

Simplification of business activities in Ukraine

On April 21, 2011 the Ukrainian Parliament adopted the Law of Ukraine “**On Introduction of Amendments to Certain Legislative Acts of Ukraine regarding Simplification of the Procedure of Establishing Business**” (hereinafter «the Law»), that became effective from June 06, 2011.

The Law cancelled:

Necessity to form charter capital before state registration of the company

Previously the founders of LLC had to make the payment not less than 50% of their contributions before the date of company establishment, and rest amount should be paid during the first year of company activity. Now the **charter capital should be formed till the end of the first year from the date of state registration** of the company. Such rules are foreseen for LLC, state commercial establishments, limited partnerships, etc.

Minimum Charter Capital of LLC

Previously the minimum charter capital of LLC should be not less than the amount equivalent to one minimum wage, valid from the date of company establishment. From the date of the Law effectiveness founders got possibility to form charter capital in the amount and structure that is necessary for the business.

Reservation of the name of the legal entity

It is no longer required to reserve the name of the legal entity before submitting documents with the purpose of state registration.

Necessity of notarized certification of statutory documents and filling notarized copies of some documents to State Registrar

1. It is **no longer required to verify the authenticity of shareholders' or authorized persons' signatures** on statutory documents by notary public and also notarized certification of constituent agreements.
2. It is foreseen by the Law to provide State Registrar with photocopies of the following documents:
 - resolutions of shareholders or authorized body on establishment or termination of legal entity;
 - changes to statutory documents on withdrawal of legal entity or withdrawal of physical person from founding members;
 - applications, agreement, other document on transfer of corporate rights;
 - resolutions of founders on change of the director.
3. If the legal entity is stopped by merging, joining, division, transformation, **duplicate copies of acceptance act and distribution balance sheet** signed by the head and members of commission on legal entity termination and confirmed by the participants of legal entity or body that took decision on termination of legal entity **are filled to State Registrar**.

To get more detailed information regarding the above mentioned changes in legislation, please, don't hesitate to contact our corporate services consultant Victoria Kutsareko at Victoria.Kutsarenko@accace.eu or via mob. +38 044 569 3310.

Your accace team.