

REPUBLIC OF ARMENIA

LAW:

An Addendum and amendments to the Law "On State Registration of Legal Entities, State Registration of Separated Divisions of Legal Entities, Institutions and Private Entrepreneurs".

Adopted on December 16, 2016

Article 1.

The Law of the Republic of Armenia "On State Registration of Legal Entities, State Registration of Separated Subdivisions of Legal Entities, Institutions and Private Entrepreneurs" Article 3 (1), Paragraph 18 shall be Replaced as follows.

18) a participant, a person possessing the right to a share of the statutory capital of a legal person or a **NGO**

Article 2.

Remove the words "Unions of legal entities" in Article 26, paragraph 15 of the Law.

Article 3.

Replace the words "COMMERCIAL LEGAL ENTITIES" in the title of chapter 7 of the Law with the words "LEGAL ENTITIES".

Article 4

In Article 32 of the Law,

1) After the word "organization" the first part shall be added the words "**as well as a non-profit organization entitled to carry out entrepreneurial activity**".

2) Remove the word "commercial" from Part 2;

Article 5.

Add Chapter 7 of the Law with Article 32.1 as follows:

"Article 32.1. Grounds for refusing the name or registration of an NGO

1. Registration of a non-governmental organization's name shall be carried out simultaneously with the registration of the organization.
2. In the event of a change in the name of the organization or reorganization, the organization shall have the right to file an application for a preferred name registration beforehand. If the title is considered to be permitted in the manner prescribed by this Article, it shall remain for six months for that organization. Then the organization is required to submit the documents required for changing a name or re-registration within six months, otherwise the name will become available for registration publicly and the state duty paid will not be returned.
3. The name of the company is compared with the names available in the database of other legal entities registered in the Republic of Armenia, as well as the presence of grounds for refusing to register the company's name provided by this Law.
4. The possibility of registering a company's name or denial of registration is determined immediately. In the cases provided for in Paragraph 3 (5) of this Article, registration or denial of registration of the Company shall be effected within a one-day period.
5. Registration of a company's name shall be denied if its distinctive name is:
  - 1) is identical to the full name of another legal entity registered under the established procedure;
  - 2) is identical to the full name (abbreviated name) of another legal entity, which was dissolved during the last year preceding the registration of the Organization;
  - 3) contains curses, insulting titles, or incompatible with national or spiritual values, contradicts the principles of humanity and morality.
6. In case of a refusal of registration of the company name it is possible to try another name, and in this case additional state duty is not charged.

7. A separate decision on refusal shall be provided within a one-day period upon the request of the applicant. The written refusal provided for in this Article shall be provided subject to payment of the corresponding state duty which is not subject to refund.

8. A decision to refuse shall be substantiated. It is signed by the electronic signature of the agency and is being sent to the applicant's e-mail address, as well as it is accessible on the Internet, provided that a person enters the appropriate code in the information system.

9. If the nominated title contains words provided for by the law, the names of which are required for the use of a license, authorization, or other basis, a document certifying the appropriate permit or other basis shall be also provided with the preferred name. In case of failure to submit the appropriate permit or other evidence, the registration of the registration shall be denied immediately.

10. In the case referred to in paragraph 9 of this Article, the name shall be approved within one business day in the manner prescribed by Article 21 of this Law. "

#### Article 6

In Article 36 of the Law,

- 1) Remove the word "firm" from paragraph 5 (1);
- 2) Remove the words "unions of legal entities" in Section 8.

#### Article 7.

Add Article 39 of the Law with Part 5 of the following wording:

«5. In case of change of the location of the Organization in the cases defined by law, the application of the Head of the Executive Body of the Organization shall be provided on the registration of the new address of the Organization. The documents provided for in points 2 and 3 of part 1 of this Article shall be submitted in the presence of such documents. In case of failure to submit the documents provided for in points 2 and 3 of part 1 of this Article, the state duty shall not be charged. "

Article 8. This law shall enter into force on the tenth day after its official publication

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1. The purpose of the state registration is through the collection, processing and provision of information, the establishment of legal facts, as well as through other actions prescribed by law, is to facilitate the

1) the protection of the rights and interests of the founders, participants, members of the governing bodies, commercial entities and legal entities of commercial organizations;

2) the protection of the rights and interests of non-profit organizations, beneficiaries, donors;

3) development of efficient policy in the economic, social and other spheres by the state and local self-government bodies.