know when going into and doing business in new countries. The *Global Expansion Guidebook* series reviews business-relevant corporate, employment, intellectual property and technology, executive compensation, and tax laws in key jurisdictions around the world.

CORPORATE

The *Global Expansion Guidebook – Corporate* has been created based on our research, our experience and feedback we have received from clients in both established and emerging businesses that have expanded internationally. We hope it will be a helpful resource for you.

The *Global Expansion Guidebook – Corporate* covers corporate basics in 54 key jurisdictions across the Americas, Asia Pacific, Europe and the Middle East. We touch on a wide range of corporate issues for companies expanding internationally, including establishing a corporate presence and choice of entity, liability considerations, tax presence and tax filings, capital requirements, the formation process, director, officer and shareholder requirements, registration processes, office lease processes and possible exit strategies.

With more than 600 lawyers, DLA Piper's global Corporate group is one of the largest in the world, with one of the widest geographical footprints of any global law firm and experience across the legal areas companies need as they expand internationally. With both global experience and local knowledge, we partner with our clients wherever they do business to find solutions and manage their risk in relation to their challenges and objectives.

While this guide provides high-level guidance, it is not a substitute for legal advice, and we encourage you to seek advice regarding the specific matters that concern you. If you wish to speak to any of our contributors, you may find their contact details at the end of the guide.

We hope you find this guide valuable, and we welcome your feedback.

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This is a general reference document and should not be relied upon as legal advice. The application and effect of any law or regulation upon a particular situation can vary depending upon the specific facts and circumstances, and so you should consult with a lawyer regarding the impact of any of these regimes in any particular instance.

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NORWAY



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FORM OF ENTITY

Private limited liability companies (private LLCs)

Separate and distinct legal entity managed by a board of directors, which is responsible for making major business decisions. The board of directors also has a supervisory function in relation to the company's activities and the executive managers of the company. Directors are elected by the shareholders of the company. Employees may have right to appoint a minority of the board members if the number of employees exceed certain thresholds. The day-to-day operations of the company are usually carried out by the general manager, who is appointed by the board of directors. However, private LLCs are not obligated to have a general manager. If no general manager is appointed, the chairman of the board of directors is responsible for the day-to-day management. The shareholders of the company constitute the general meeting, which is the superior body of the company.

Public limited liability companies (public LLCs)

Separate and distinct legal entity. Governmental structure of public LLCs is unitary with private LLCs. Public LLCs must have a general manager which is responsible for the day-to-day management of the company. The general manager is appointed by the board of directors. Only public LLCs or other similar foreign companies can be listed on a regulated market.

Partnerships with unlimited liability

Separate and distinct legal entity managed by the partnership meeting. Partnership meeting can appoint a board of directors and a general manager to manage the company and handle the day-to-day responsibilities.

ENTITY SET UP

Private LLCs

- Unlimited number of shareholders
- No personal liability for shareholders
- Taxed on its earnings at a corporate level. Shareholders are taxed on any distributed dividends

- Typical charter documents include: memorandum of incorporation, articles of association and shareholders' register
- Board of directors has the overall management responsibility. General manager has the day-to-day responsibility
- Shareholders subscribe for shares in a company. A company may have different share classes, for instance ordinary shares and preference shares
- Incorporation has to be registered in the Norwegian Register of Business Enterprises (the NRBE), within 3 months of incorporation

Public LLCs

- Unlimited number of shareholders
- No personal liability for shareholders
- Taxed on its earnings at a corporate level. Shareholders are taxed on any distributed dividends
- Typical charter documents include memorandum of incorporation and articles of association
- Shareholders are registered in a shareholders' register at a securities depository

Partnerships with unlimited liability

- Unlimited number of partners
- As a general rule, partners jointly have unlimited liability for all of the company's obligations. However, partners may agree in the partnership agreement that they will be severally liable according to its pro rata ownership in the partnership
- Not taxed on its earnings at a corporate level. Partners are taxed at their individual rates based on each partner's part of the profits
- Typical charter documents include: partnership agreement
- Every partner has to sign the partnership agreement. Since this agreement is registered with the NRBE, the identity of partners is public information

MINIMUM CAPITAL REQUIREMENT

Private LLCs

NOK30,000.

