



REVIEW OF THE LATEST CHANGES IN CORPORATE LAW FOR Q3 2021

THE LAW ON THE WORK OF FOREIGN IT GIANTS, IN THE RUSSIAN SEGMENT OF THE INTERNET, HAS TAKEN EFFECT

A separate law is devoted to the activities of foreign persons using the Russian Internet. Firstly, it refers to owners of resources that are visited by more than 500 thousand users, from Russia, within 24 hours. The law is effective from July 1st 2021 (except for certain provisions).

Such owners are obliged:

- to place, on the resource, a form for appeals of Russian citizens and organizations. The requirements for the form will be established by the Federal Service for Supervision of Communications, Information Technology, and Mass Media (Roskomnadzor);
- to register, on the agency's website, to interact with government agencies;
- from January 1st 2022, to create a branch, representative office, or Russian legal entity.

These structures must comply with a number of requirements, for instance, to restrict access to prohibited information.

If the owner violates the legislation of the Russian Federation, then, depending on the situation, the authorities can, in particular:

- prohibit the distribution of advertising on the resource;
- block it, in whole, or in part;
- limit money transfers and acceptance of payments from Russian individuals and organizations.

For the innovations to work to the full extent, it is planned to adopt a number of by-laws.

Documents:

- Federal Law of 01.07.2021 No. 236-FZ “On activities of foreign persons in the information and telecommunication network “Internet” in the territory of the Russian Federation”
- Order of Roskomnadzor of 16.07.2021 No. 130 “On approval of the Methodology for determining the number of users of information resources per day”

AMENDMENTS HAVE BEEN INTRODUCED FROM JULY 1st 2021, TO EXPAND THE POSSIBILITIES OF REMOTE PARTICIPATION IN MEETINGS

The term “in-person voting” was replaced by “meeting”. It is allowed to participate in meetings remotely, if it is possible to reliably determine the participant, discuss issues on the agenda, and vote.

By law, by unanimous decision of community members, or by the Charter of a legal entity, the following may be provided:

- joint holding of the meeting and absentee voting;
- a specific method of remote participation in the meeting;
- another way to confirm the meeting and the results of voting, in addition to paper and electronic minutes of the meeting. For example, a video recording of the meeting.

If the meeting is held entirely remotely then, in the minutes of the meeting, it is possible not to specify the place of its holding: it is enough to indicate the method of remote participation.

The decision of the meeting may be adopted without holding a meeting (absentee voting), if at least half of the total number of participants of the relevant society have sent documents containing information about their voting; the documents may be sent through electronic, or other technical means. Meanwhile, the decision is considered adopted, if the majority of the participants of the company, who sent these documents, have voted for it.

These provisions apply to relations between participants of companies, to whom messages (notifications) about holding general meetings, or conducting absentee voting, were sent after July 1st 2021.

Document: Federal Law of 28.06.2021 No. 225-FZ “On Amendments to Part One of the Civil Code of the Russian Federation”

CHANGING THE PROCEDURE FOR ACCREDITATION OF FOREIGN BRANCHES AND REPRESENTATIVE OFFICES

From August 24st 2021, the accreditation period for foreign branches and representative offices has been reduced from 25 to 15 working days, from the date of submission of documents to the accrediting body. An exception is representative offices of foreign legal entities working in the field of civil aviation.

A procedure for suspending accreditation for up to 15 working days has also been introduced, to eliminate technical errors, in the submitted documents. This will reduce the number of refusals of accreditation and their subsequent appeals.

The list of grounds, for the accreditation body to make a decision to refuse accreditation, has also been clarified. Thus, accreditation may be refused, if the documents for accreditation are submitted in violation of the period of 12 months after the decision to open / establish a branch or representative office, if a disqualified person is appointed head of a foreign branch, or representative office, if a foreign company opens a branch or representative office that has arrears in penalties, fines or interest that, in total, exceed 3 thousand rubles (about 35 Euros), as well as on other grounds.

Document: Federal Law of 24.02.2021 No. 27-FZ "On Amendments to Article 21 of the Federal Law "On Foreign Investments in the Russian Federation"

ON OF FOREIGN BRANCHES AND REPRESENTATIVE OFFICES

From July 1st 2021, to increase the authorized capital of a limited liability company with a single participant of the company, it is necessary to contact a notary for certification of this decision.

The notary establishes the identity of the participant, his powers and the right to make decisions, and then certifies the document on the increase in capital, with the issuance of a certificate.

Previously, it was necessary to request a notarization of the authenticity of signature. It did not certify the content of the document.

Document: Federal Law of 01.07.2021 No. 267-FZ "On Amendments to Certain Legislative Acts of the Russian Federation"

FROM JULY 12th, ORGANIZATIONS ARE OBLIGED TO RESPOND TO REQUESTS FROM STATE LEGAL BUREAUS

State Legal Bureaus are created to ensure the functioning of the State system of free legal aid, as well as to provide citizens with free legal assistance, in accordance with the laws of the constituent entities of the Russian Federation.

Starting from July 12th 2021, the recipient organization must respond in writing, if the State Law Bureau requests a certificate, characteristics or other documents. The deadline for response is 30 days from the day the request is received. It can be extended, but not more than for another 30 days. In this case, it is required to notify the bureau.

The law lists the cases when it is possible to refuse to fulfill the request:

- the organization that received the request of the State Legal Bureau does not have the requested information;
- the requirements to the form, procedure for registration and addressing the request of the State Legal Bureau, determined in the prescribed manner, have been violated;
- the requested information is classified by law as 'information with limited access'.

In the event of unlawful refusal to provide information, officials of the organization can be fined between 5 thousand (about 58 Euros) and 10 thousand rubles (about 115 Euros).

When responding to a request, it is necessary to observe the confidentiality of information and ensure the security of personal data.

Document: Federal Law of 01.07.2021 No. 257-FZ "On Amendments to Article 17 of the Federal Law of 21.11.2011 No. 324-FZ "On Free Legal Assistance in the Russian Federation"

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