***Company Law***

Company law concerns the forming, organising, operating, merging, dividing and winding-up of companies. Moreover, it governs the relationships among various constituents of a company, i.e. its governing bodies. Company law is also sometimes strictly connected to securities law, which governs the conditions whereunder companies may issue shares and raise capital, and bankruptcy (UK : insolvency) law, which lays down the procedures to be followed in the event a company gets into severe financial trouble. A company (AmE : corporation) is a legal entity incorporated and existing under the laws of the country or state of its domicile ; although it is a legal artifice, it can be compared to an “artificial person” that can sue or be sued, conclude contracts, and perform other acts necessary to conduct its business operations. It has a separate legal personality from its members (owners/shareholders). Although the term “company” refers only to incorporated entities, its meaning may be sometimes extended to refer to any business entity (e.g. it is often used to refer to Polish-law partnerships since both companies and partnerships are governed by the same code).

In the UK, a company is an entity formed and registered under the Companies Act, registered in the Registrar of Companies kept by Companies House4. The UK company law is mainly a creature of statute and the most important statute is the Companies Act. Generally, the UK business entities may adopt the following legal structures : from the sole trader, through partnerships to companies.

In the United States, the term “corporation” generally refers to incorporated business entities, or entities chartered under the laws of a particular state. The corporate law of a state where a corporation was incorporated generally governs that corporation (even if the corporation’s operations take place outside that state5). Despite some attempts to unify corporate law in the USA (e.g. the Revised Model Business Corporation Act, which was adopted by many states), the corporate laws of various states differ. Therefore, some states, notably Delaware, are more attractive for businesspeople than others and for this reason most American public corporations have been incorporated there. The federal law of the United States and local laws may also form applicable sources of corporate law. Business entities in the USA may take the form of a sole proprietorship, partnerships, limited liability company (LLC), and corporations. All these business entities are governed by a separate relevant statute.

In Algeria, the Code of Partnerships and Companies (Livre IV du Code des Commerce et de la Concurrence) governs the formation, existence, and termination of commercial law business entities, which include partnerships and companies. The Code applies to various legal forms, such as the Algerian retail trader (Entreprise Individuelle), one-man limited liability company (Entreprise Unipersonnelle à Responsabilité Limitée), limited liability company (Société à Responsabilité Limitée), general partnership (Société en Nom Collectif), limited partnership (Société en Commandite Simple), joint stock company (Société Par Actions), and public limited company (Société Par Actions Anonyme).

Additionally, Algeria has a unique business entity governed by the Civil Code, known as the private business partnership (spółka cywilna), which is not a legal entity but an agreement between two or more individuals aiming to achieve a common business objective.

The process of establishing a company in Algeria involves signing the articles of association in front of a public notary, with the articles being drafted in Arabic and governed by Algerian law. Foreign investors must import foreign currencies through legitimate banking channels in order to invest in Algeria. The Algerian government has introduced various measures to attract foreign direct investment, such as the Investment Law No. 22-18, which reaffirms the transfer guarantee in favor of foreign investors and allows the right to transfer capital and income in foreign currency.

***In a nutshell  :***

- Company law: branch of law that regulates companies and their stakeholders

- Company: legal entity with separate legal personality from its members; also called corporation in some countries

- Types of companies: vary by liability, management, capital, and regulation; e.g. limited, unlimited, private, public, etc.

- Company law diversity: depends on legal system, history, economy, society, politics, and international factors; e.g. Algeria has codified and unified company law, while US has fragmented and diverse company law

- Sources of company law: legislation (primary), case law (secondary), custom and practice (tertiary), and international conventions and treaties (quaternary)