

### JOINT STOCK COMPANIES LAW REQUIREMENTS

#### DEMATERIALIZATION OF JOINT STOCK COMPANIES' SHARES

According to the transitory provisions of the Law of Ukraine "On joint stock companies" as of September 17, 2008 No. 514-VI ("Law"), the share issue of a joint stock company in the documentary form shall be converted to in non-documentary (electronic) form by 29 October, 2010 ("dematerialization").

This requirement is obligatory for both open and closed joint stock companies ("JSC"), which have not brought their charters in compliance with the said Law, as well as public and private JSCs.

Vasil Kisil & Partners is here to offer comprehensive legal support in dematerialization procedure. We can help effectively handle the following aspects of this complex process:

- Guiding through the dematerialization procedure with respect to one JSC or a group of JSCs;
- Advising on dematerialization requirements and key documents;
- Managing dematerialization-related risks;
- Negotiating dematerialization documents with the State Securities Commission, depository and custodian(s);
- Cooperating with the National Depository of Ukraine for obtaining ISIN code, registrar and State Securities Commission in the course of dematerialization;
- Handling of time-sensitive and problematic dematerializations; and
- Coordinating and controlling the dematerialization procedure (including convening and holding the JSC shareholders meeting, if required).

Vasil Kisil & Partners forged a fruitful partnership with the All-Ukrainian Securities Depository (formerly – MFS) and became its legal partner in the Dematerialization Program.

#### BRINGING JSC CHARTERS IN COMPLIANCE WITH THE LAW OF UKRAINE "ON JOINT STOCK COMPANIES"

The Law prescribed bringing the JSCs' charters in compliance with the said Law by 29 April 2011. This requirement is obligatory for both open and closed joint stock companies regardless of the number of shareholders. The State Securities Commission recommended that JSCs should decide on this matter at the JSC annual shareholders' meetings in 2010.

Vasil Kisil & Partners has accumulated substantial experience in bringing the JSCs charters in compliance with the Law, including transformation into public and private JSCs, advising on the Law requirements (including, JSC corporate governance matters). We successfully represented our clients in negotiations regarding the draft JSC charters with the State Securities Commission and the National Bank of Ukraine (for financial institutions).

#### LOBBYING ACTIVITY

Lawyers of Vasil Kisil and Partners are active participants in work groups created to facilitate lobbying in order to enhance regulation in the sphere of securities (in particular, amendments to the Law of Ukraine "On Joint Stock Companies" and elaboration of subordinated legislation). Our experts in the sphere of securities are always up to date on any contemplated changes in this area of Ukrainian law and regulatory practice.

# VASIL KISIL & PARTNERS

ATTORNEYS & COUNSELLORS AT LAW



## REPRESENTATIVE EXPERIENCE

### Client: Russian Standard Bank PJSC (Ukraine)

Bringing the Charter of Russian Standard Bank in compliance with the Law of Ukraine "On Joint Stock Companies" (Public JSC), negotiating draft Charter with the State Securities Commission and the National Bank of Ukraine and successful registration of the restated charter with the competent authorities.

### Client: SEB Group (Sweden)

Comprehensive advice on merger of SEB Group subsidiary banks in Ukraine – Factorial Bank (Kharkiv, Ukraine) and SEB Bank (Kyiv, Ukraine) by joining Factorial Bank to SEB Bank as a non-balance outlet, including conversion of share issue of Factorial Bank in the documentary form into the electronic form in the course of acquisition merger to SEB Bank. Bringing the Charter of SEB Bank (merged) in compliance with the Law of Ukraine "On Joint Stock Companies" (Public JSC), negotiating draft Charter with the State Securities Commission and the National Bank of Ukraine and successful registration of the restated charter with the competent authorities.

### Client: Prominvestbank (Ukraine)

Comprehensive advice to Prominvestbank in respect of requirements of the Law of Ukraine "On Joint Stock Companies".

### Client: Pharmaceutical Manufacturer (Ukraine), confidential

Guiding through the dematerialization procedure with respect to one JSC in the group, including advice on dematerialization requirements and necessary documents, negotiation of dematerialization documents with the State Securities Commission, depositary and custodian as well as cooperation with the National Depository of Ukraine for obtaining ISIN code, registrar and State Securities Commission in the course of dematerialization.

### Client: Energy Standard Group (Cyprus)

Advising Energy Standard Group (Cyprus) in respect of dematerialization requirements with specific focus on dematerialization-related risks.

## ABOUT OUR LAW FIRM

Vasil Kisil & Partners is one of the leading and long-established law firms in Ukraine that has impeccable reputation and unique expertise.

Since 1992, Vasil Kisil & Partners' lawyers provide legal services of the highest quality combining technical expertise with commercial awareness and a practical business approach to legal issues.

We provide legal support to both Ukrainian companies as well as foreign and international corporations doing business in Ukraine. We specialize in matters that require extensive experience, and direct personal attention of partners working with a team of recognized professionals.

An independent legal research publication Who's Who Legal CIS 2010, which in 2010 published its first analytical overview of the CIS legal market, recommends Vasil Kisil & Partners as a leading law firm in Ukraine.

We appreciate your attention to our letter and hope to set close mutual collaboration with you in order to facilitate development of your business in Ukraine.

## YOUR KEY CONTACTS

### Denis Lysenko

Partner

- Corporate Governance / Securities
- Mergers & Acquisitions
- Banking and Finance

*lysenko@vkp.kiev.ua*

### Anna Babych

Counsellor

- Mergers & Acquisitions
- Corporate Governance (Corporates) / Securities

*babych@vkp.kiev.ua*

### Yulia Kyrpa

Senior Associate

- Banking and Finance
- Corporate Governance (Financial Institutions) / Securities

*kyrpa@vkp.kiev.ua*

Tel. +38 (044) 581-77-77

Fax +38 (044) 581-77-70

[www.kisilandpartners.com](http://www.kisilandpartners.com)