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SINGLE MEMBER LIMITED LIABILITY COMPANY

Summary: *The paper deals with the open issues of legal regulation of single-member limited liability company. Although this is not a specific legal form, it has recognized its importance in business transactions. Special rules apply to such companies. Due to the large number of single-member companies in the economy, we must examine a number of issues that arise in connection with such company. This is especially the case because the single-member company may be founded in a classical way but also in a simplified procedure. The Company is an independent legal entity, separated from its founder but sometimes those borders between the single member and the company are not clearly recognizable. The assets or even the identities between the company and its only member may get mixed. If the only member of the company is at the same time the only director then any kind of internal control is practically impossible. Specifically in this case, the same person runs operations and manages the company. In this context is discussed and the issue of self-contracting that will regularly be the case within these companies. Furthermore the legal nature of the pre-company is dubious since in that phase it is even more difficult to differentiate the company and its founder. Special emphasis is given to the question of the application of the provisions which regulate capital inserts and protection of the company capital.*

Key words: *Single-member Ltd.; Simple Ltd.; Formation procedures; Capital Companies.*