Public LLCs

NOK 1 million.

Partnerships with unlimited liability

No minimum capital requirement.

LEGAL LIABILITY

Private LLCs

Shareholders' liability is generally limited to the shareholders' equity contributions.

Public LLCs

Shareholders' liability is generally limited to the shareholders' equity contributions.

Partnerships with unlimited liability

Partners are jointly liable for all partnership's obligations. However, partners can agree to be severally liable for the partnership's obligations.

TAX PRESENCE

Private LLCs

Private LLCs are taxed at 2 levels. At first a private LLC pays a corporate tax on its corporate income; next a private LLC distributes profits to shareholders who then pay income tax on those dividends. Dividend received by legal entities being shareholders may be taxed at a lower level.

Public LLCs

Public LLCs are taxed at 2 levels. First, a public LLC pays a corporate tax on its corporate income; next a public LLC distributes profits to shareholders who then pay income tax on those dividends. Dividend received by legal entities being shareholders may be taxed at a lower level.

Partnerships with unlimited liability

Pass-through entity with only 1 level of taxation. The partnership profits "pass through" to the partners, who then pay taxes on the profits at their individual tax rates.

INCORPORATION PROCESS

Private LLCs

Incorporation starts with signing a memorandum of incorporation setting out among other the name of the purpose, the number of shares, the nominal value of each share and the share capital. Subsequently, the minimum share contribution has to be made. If the contribution shall be made in cash, the company has to establish a bank account with a financial institution in Norway or in another EEA state to make the contribution. Following this, incorporation of the company is filed on a coordinated register notification with the NRBE along with the memorandum of incorporation, articles of association and a declaration from an auditor or – if the contribution shall be made in cash only – a financial institution in Norway or in another EEA state, a lawyer or a state-authorized public accountant confirming that the share capital has been paid to the company mentioned. If some part or all of the share capital is going to be contributed as non-cash contributions, a statement from the founders regarding the contribution in kind, confirmed by an auditor, also has to be filed with the NRBE.

Public LLCs

The incorporation process for public LLCs is similar to the process for private LLCs.

Partnerships with unlimited liability

Incorporation starts with signing a partnership agreement setting out among other the name of the partners, the purpose, the ownership percentage and whether the partners' liability is pro rata or joint and several. If the partners are obligated to pay a contribution to the partnership, the partnership agreement has to reflect this. If a partnership will have a board of directors and/or an auditor, partnership meeting minutes with appointments and a declaration of willingness from the auditor will have to be attached as well. Following this, incorporation of the company is filed on a Coordinated Register Notification with the NRBE along with the partnership agreement attached.

BUSINESS RECOGNITION

Private LLCs

Well regarded and widely used.

Public LLCs

Well regarded, but not widely used because private LLCs fits most company requirements.

Partnerships with unlimited liability

Well regarded, but not widely used except in particular sectors.

SHAREHOLDER MEETING REQUIREMENTS

Required to hold an annual general meeting/partnership meeting to approve the annual accounts and other items required by law and, with respect to private and public LLCs, the articles of association or, with respect to partnerships, the partnership agreement.

BOARD OF DIRECTOR MEETING REQUIREMENTS

Private LLCs

At least 1 meeting each year to approve annual accounts. Further required to hold board meetings to resolve matters of unusual or significant nature, as well as matters to be resolved by the board of directors in accordance with the Norwegian Private Limited Liabilities Companies Act.

Public LLCs

At least 1 meeting each year to approve annual accounts. Further required to hold board meetings to resolve matters of unusual or significant nature, as well as matters to be resolved by the board of directors in accordance with the Norwegian Public Limited Liabilities Companies Act.

Partnerships with unlimited liability

If a partnership has appointed a board of directors, at least 1 meeting each year to approve annual accounts is required.

ANNUAL COMPANY TAX RETURNS

Private LLCs

Must annually file tax returns and annual accounts with government authorities.

Public LLCs

Must annually file tax returns and annual accounts with government authorities.

Partnerships with unlimited liability

Partnerships must file a tax return, in addition to a tax return filed by each partner, which partners file together with their respective annual tax returns. A partnership is transparent for tax purposes, and each partner is taxable for their proportionate share of income.

