



OPENING UP SHOP

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Poland has been a part of the European Union since 2004. This step forced governments to simplify procedures of pursuit of economic activities. However the amount of regulations related to doing business is still quite expansive. To start the simplest business a person must comply with registration regulations, labor law requirements, social security contributions

and taxes. Abovementioned factors pose following risks on company/proprietorship – risk of unexamined requests, delays, controls, fines.

The Law Office of A. Sobczyk I Współpracownicy is dedicated to providing corporate clients with comprehensive legal services, covering the full range of labour law issues and all employment

law related matters, such as data protection, compliance, working time, social contributions and migration law. The Law Office of A. Sobczyk I Współpracownicy is also available to assist clients in all stages of litigation as well as control and compliance procedures and processes under the purview of the respective authorities.

I. LABOUR AND EMPLOYMENT REQUIREMENTS

A. EMPLOYER POLICY REQUIREMENTS

1. *Remuneration regulations:*

a. Any employer employing at least 50 employees who are not covered by a single-establishment collective labour agreement or any multi-establishment collective labour agreement shall fix the conditions of remuneration for work in the rules relating to remuneration;

b. Any employer employing less than 50 employees who are not covered by a single-establishment collective labour agreement or any multi-establishment collective labour agreement, may fix the

conditions of remuneration for work in the rules for remuneration;

c. Any employer employing at least 20 and less than 50 employees who are not covered by a single-establishment collective labour agreement or any multi-establishment collective labour agreement, shall fix the conditions of remuneration for work in the rules for remuneration, if the trade union organization of an establishment submits a request for fixing thereof.

In the rules for remuneration the employer may also fix other benefits connected with the work and the principles of allocating them. Moreover the rules of

remuneration shall be fixed by the employer. If there exists in the establishment a trade union organization functioning in relation to the employer, the employer shall agree upon the rules of remuneration with such organization.

2. *Workplace regulations:*

a. An employer employing at least 50 employees shall implement workplace regulations, unless the provisions of a collective labour agreement apply,

b. An employer employing less than 50 employees may implement workplace regulations, unless the

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provisions of a collective labour agreement apply,

c. An employer employing at least 20 and less than 50 employees shall implement workplace regulations, provided that the trade union organization of an establishment submits a request for introducing thereof.

Workplace regulations while specifying the rights and duties of employer and employees connected with order in the employing establishment, must specify in particular: organization of work, conditions for staying on the premises of the employing establishment during working time and after hours, equipping of employees with tools and materials, clothing and working shoes, and with means of individual protection and personal hygiene, working-time systems and schedules and adopted working-time settlement systems, night-time; the date, the place, the

time and frequency of payment of remuneration; the types of work prohibited to young employees and women; types of work and list of working posts open to young employees for the purposes of occupational training; the list of the types of light work which may be performed by young adults employed for other purposes than occupational training; duties applicable to work safety and hygiene and fire protection, including the method of advising employees of occupational risks connected with work performed thereby; the method adopted by a given employer to confirm the time of employees arrival at work, their presence at work and leave of absence from work.

3. Safety policy and instruction of information system management – internal obligatory document concerning data protection resulting from Personal Data Protection Act.

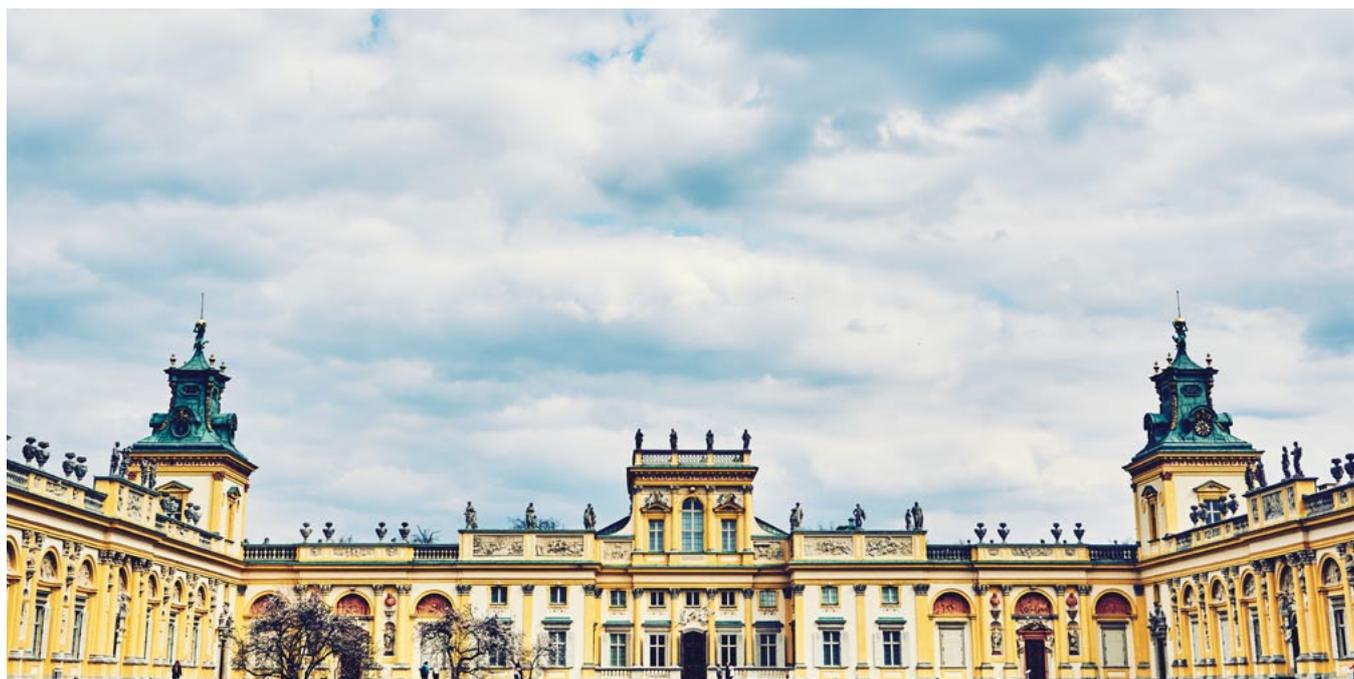
B) EMPLOYEE REQUIREMENTS

Employers are required to complete certain health and safety training activities. The following is statutorily mandated training that employers must provide:

