



MARCH 2021

It Remains Possible to Hold General Meetings of JSCs and LLCs in the Form of Absentee Voting in 2021

On February 24, 2021, the President of the Russian Federation signed a law¹ providing for the possibility of holding general meetings of JSC or LLC, including annual meetings, by absentee voting.

Similar to what was done in 2020, the amendments provide for the suspension until the end of 2021 of the legal provisions prohibiting general meetings of shareholders (participants) on certain issues of agenda being held by absentee voting².

According to the amendments, by decision of the JSC board of directors (supervisory board) a general shareholders' meeting in 2021 whose agenda includes the election of the board of directors (supervisory board), the audit commission, the approval of the auditor, as well as the approval of the annual report, and the annual accounting (financial) statements of a JSC may also be held in the form of absentee voting.

Similarly, in 2021, the general meeting of participants of an LLC, whose agenda covers the approval of annual reports and balance sheets, may by the decision the LLC's executive body also be held in the form of absentee voting.

Nevertheless, the law adopted does not extend the deadlines for holding annual general meetings as was the case in 2020. In 2020, annual general meetings of shareholders (participants) could be held no later than 30 September. As of now, when planning annual general meetings it is necessary to take into account the standard deadlines provided for by the current legislation, namely:

- LLC annual general meetings shall be held no earlier than 2 months after and no later than 4 months after the end of the financial year;
- JSC annual general meetings shall be held no earlier than 2 months after and no later than 6 months after the end of the financial year.

¹ Federal Law No. 17-FZ "On Amending of the Federal Law "On International Companies and International Foundations" and on Suspension of Certain Provisions of the Federal Law "On Joint-Stock Companies" and the Federal Law "On Limited Liability Company" dated February 24, 2021. The Law comes into force upon expiration of 10 days after the day of its official publication.

² Article 50(2) of Federal Law No. 208-FZ "On Joint-Stock Companies" dated December 26, 1995; Article 38(1)(2) of Federal Law No. 14-FZ "On Limited Liability Companies" dated 8 February 1998.



RECOMMENDATIONS:

- 1 Evaluate the current processes and solutions used in the processing of personal data in relation to their compliance with the requirements of the legislation of the Russian Federation in the field of personal data and, if necessary, adjust them.
- 1 Monitor recommendations of regulatory authorities and law enforcement practice.

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