BUSINESS REGISTRATION FILING REQUIREMENTS

It is required with initial registration, as well as annual filings.

BUSINESS EXPANSION

No need to change form of entity as business expands.

EXIT STRATEGY

Private LLCs

Resolution by the general meeting to dissolve the company is filed with the NRBE. Following a mandatory 6-week creditor notice period, the final dissolution documents are filed with the NRBE.

Public LLCs

Resolution by the general meeting to dissolve the company is filed with the NRBE. Following a mandatory 6-weeks' creditor notice period, the final dissolution documents are filed with the NRBE.

Partnerships with unlimited liability

Resolution by a partnership meeting to dissolve a partnership is filed with the NRBE. Following a mandatory 6-week creditor notice period, final dissolution documents are filed with the NRBE.

ANNUAL CORPORATE MAINTENANCE REQUIREMENTS

Private LLCs and public LLCs must file a register of shareholders as of December 31 each year by January 31.

DIRECTOR / OFFICER REQUIREMENTS

Private LLCs

All directors must be of age. Therefore, directors must be above the age of 18 and have legal capacity to act. If the company has 3 or more directors, certain requirements apply with respect to gender composition of the board of directors. These requirements are being implemented in stages between 2024 and 2028. By July 1, 2028, companies which, at the date of its most recent annual accounting, have either (i) combined operational and financial revenues above NOK50 million, or (ii) more than 30 employees, shall have a board composition which ensures that both genders are represented by approximately 30-50 percent or more on the board (this percentage varies depending on the total number of directors). The same applies in stages to certain companies as follows:

- By December 31, 2024, for companies which, at the date of its most recent annual accounting, have combined operational and financial revenues above NOK100 million;
- By June 30, 2025, for companies which are not encompassed by the bullet point above, which, at the date of its most recent annual accounting, have more than 50 employees;
- By June 30, 2026, for companies which are not encompassed by the 2 bullet points above, which, at the date of its most recent annual accounting, have more than 30 employees; and
- By June 30, 2027, for companies which are not encompassed by the 3 bullet points above, which, at the date of its most recent annual accounting, have combined operational and financial revenues above NOK70 million.

Where 3 or more directors are to be elected by and from the employees, all such directors shall not be of the same gender, unless more than 80 percent of the employees are of the same gender. Where there are more than 200 employees, both genders shall be represented by approximately 30-50 percent or more among the directors elected by the employees.

Public LLCs

All directors must be of age. Therefore, directors must be above the age of 18 and have legal capacity to act. There are further requirements regarding the gender composition of the board. In essence, it is required that both genders are represented by approximately 30-50 percent or more on the board.

Where 2 or more directors are to be elected by and from the employees, all such directors shall not be of the same gender, unless more than 80 percent of the employees are of the same gender. Where there are more than 200 employees, both genders shall be represented by approximately 30-50 percent or more among the directors elected by the employees.

Partnerships with unlimited liability

All directors must be of age. Therefore, directors must be above the age of 18 and have legal capacity to act.

If the company has 3 or more directors, certain requirements apply with respect to gender composition of the board of directors. These requirements are being implemented in stages between 2024 and 2028. By July 1, 2028, companies which, at the date of its most recent annual accounting, have either (i) combined operational and financial revenues above NOK50 million, or (ii) more than 30 employees, shall have a board composition which ensures that both genders are represented by approximately 30-50 percent or more on the board (this percentage varies depending on the total number of directors). The same applies in stages to certain companies as follows:

- By December 31, 2024, for companies which, at the date of its most recent annual accounting, have combined operational and financial revenues above NOK100 million;
- By June 30, 2025, for companies which are not encompassed by the bullet point above, which, at the date of its most recent annual accounting, have more than 50 employees;
- By June 30, 2026, for companies which are not encompassed by the 2 bullet points above, which, at the date of its most recent annual accounting, have more than 30 employees; and
- By June 30, 2027, for companies which are not encompassed by the 3 bullet points above, which, at the date of its most recent annual accounting, have combined operational and financial revenues above NOK70 million.

