

Differences among stock corporation, limited company and limited liability company

Category	Stock corporation (Joosik Hoesa)	Limited company (Yuhan Hoesa)	Limited liability company (Yuhan Chaegim Hoesa)
Member's ¹ responsibility	Shareholders are not liable for the company's debts. However, oligopolistic stockholders ² have the secondary liability for national taxes and additional charges	Members are not liable for the company's debts. However, oligopolistic stockholders have the secondary liability for national taxes and additional charges	Members are not liable for the company's debts. However, oligopolistic stockholders have the secondary liability for national taxes and additional charges
Promoter	1 person or more	1 person or more	1 person or more
Face value per share	One hundred KRW or more (however, non-par value stocks can be issued)	One hundred KRW or more	No limits
Minimum capital ³	100 KRW	100 KRW	No limits
Voting rights	Every shareholder shall have one vote for each share	Each member shall have one vote for each unit of investment (however, different number of votes can be provided in the articles of incorporation)	Each member shall have one vote (regardless of the amount of each member's investment)
Transfer of shares	Free to transfer (can be restricted by the articles of incorporation)	Free to transfer (can be restricted by the articles of incorporation)	All the other members' consent is required (however, different provisions can be made in articles of incorporation)
Representative institution	Representative director	Representative director	Executive officer
Executive officer system	Board of directors	Director	Executive officer

¹ Members (investors) of a company

² One who has more than 50% ownership and exercises substantial control over the company

³ Even though Minimum capital amount under commercial code is quite low, if the paid-in capital amount is too small, business (tax) registration may be rejected. Therefore, in practice, the paid-in capital is recommended between KRW 1 million and KRW 10 million at least unless it is the business which requires certain minimum paid-in capital restriction for business registration (e.g. Logistic Warehouse, Travel agency, etc.)

Auditor	1 person or more (however, a company with capital less than 1 billion KRW is not required)	Discretionary authority	Discretionary authority
Issue of bonds	Possible	Impossible	Impossible
Notarization of articles of incorporation	Required (however, a company with capital less than 1 billion KRW is exempted)	Required (however, a company with capital less than 1 billion KRW is exempted)	Exempted
Statutory audit	Audit is required when meeting certain requirements (e.g. the total assets at the end of the prior fiscal year of 12 billion KRW or more, etc.)	Audit is required when meeting certain requirements (e.g. the total assets at the end of the prior fiscal year of 12 billion KRW or more, etc.)	Not applicable

(Source: KICPA)