

REGISTRATION AND ESTABLISHING A COMPANY IN SERBIA

Simultaneously with their registration with SBRA, business entities are granted a company code and a fiscal code (provided that requirements for entry in the integrated taxpayers register have been met). If the conditions for granting and allocation of a fiscal code are not fulfilled, the business entity will be registered with SBRA and referred to the Tax Administration for obtaining the fiscal code.

Upon receiving the required authorization in the integrated application for registration, SBRA forwards to the competent Pension and Disability Insurance Fund the application for insurance on behalf of the founders who state in their application that they will not be employed in the business entity, and an application for registration of commencement of business activity.

With the authorization given to it in the integrated application for registration, SBRA forwards to the Republic Health Insurance Fund the necessary data for registration of a payer of health insurance. If the requirements for registration of a payer of health insurance with RHIF are not fulfilled, the business entity will be registered with SBRA and referred to RHIF for the registration as a payer of health insurance.

Registration fee can be paid to the SBRA's account no:

- 840-969627-83, model of payment is 97, reference number 95-01.

Companies registered with the Serbian Business Registers Agency (SBRA) can immediately get their registration number – they are only required to pay a tax for assignment of the registration number to the account of the Budget of the Republic of Serbia.

- The account number is 840-742221843-57, "Model" is 97. In the field below enter the code given in the list of municipalities.
- The tax for the procurement of a registration number through the Agency, from the Statistical Office of the Republic is RSD 1,750.

Each application for company registration must be accompanied by the required supporting documents (originals or authenticated photocopies) and a proof that the registration fee has been paid to the SBRA's account no.840-969627-83, model of payment is 97, reference number 95-01.

The application for company registration and accompanying documents are submitted in one copy, by mail or personally in the premises of the Business Registers Agency or its branch offices.

If the law requires that the application form for registration be accompanied by authenticated documents, the documents must be authenticated by a body competent to authenticate signatures – a court or municipal authority.

Documents authenticated by a body authorized for authentication of signatures in another country are treated as foreign public documents. If the documents are authenticated by a public officer of a country that is signatory to the Hague Convention Abolishing the Requirement of Legalization of Foreign Public Documents or of a country which has a bilateral agreement with the Republic of Serbia regarding mutual recognition of public documents, the document need only contain an Apostille. However, if that particular country is not a signatory of the Hague Convention and does not have a bilateral agreement with the Republic of Serbia regarding recognition of public documents, the so-called full legalization is required.

Documents in a foreign language must be accompanied by their translation into Serbian, authenticated by a certified court interpreter.

The registration of a new company under an already existing registered name or under a name that may be mistaken for another or misleading with respect to the company or its activity is strictly forbidden by valid laws and regulations.

A business entity shall be registered within 5 days.

FOR THE REGISTRATION OF A COMPANY, THE APPLICANT SHALL SUBMIT THE FOLLOWING SUPPORTING DOCUMENTS:

FOR A COMPANY WITH LIMITED LIABILITY:

The following documents are submitted along with the application for registration:

- Proof of identity of the founder (copy of ID or passport for a natural person and/or Certificate of Registration issued by the Register in which the legal entity is registered)
- Articles of Association (Decision or Agreement), with certified signatures of the founders

- Bank certificate of the payment of the contribution in cash to a temporary account. When depositing the initial capital, the future company founders should request a bank certificate in which the initial capital is expressed in Euro and the equivalent amount in Dinars on the date of payment. Furthermore, when subscribing and contributing capital in kind, in their founding acts the founders are required to express the initial capital value both in Euro and the Dinar equivalent on the date of subscription, i.e. contribution of the initial capital to the company.
- Decision on the appointment of the company representative, unless the representative was designated in the Articles of Association
- Certified signature of the authorized representative
- Proof of payment of the registration fee.

FOR A PARTNERSHIP:

The following documents are submitted along with the application for registration:

- Proof of identity for the founder (copy of ID or passport)
- Contract of Association, with the signatures of the founders
- Certified signature of the representative
- Proof of payment of the registration fee.