Where 3 or more directors are to be elected by and from the employees, all such directors shall not be of the same gender, unless more than 80 percent of the employees are of the same gender. Where there are more than 200 employees both genders shall be represented by approximately 30-50 percent or more among the directors elected by the employees.

For more information on directors' duties, see our [Global Guide to Directors' Duties](#).

LOCAL CORPORATE SECRETARY REQUIREMENT

Not applicable for this jurisdiction.

LOCAL LEGAL OR ADMIN REPRESENTATIVE REQUIREMENT

Not applicable for this jurisdiction.

LOCAL OFFICE LEASE REQUIREMENT

Not applicable for this jurisdiction.

OTHER PHYSICAL PRESENCE REQUIREMENTS

Not applicable for this jurisdiction.

SUFFICIENCY OF VIRTUAL OFFICE

Virtual offices and c/o addresses are sufficient.

PROVISION OF LOCAL REGISTERED ADDRESS BY LAW FIRM OR THIRD-PARTY SERVICE PROVIDER

Private LLCs, public LLCs and partnerships must be registered with a Norwegian address.

PROVISION OF LOCAL DIRECTOR OR CORPORATE SECRETARY BY LAW FIRM OR THIRD-PARTY SERVICE PROVIDER

Not applicable for this jurisdiction.

NATIONALITY OR RESIDENCY REQUIREMENTS FOR SHAREHOLDERS, DIRECTORS AND OFFICERS

Private LLCs and public LLCs

The general manager and at least 1/2 of the directors

- Have to be residents in Norway or in another EEA state, the United Kingdom and Northern Ireland or Switzerland.

Partnerships with unlimited liability

No nationality or residency requirements.

RESTRICTIONS REGARDING APPOINTMENT OF NOMINEE SHAREHOLDERS OR DIRECTORS

A nominee shareholder may be appointed in public LLCs if the beneficial owner of such shares is a foreign entity /person and the nominee shareholder is approved by the Financial Supervisory Authority of Norway. The same applies in private LLCs, if the preceding requirements are met and if the shares in the private LLC are registered in a securities register.

SUMMARY OF DIRECTOR'S, OFFICER'S AND SHAREHOLDER'S AUTHORITY AND LIMITATIONS THEREOF

Private LLCs and public LLCs

- Director's authority consists of managing the company. The board of directors shall ensure a proper organization of the business and draw up plans, guidelines and budgets for the company's business. The board of directors shall keep itself informed of the company's financial position and is obliged to ensure that its activities, accounts and capital management are subject to adequate control. The board of directors shall effectuate any inspections they consider necessary. The board of directors shall supervise the day-to-day management and may issue instructions to the general manager. If the company does not have a general manager, the chairperson is responsible for the day-to-day management of the company as well.
- The general manager's authority consists of the responsibility for the day-to-day management. The manager shall comply with the guidelines and instructions issued by the board of directors. The day-to-day management does not comprise matters of an unusual kind or major importance. The general manager shall ensure that the company's accounts are in accordance with statutory law and regulations, and that the capital management is properly organized.
- The shareholder's authority consists of exercising the supreme authority in the company through the general meeting. The authority can only be exercised through a summoned general meeting and is superior to all other corporate bodies. The general meeting can pass decisions in all matters, except when authority is assigned to another body through law.

Partnerships with unlimited liability

- If a board of directors is appointed, the director's authority consists of managing the company. The board of directors shall ensure a proper organization of the business and draw up plans, guidelines and budgets for the company's business. The board of directors shall keep itself informed of the company's financial position and is obliged to ensure that its activities, accounts and capital management are subject to

adequate control. The board of directors shall effectuate any inspections they consider necessary. The board of directors shall supervise the day-to-day management and may issue instructions for the general manager.

- The general manager's authority consists of the responsibility for the day-to-day management. The manager shall comply with the guidelines and instructions issued by the board of directors. The day-to-day management does not comprise matters of an unusual kind or major importance. The general manager may decide matters under authorization from the board of directors in each case or whenever the board of directors' decision cannot be awaited without major inconvenience to the company. The general manager shall ensure that the company's accounts are in accordance with statutory law and regulations, and that the capital management is properly organized.
- The partner's authority consists of exercising the supreme authority in the company through the partnership meeting. The authority can only be exercised through a summoned partnership meeting. The partnership meeting is superior to all other corporate bodies. The partnership meeting can pass resolutions in all matters, except when authority is assigned to another body through law.

