

# Flash Report

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## Important changes in Ukrainian company laws



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## Important changes in Ukrainian company laws

On 24 of November 2015 the Parliament voted for two draft Laws\* introducing important changes to the Ukrainian company laws.

The key changes introduced by the new draft Laws include:

- State registrars will no longer accept simple photocopies of the resolutions of companies' managing bodies (e.g., minutes of the general participants' meeting) while performing relevant registration actions. Only originals or notarised copies will be accepted. This is aimed against hostile takeovers of companies.
- Quorum of the general participants' meeting of a limited liability company will be changed to more than 50% of all participants, as opposed to more than 60% threshold stipulated by the effective law.
- A limited liability company with entirely private ownership (i.e. without any share owned by the state) will have the right to establish a different quorum in its charter.

The charters of limited liability companies will remain effective except provisions which are inconsistent with the new regulations.

The Laws will become effective after their signing by the President and official publication.

We will continue to monitor this situation and keep you updated.

\*The Draft Law "On introduction of amendments to the Law of Ukraine "On the state registration of the legal entities and private entrepreneurs" (regarding prevention of entering changes to the Unified State Register based on forged documents)" # 1475 dated 16.12.2014 and The Draft Law "On introduction of amendments to the article 60 of the Law of Ukraine "On Commercial Companies" (regarding decreasing of the quorum of the general meeting of participants of the limited liability companies)" # 2757 dated 29.04.2015