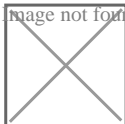


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Publisher:<!--BEGIN-OF-PUBLISHER-->Business Review<!--END-OF-PUBLISHER--><!--END-OF-FILE-LIST--></div><p></p><p>Company Law No. 31/1990 is the “Holy Book” of regulations on companies’ establishment and operation in Romania. </p><p>It’s been a while since the issue of updating this law in accordance with EC norms, especially the European Commission recommendations and the relevant principles issued by the Organization for Economic Cooperation and Development (OECD), has been raised. </p><p>The Ministry of Justice has initiated the consulting process for drafting the enactment, taking into account the opinions and comments of all interested parties: public institutions, courts of law, law firms and consulting companies and business environment experts. </p><p>The advisors of the Ministry of Justice also use as sources the modern legislations on trade companies, and last but not least the experience of Western and Eastern European States. </p><p>The amendments to Law No. 31/1990 mainly refer to changes in the shareholders’ rights and in the directors’ status and board of directors’ structure. </p><p>As regards the issue of shareholders’ rights, the proposed amendments concern both the addition of new provisions to Law No. 31/1990 and the modernization of existing provisions. </p><p>The protection and facilitation of shareholders’ rights are intended, as well as ensuring a fair treatment for such shareholders. </p><p>According to the proposed amendments, reference is made to: the consolidation of minority shareholders’ rights (facilitating the convening of the general meeting at the request of minority shareholders; modernizing the rules regarding the derived shares, whereby the shareholders file a complaint, on behalf of the company, against the directors for covering the losses, when direct action has been omitted; instituting a rule which would allow, in certain clearly determined cases, that the directors or majority shareholders be liable for the company’s debts; reform of the share assignment right and withdrawal from the company). </p><p>To read the entire article download the PDF document attached.</p>