

Flash Report

Ukraine • Issue#1/2018 • 8 February 2018

Law on limited/ additional liability companies is adopted



Contacts:

Camiel van der Meij

Partner & TLS Leader

camiel.van.der.meij@pwc.com

Andrey Pronchenko

Partner, Tax and Legal Services
andrey.pronchenko@pwc.com

Alexey Katasonov

Director, Tax and Legal Services
alexey.katasonov@pwc.com

PwC Ukraine

75 Zhylyanska Street, Kyiv, 01032

Tel: +380 44 354 0404

Fax: +380 44 354 07 90

www.pwc.com/ua

This flash report is produced by PricewaterhouseCoopers' tax and legal services department. The material contained in this alert is provided for general information purposes only and does not contain a comprehensive analysis of each item described. Before taking (or not taking) any action, readers should seek professional advice specific to their situation. No liability is accepted for acts or omissions taken in reliance upon the contents of this alert.

© 2018 Attorneys Association «PricewaterhouseCoopers Legal». All rights reserved. PwC refers to the Ukrainian member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.

Ukraine's parliament introduces new legal framework for limited/additional liability companies

On 6 February 2018 the Ukrainian Parliament adopted the Law* "On limited/additional liability companies".

The new Law introduces a number of important changes to the legal framework for limited/additional liability companies, in particular:

- Company participants (shareholders) will be able to conclude a corporate agreement (equivalent of the shareholders' agreement);
- The possibility to establish a supervisory board is clearly envisaged;
- Provisions on "interested-party transactions", "material transactions" have been introduced;
- Debt-into-equity conversion is directly allowed.

The Law will have significant impact on activities of limited/additional liability companies. All limited/additional liability companies must bring their Charters into compliance with the requirements of the new Law. However, the Law does not set out a time frame in which this should happen.

The official text of the Law is yet to be signed by the President. Majority provisions will come into effect three months after official publication of the Law.

We plan to issue a detailed newsletter and hold a series of events to address this important topic.

* Bill No. 4666 dated 13 May 2016 -

http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=59093