1. General, initial health and safety training and
2. And workplace training.

Except trainings, the employer must follow the following obligatory activities:

1. registration of the employees for insurance purposes (social insurance, health insurance, Guaranteed Employment Benefit Fund, Working Fund) within Social Insurance Institution,
2. registration of employees for tax purposes within Tax Authorities,
3. issue a referral to a doctor for medical examination.





II. CORPORATE LAW REQUIREMENTS

A) INCORPORATION

First of all, the person must decide what kind of activity is the most profitable and/or possible. Business may be conducted as an individual person's business activity, corporations (limited liability company and joint-stock company) and partnerships (general partnership, limited liability partnership, limited partnership, limited joint-stock partnership).

To incorporate a new company (in general) the agreement/articles of incorporation etc. must be concluded and share capital must be paid. In most cases, a public notary should be involved. After this step, it is obligatory to perform registration in the National Court Register. District Courts keep the National Court Registers.

B) POST INCORPORATION REGISTRATIONS

The newly incorporated company must open a bank account. This bank account must be provided to respective Tax Authority.

Company must also register itself as VAT payer, of course if the activity is linked with VAT.



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III. PAYROLL AND BENEFITS PROVIDERS

It is popular for all businesses to make use of services of payroll and benefits providers. Because of the complexity of tax and social insurance system in Poland even the smallest individual business activities hire accounting companies to provide such services. Also making use of benefit providers is more and more popular among local and smaller companies – as for now most of benefit providers' clients were large, mainly international companies.

We are pleased to offer our services for all labour and employment work identified above and assist your organization to open in

Poland. Any portion of the work can be conducted on the basis of a blended rate of 200 EUR per hour in addition to any required disbursements and VAT tax.

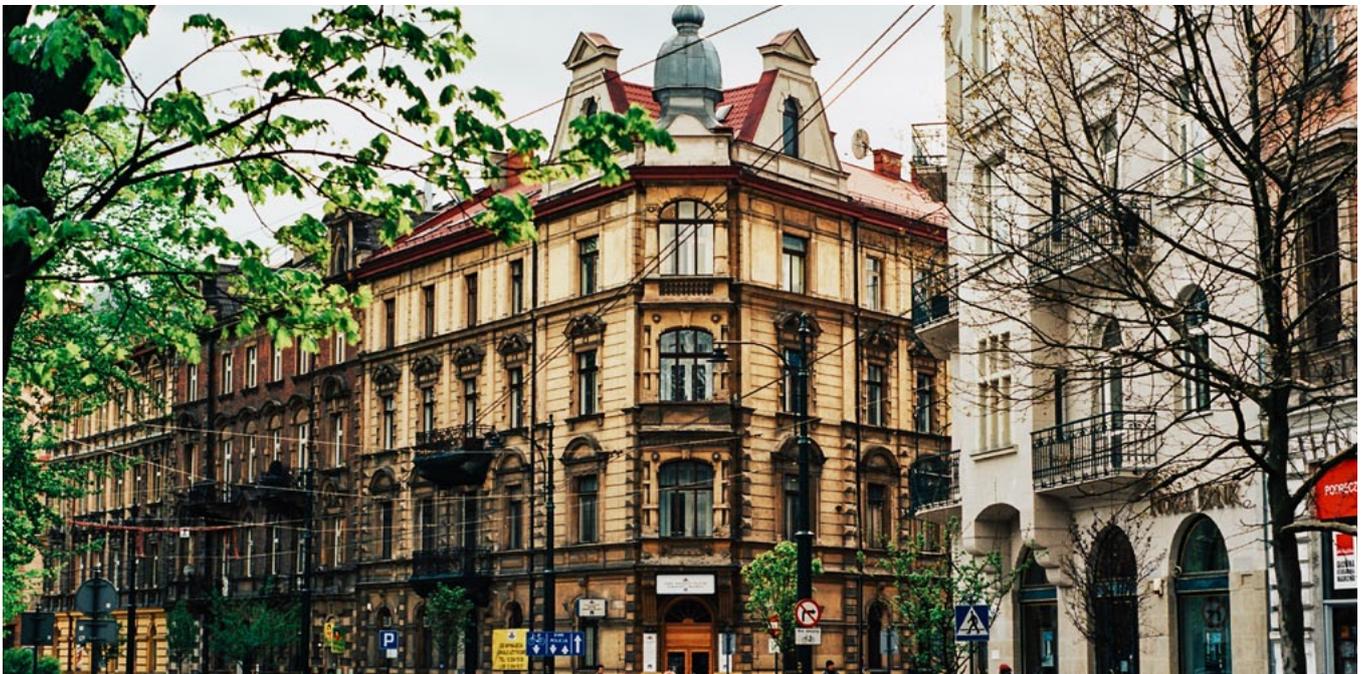
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We look forward to working with you.



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