



LT in focus

Changes to legislation in the sphere of corporate relations and state registration of legal entities

On 31 March 2015, the Federal law No. 67-FZ “On amending certain legislative acts of the Russian Federation in respect of ensuring credibility of information provided for the state registration of legal entities and individual entrepreneurs” (hereinafter “the Law”) entered into force.

Amending the procedure of changing the location of a legal entity

The Law contains a number of amendments to Federal Law No. 129-FZ of 8 August 2001 “On the state registration of legal entities and individual entrepreneurs,” which amend the procedure of changing the location of a legal entity and extend the authority of the registering body (tax authority).

Within 3 days after a legal entity makes the decision to change location, it sends the *preliminary notification* to the tax authorities, pursuant to which the corresponding record is made in the Unified State Register of Legal Entities (hereinafter “USRLE”). The final registration of the change of the legal entity’s location will be possible only 20 days after this record is made in the USRLE.

Violating the procedure for giving preliminary and final notifications may lead to administrative liabilities stipulated in item 3 article 14.25 of the Russian Administrative Offenses Code, in the form of the issuance of a warning notice or an administrative fine in the amount of RUB 5,000.

According to the Law, the registering body will also be authorized to check the existing information in the USRLE or that being recorded if it has reasonable doubts about the information’s authenticity. Within the framework of these powers, the registering body will be entitled to check documents, request explanations and examine real estate premises.

In the course of verifying the information recorded in the USRLE, the registration procedure can be suspended for a period of not more than 1 month. If, as a result of this verification, the registering body discovers that the information in the USRLE (for example, the information about the registered location of a legal entity) is false, a note concerning the unreliability of the information will be recorded in the USRLE and will be available to any interested party.

Criminal liability for submitting data to a registering body that causes information about false representatives to be included in the USRLE

The Law defines the criminal liability for the establishment (incorporation, reorganization) of a legal entity through false representatives.

For the purposes of this legislation, “false representatives” are the persons who are the founders (shareholders) of a legal entity or a governing body unaware of the fact that the information about them is included in the USRLE, or if the governing bodies listed for the legal entity do not intend to manage the legal entity.

This criminal act is punished by a fine ranging from RUB 100,000 to RUB 300,000, or the amount of the salary or other income of the convicted person for a period from seven months to one year, or by community service for a term of up to three years, or by imprisonment for the same term.



The extension of the definition of “official” for the purposes of Administrative Offenses Code of the Russian Federation

The Law also amends the Administrative Offenses Code of the Russian Federation to widen the definition of “official” for the purposes of the code. According to the Law, in addition to the head of a legal entity, an individual who is the founder (shareholder) of the legal entity and the head of the management company that manages the shareholder, are also recognized as officials of the legal entity.

Amendments to the Federal Law “On limited liability companies”

Please note, that since 1 January 2016 it will be obligatory to notarize the following:

- the fact of making the decision by participants in a shareholder meeting of a limited liability company to increase the company’s charter capital, along with a list of the shareholders present at the meeting;
- the application of a shareholder to withdraw from a limited liability company.

New requirements will have to be complied if the abovementioned actions are made.

Despite the fact that the Law does not directly exclude the possibility of notarization by a foreign notary, in our view, only Russian notary can perform the notarization.

The Law provides that the term for realizing the company’s preemptive right to purchase a participating interest or a part of participating interest cannot be less than 7 days after the expiration of the preemptive rights of the company’s shareholders or the waiver of preemptive rights by all the participants of the company.

We hope that you will find this information interesting and useful. Our specialists are ready to answer any questions you may have with regard to any issues raised by this alert.

Contacts

Raisa Alexakhina

Partner

+7 (495) 787 06 00, ext. 2950

ralexakhina@deloitte.ru

Alfia Mukhamatyanova

Senior manager

+7 (495) 787 06 00, ext. 2985

amukhamatyanova@deloitte.ru

Alexey Vasilyev

Senior consultant

+7 (495) 787 06 00, ext. 5251

alvasilyev@deloitte.ru

Alexey Klimov

Consultant

+7 (495) 787 06 00, ext. 1225

aklimov@deloitte.ru

deloitte.ru

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms. Please see www.deloitte.ru/en/about for a detailed description of the legal structure of Deloitte CIS.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries and territories, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte’s more than 225,000 professionals are committed to becoming the standard of excellence.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this communication, rendering professional advice or services. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.