

The Amending Act to the Commercial Code which was promulgated in The State Gazette, No 105 of 30 December 2016 introduced changes in the form of the documents submitted for the purposes of registration, deregistration and notification of details in the file of a trader in the Commercial Register. The amendments envisage mandatory simultaneous notarization of the signatures and content for transactions involving the transfer of an undertaking and the transfer of shares. The objective of the new requirement is to minimize abuse in future registration of acts and changes relating to traders. A similar change of the form is introduced with regard to some types of minutes drawn up at general meetings. The requirement for two consecutive notarizations of the signatures and content refer to the minutes of general meetings which make decisions on the admission and expulsion of a partners, give consent with the transfer of a share to a new member, reduce or increase the capital, or elect a chief executive officer, as well as to documents certifying disposal of real estate. Article 137(4) provides for a derogation of the rule on the notarization of the signatures and content of the minutes in the cases of a mandatory written form set out in the Articles of Association. If the new requirements to the form are not met, the decisions will be null and void.

Another substantial change is intended to facilitate the process of proving the insolvency of a trader and to accelerate insolvency proceedings. The amendment introduces the presumption that the trader is not in a position to repay a debt that is due if the trader has failed to submit his annual financial reports for the last three years to the Commercial Register for information purposes prior to the date of the application for opening insolvency proceedings. Furthermore, insolvency will be presumed is the debtor has stopped paying the outstanding debts, including the case in which the debtor has paid fully or in part the debts only to certain creditors.

Another new feature which did not exist in the initial bill is Section IIa of Part Four Insolvency, introducing the figure of the assistant administrator. The delegation of powers of the administrator may take place only upon the explicit permission issued by the court of justice. Thus the assistant administrator will be authorized to carry out certain actions under the guidance and following the instructions of the administrator.

The new legislation contains Part Five Business Stabilization Proceedings, which will enter

into force in six months (on 1 July 2017). These are entirely new proceedings aimed at continuation of the activities of the trader who is not insolvent but under the imminent threat of insolvency. The new proceedings are introduced for the purpose of preventing insolvency proceedings through an agreement between the trader and his creditors on the way of repayment of his debts.