This summary of authority and limitations is not exhaustive.

PUBLIC DISCLOSURE OF IDENTITY OF DIRECTORS, OFFICERS AND SHAREHOLDERS

The name of the directors and general manager is public information register in the NRBE. Also, the partners in a partnership is public information which has to be registered in the NRBE.

All shareholders in private LLCs and public LLCs as of December 31 each year shall be registered with the Norwegian tax authorities. Based on this information, the shareholders of a Norwegian company become public information. However, this information is not updated throughout the year and can therefore not be relied upon as evidence of who is a shareholder in a company from time to time.

Private LLCs and public LLCs whose shares are not listed on a regulated market are obligated to obtain information regarding the identity of its beneficial owner(s). A public register for beneficial owners is under development and, when operative, this information will be subject to registration. Public LLCs whose shares are listed on a regulated market shall register information about the relevant market where ownership information is available rather than information about the beneficial owners.

MINIMUM AND MAXIMUM NUMBER OF DIRECTORS AND SHAREHOLDERS

Private LLCs

There must be a minimum of 1 director in the board of directors. Companies with corporate assemblies must have a minimum of 5 directors.

There must be a minimum of 1 shareholder.

No regulation of the maximum number of directors or shareholders, unless stated otherwise in the articles of association.

Public LLCs

There must be a minimum of 3 directors in the board of directors. Companies with corporate assembly must have minimum 5 directors.

There must be a minimum of 1 shareholder.

No regulation of the maximum number of directors or shareholders, unless stated otherwise in the articles of association.

Partnerships with unlimited liability

If the partnership meeting appoints a board of directors, there must be a minimum of 1 director. There must be a minimum of 2 partners.

No regulation of the maximum number of directors or shareholders, unless stated otherwise in the partnership agreement.

MINIMUM NUMBER OF SHAREHOLDERS REQUIRED

See [Minimum and maximum number of directors and shareholders](#).

REMOVAL OF DIRECTORS OR OFFICERS

Private LLCs

A director can be removed by the general meeting. This does not apply to directors chosen of the company's employees. If the company has a general assembly, the director may be removed by the general assembly.

Public LLCs

A director can be removed by the general meeting. This does not apply to directors chosen of the company's employees. If the company has a general assembly, the director may be removed by the general assembly.

Partnerships with unlimited liability

A director can be removed by the partnership meeting. This does not apply to directors chosen by and among the company's employees.

REQUIRED AND OPTIONAL OFFICERS

Private LLCs

It is not mandatory to have a general manager in private LLCs. CFO and COO are deemed as ordinary employees and are not mandatory.

Public LLCs

Public LLCs must have a general manager who is responsible for the day-to-day management of the company. No other officer is mandatory. CFO and COO are deemed as ordinary employees and are not mandatory.

Partnerships with unlimited liability

It is not mandatory to have a general manager or any other officers in a partnerships.

BOARD MEETING REQUIREMENTS

A board meeting may be held by a physical or electronic meeting, or by written resolution, subject to the chairperson's discretion. Minutes must be prepared from all board meetings.

QUORUM REQUIREMENTS FOR SHAREHOLDER AND BOARD MEETINGS

Private LLCs

The board of directors forms a quorum when more than 1/2 of the directors are present or participate in the board meeting. Stricter requirements may be determined in the articles of association. All directors (and observers, if applicable) must be given the opportunity to participate in the meeting for the board to form a quorum.

There are no quorum requirements for the general meeting, but, as some decisions require unanimity, there will in effect be quorum requirements for such decisions. Notice of the general meeting must, as a general rule, be sent at least 1 week before the general meeting. Stricter requirements may be set out in the articles of association. Shareholders may waive the notice requirements. Where the shares are registered in a securities depository, only those shareholders who have owned shares for 5 business days prior to the general meeting are entitled to attend and vote.

Public LLCs

The board of directors forms a quorum when more than 1/2 of the directors are present or participate in the board meeting. Stricter requirements may be determined in the articles of association. All directors (and observers, if applicable) must be given the opportunity to participate in the meeting for the board to form a quorum.