FOR A LIMITED PARTNERSHIP:

The following documents are submitted along with the application for registration:

- Proof of identity for the founder (copy of ID or passport for a natural person and/or Certificate of Registration issued by the Register in which the legal entity is registered)
- Articles of Association, with certified signatures of the founders
- Bank certificate of the payment of the contribution in cash to a temporary account. When depositing the initial capital, the future company founders should request a bank certificate in which the initial capital is expressed in Euro and the equivalent amount in Dinars on the date of payment. Furthermore, when subscribing and contributing capital in kind, in their founding acts the founders are required to express the initial capital value both in Euro and the Dinar equivalent on the date of subscription, i.e. contribution of the initial capital to the company.
- Decision on the appointment of the representative of the limited partnership, unless the representative has been designated in the Articles of Association
- Certified signature of the representative
- Proof of payment of the registration fee.

FOR A STOCK COMPANY:

The following documents are submitted along with the application for registration:

- Proof of identity for the founder (copy of ID or passport for a natural person and/or Certificate of Registration issued by the Register in which the legal entity is registered)
- Articles of Association (Decision or Agreement), with certified signatures of the founders
- Bank certificate on subscribed shares
- Bank certificate of the payment of the contribution in cash to a temporary account. When depositing the initial capital, the future company founders should request a bank certificate in which the initial capital is expressed in Euro and the equivalent amount in Dinars on the date of payment. Furthermore, when subscribing and contributing capital in kind, in their founding acts the founders are required to express the initial capital value both in Euro and the Dinar equivalent on the date of subscription, i.e. contribution of the initial capital to the company.
- Evidence of the publication and content of the public invitation for subscription and payment of shares (prospectus), with the approval of the competent authority
- Valuation of contributions in kind of the founders by an authorized appraiser
- Decision on the appointment of the company representative, unless the representative has been designated in the Articles of Association
- Certified signature of the representative
- Proof of payment of the registration fee.

For a closed stock company, it is not necessary to submit: a bank certificate on subscribed shares (3), evidence of the publication and content of the public invitation for the subscription and payment of shares (5) and valuation of contributions in kind of the founders by an authorized appraiser (6).

FOR A COOPERATIVE:

The following documents are submitted along with the application for registration:

- Proof of identity for the founder (copy of ID or passport)
- Articles of Association (Decision or Agreement)

- Minutes from the constituent meeting
- The cooperative's bylaws
- The founders' statement of the share contributed in accordance with the Articles of Association, if this statement is not contained in the Articles of Association
- A decision on the appointment of the Director of the Cooperative, unless he has been designated in the Articles of Association
- Certified signature of the representative
- Proof of payment of the registration fee.

FOR A COOPERATIVE CORPORATION:

The following documents are submitted along with the application for registration:

- Agreement on the establishment of a cooperative corporation
- Decision on the appointment of a representative
- Certified signature of the representative
- Proof of payment of the registration fee.

FOR A PUBLIC COMPANY:

The application for registration should be accompanied by:

- the charter forming the company, passed by the competent state agency or local self-government body
- the bylaws of the public company
- Bank certificate of the payment of the contribution in cash to a temporary account. When depositing the initial capital, the future company founders should request a bank certificate in which the initial capital is expressed in Euro and the equivalent amount in Dinars on the date of payment. Furthermore, when subscribing and contributing capital in kind, in their founding acts the founders are required to express the initial capital value both in Euro and the Dinar equivalent on the date of subscription, i.e. contribution of the initial capital to the company.
- assessment by a certified assessor of the value of the non-cash contribution provided in line with the articles of association
- decision on appointment of the representative of the public company, unless the representative is appointed by the articles of association
- authenticated signature of the representative
- required consents and other documents in line with the law that governs the requirements and the method for conducting services of general interest
- Proof of payment of the registration fee.

FOR A BRANCH OFFICE:

The following documents are submitted along with the application for registration:

- Articles on Setting Up of a Branch Office
- Decision on the appointment of a representative, if the representative was not appointed in the Articles on Setting Up of a Branch Office
- Certified signature of the representative of the branch office
- Proof of payment of the registration fee.

FOR A FOREIGN BRANCH OFFICE:

The following documents are submitted along with the application for registration:

- Certificate of Registration from the Register in which the foreign legal entity is registered, with certified translation by an official court interpreter
- Evidence of bank accounts through which the business entity operates
- Certified statement, provided with the stamp of the foreign legal entity, by the founder confirming that he/she takes on full responsibility for all liabilities arising in connection with the business dealings of the branch office, with certified translation by an official court interpreter
- The decision on formation (signed by the authorized body of the foreign company) stamped with foreign company's stamp, (if the foreign company is not required to have a stamp according to the laws of that foreign state, then also a statement to that effect by the authorized person of the founder, confirming that the company does not have a stamp)
- Certified signature of the representative of the branch office
- Proof of payment of the registration fee.

