

Simplification of legal entity liquidation

On 7 April 2015 the Verkhovna Rada of Ukraine adopted the Law in relation to simplification of legal entity termination by way of merger, acquisition, spin-off or reorganization.

Thus, the Law established that the state registrar is entitled to leave documents, submitted for state registration of legal entity termination by way of merger, acquisition, spin-off or reorganization, without his/her consideration, provided that there is information in the Unified State Register of Legal Entities and Individual Entrepreneurs (the Register) that such legal entity (which is terminated by way of spin-off) has operative subdivisions that are not included in the separation balance sheet.

Simultaneously, the state registrar shall make relevant amendments to the Register on such separated subdivisions regarding their relation to the legal entity-successor on the basis of data submitted by the terminated legal entity.

Moreover, the following limitations shall not be applicable to the legal entity under reorganization:

- prohibition of state registration of amendments to the constitutional documents of the legal entity in relation to which the decision to terminate was adopted;
- prohibition of state registration of the legal entity, the founder of which is the legal entity in relation to which the decision to terminate was adopted;
- prohibition of amendment of the Register regarding data on separated subdivisions, except for data on their closure.

Such limitations shall apply only to termination of a legal entity by way of liquidation.

These amendments shall become effective on 29 April 2015.