There are no quorum requirements for the general meeting, but, as some decisions require unanimity, there will in effect be quorum requirements for such decisions. Notice of the general meeting must, as a general rule, be sent at least 2 weeks before the general meeting. Stricter requirements may be set out in the articles of association. Shareholders may waive the notice requirements. Only those shareholders who have owned shares for 5 business days prior to the general meeting are entitled to attend and vote.

Partnerships with unlimited liability

The board of directors has a quorum when more than 1/2 of the director are present or participate in the board meeting. Stricter requirements may be determined in the partnership agreement. All directors (and observers, if applicable) must be given the opportunity to participate in the meeting for the board to form a quorum.

All decisions made by the partnership meeting must be unanimous, unless the partnership agreement states otherwise.

MUST A BANK ACCOUNT BE OPENED PRIOR TO INCORPORATION, AND MUST THE BANK ACCOUNT BE LOCAL?

Private LLCs

If the initial share contribution shall be made in cash, a bank account with a financial institution in Norway or in another EEA state must be opened prior to the registration with the NRBE.

Public LLCs

If the initial share contribution shall be made in cash, a bank account with a financial institution in Norway or in another EEA state must be opened prior to the registration with the NRBE.

Partnerships with unlimited liability

As there is no minimum capital requirement, no bank account must be created prior to incorporation.

AUDITING OF LOCAL FINANCIALS. IF SO, MUST THE AUDITOR BE LOCATED IN LOCAL JURISDICTION, AND MUST THE COMPANY'S BOOKS BE KEPT LOCALLY?

If the company has an auditor, the auditor must be approved by the Financial Supervisory Authority of Norway.

Annual accounts and other mandatory accounts, annual reports and auditors' reports shall be stored in Norway for 5 years after the end of the financial year. The documents may be stored electronically in Norway, Denmark, Finland, Iceland or Sweden. If the documents should be electronically stored outside of the Nordics, an application to the Norwegian Tax Authorities is required.

The accounting materials shall be available in a readable format and shall be capable of being printed on paper in Norway throughout the storage period.

A company which is required to have an auditor is also required to annually hold a meeting between the company's board of directors and the company's auditor, where they shall address material accounting matters and other matters which the auditor considers important for the board of directors to be informed about. In this meeting, the company's general manager or other members of the day-to-day management shall not participate (including board members who are also part of the company's day-to-day management, except a company where the majority of the company's board of directors consists of members of the day-to-day management – however so that the general manager in no cases shall be allowed to participate).

Private LLCs

For private LLCs, it is not an absolute requirement to have an auditor if (i) the company's operating income is less than NOK7 million, (ii) the company's balance sum is less than NOK27 million and (iii) the company on average has fewer than 10 full-time equivalent employees. If an auditor is elected, a declaration of willingness from the auditor must be attached to the filing.

Public LLCs

Public LLCs are obligated to have an auditor.

Partnerships with unlimited liability

For partnerships with unlimited liability, it is not an absolute requirement to have an auditor if (i) the company's operating income is less than NOK7 million, (ii) the company's balance sum is less than NOK27 million and (iii) the company on average has fewer than 10 full-time equivalent employees. If an auditor is elected, a declaration of willingness from the auditor must be attached to the filing.

REQUIREMENT REGARDING PAR VALUE OF STOCK

The number of shares and the par value of the stock have to be at least equal to the minimum share capital of a private LLC and a public LLC.

Not applicable for partnership.

INCREASING OF CAPITALIZATION IF NEEDED

Private LLCs and public LLCs

Share capital increases are adopted by the general meeting following a proposal from the board of directors. The board of directors may be granted authority by the general meeting to adopt share capital increases on specific terms. Such authorization may not be valid for more than 2 years and must be limited to a maximum of 1/2 of the share capital as of the date the authorization was granted.

Partnerships with unlimited liability

Capitalization of a partnership is adopted by the partnership meeting.

SUMMARY OF HOW FUNDS CAN BE REPATRIATED FROM YOUR JURISDICTION (IE DIVIDENDS OR REDEMPTION)

Private LLCs

Funds may be repatriated as a dividend or a share capital decrease. Both types are adopted by the general meeting following a proposal by the board of directors. The company may only distribute dividends to the extent that, after the distribution, it still has net assets covering the company's share capital and other restricted equity,

such as funds for unrealized gains and valuation differences. Upon a share capital decrease, the share capital decrease may not be set lower than the minimum share capital of NOK 30,000. A share capital decrease may be completed by a redemption of shares or reduction of the par value. A share capital reduction presupposes that the company formerly has submitted annual accounts (or interim accounts) to be used as a basis, and a 6-week creditors' notice period will apply before it may be implemented. Finally, the company shall at all times have equity and liquidity which is adequate in terms of the risk and scope of the company's business.

Public LLCs

Funds may be repatriated as a dividend or a share capital decrease. Both types are adopted by the general meeting following a proposal by the board of directors. The company may only distribute dividends to the extent that, after the distribution, it still has net assets covering the company's share capital and other restricted equity, such as funds for unrealized gains and valuation differences. Upon a share capital decrease, the share capital decrease may not be set lower than the minimum share capital of NOK 1 million. A share capital decrease may be completed by a redemption of shares or reduction of the par value. A share capital reduction presupposes that the company formerly has submitted annual accounts (or interim accounts) to be used as a basis, and a 6-week creditors' notice period will apply before it may be implemented. Finally, the company shall at all times have equity and liquidity which is adequate in terms of the risk and scope of the company's business.

Partnerships with unlimited liability

Distribution of profit is subject to resolution of the partnership meeting. The company may only distribute profit if the funds are not necessary to cover obligations of the company or company business. Profit cannot be distributed if this evidently would harm the interests of the company or its creditors.

RESTRICTIONS ON TRANSFERABILITY OF SHARES

Private LLCs

As a principal rule, transfer of shares is subject to right of first refusal and approval by the board of directors. This may be modified in the articles of association whereby the shares may still be freely transferrable. The articles of association may also contain specific requirements in order to be approved as shareholder.

Public LLCs

As a general rule, shares are freely transferrable and therefore not subject to approval by the board of directors or right of first refusal. This principle may be modified in the articles of association, but this is uncommon for public LLCs.

Partnerships with unlimited liability

As a general rule, a transfer of shares is subject to approvals from the other partners. This principle can be modified in the partnership agreement. If the partnership agreement contains a right to transfer, such transfer may be subject to first refusal by the other partners.

OBTAINING A NAME AND NAMING REQUIREMENTS

Private LLCs

The name must include the word "aksjeselskap" or the abbreviation "AS." The name may not be identical to a name already registered with the NRBE and shall contain at least 3 letters.

Public LLCs

The name must include the word "allmennaksjeselskap" or the abbreviation "ASA." The name may not be identical to a name already registered with the NRBE and shall contain at least 3 letters.

Partnerships with unlimited liability

If the partners have joint and several liability, the company name must include the words "ansvarlig selskap" or the abbreviation "ANS." If the partners' liability is pro rata, the company name must include the words "selskap med delt ansvar" or the abbreviation "DA." The name may not be identical to a name already registered with the NRBE and shall contain at least 3 letters.

SUMMARY OF "KNOW YOUR CLIENT" REQUIREMENTS

The requirements will depend on the bank in question.

APPROVAL REQUIREMENTS FOR AMENDING CHARTER DOCUMENT

Private LLCs

Amending the articles of association requires at least 2/3 majority of the votes and the share capital represented at the general meeting. Stricter requirements may be included in the articles of association.

Public LLCs

Amending the articles of association requires at least 2/3 majority of the votes and the share capital represented at the general meeting. Stricter requirements may be included in the articles of association.

Partnerships with unlimited liability

A resolution by the partnership meeting to amend the partnership agreement must be unanimous unless otherwise has been agreed in the partnership agreement.

LICENSES REQUIRED TO CONDUCT BUSINESS IN JURISDICTION

As a general rule, not applicable, but may be required for certain industries.

PROCESS OF PURCHASING AND UTILIZING A SHELF COMPANY

Shelf companies may, in general, be purchased on short notice. The shelf company may be utilized immediately after the transfer of the shelf company has completed.

KEY CONTACTS

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