REPRESENTATIVE OFFICES

The Decree on the Registration of Representative Offices of Foreign Legal Entities in the Business Register ("Official Gazette of RS", no. 114/2005) kept by the Serbian Business Registers Agency foresees that the application for the registration of a representative office must be endorsed by the following documents:

- Certificate of Registration from the Register in which the foreign legal entity, i.e. business entity – founder is registered, certified by the competent authority in the country of issue. If the Certificate does not contain data on the founder, registered office and person authorized to represent, then along with the Certificate, the applicant shall also submit documentation containing this information (Articles of Association and other)
- Articles of Association of the representative office
- Decision on the appointment of a representative, unless this is stated in the Articles of Association of the representative office
- Evidence of bank accounts through which the founder operates
- Certified statement, in which the founder takes on the responsibility for all liabilities arising in connection with the business dealings of the representative office
- Proof of payment of the registration fee
- Proof of payment of fee for registration number.

REGISTRATION OF CHANGE

GENERAL INFORMATION CONCERNING REGISTRATION OF CHANGE IN BUSINESS ENTITIES:

Each request for company registration must be accompanied by the required supporting documents, either originals or authenticated photocopies, and a payment slip or other proof of payment of the registration fee to SBRA's account (no. 840-969627-83, model of payment 97, reference number 95-01).

Application for registration of change in a business entity and the enclosed documents are submitted in one copy, by mail or personally at the central office of the Business Registers Agency or its branch offices.

If the law requires that the application form for registration of change be accompanied by authenticated documents, the documents must be authenticated by a body authorized to authenticate signatures – a court or municipal authority.

Documents authenticated by a body authorized for authentication of signatures in another country are treated as foreign public documents. If the documents are authenticated by a public officer of a country that is signatory to the Hague Convention Abolishing the Requirement of Legalization of Foreign Public Documents or of a country which has a bilateral agreement with the Republic of Serbia regarding mutual recognition of public documents, the document need only contain an Apostille. However, if that particular country is not signatory to the Hague Convention and does not have a bilateral agreement with the Republic of Serbia regarding recognition of public documents, the so-called full legalization is required.

Documents in a foreign language must be accompanied by their translation into Serbian, authenticated by a certified court interpreter.

Effective regulations prohibit registration of a company under a business name already existing in the Register or under a name that may be mistaken for another or misleading with respect to the company or its activity.

Change in a business entity must be registered within 5 days.

For the registration of change of company data, the following supporting documents are required when submitting the application:

CHANGE IN NAME, REGISTERED OFFICE OR ACTIVITY:

- Accurately filled out application for registration
- Decision on the change of these data.

CHANGE IN REPRESENTATIVES OR APPOINTMENT OF NEW REPRESENTATIVES:

- Accurately filled out application for registration
- Decision on the dismissal of the previous company representative and decision on the appointment of a new representative
- Certified signature of the new representative.

CHANGE IN THE SCOPE OF THE AUTHORITY OF THE REPRESENTATIVE:

- Accurately filled out application for registration
- Decision of the competent company authority on the change of the scope of authority of the representative.

CHANGE IN MEMBERSHIP – ACCESS OF NEW MEMBER, OR TERMINATION OF MEMBERSHIP IN A COMPANY:

- Accurately filled out application for registration
- Amendments of the Articles of Association of the company, with the signatures, certified by the authority competent for signature certification, of the new members accessing the company, or those withdrawing from membership in the company
- If the amendments of the Articles of Association are not signed by the member/s of the company withdrawing from membership, then it is necessary to submit a certified agreement on the transfer of shares stipulated between the transferor and transferee of the share.

INCREASE OF BASIC CAPITAL OF A LIMITED LIABILITY COMPANY:

- Accurately filled out application for registration
- Decision of the assembly to increase basic capital
- Bank certificate confirming payment of monetary contributions – for the increase of company capital with new contributions of the members, i.e. an agreement of the founders on the value of the non-monetary contributions for the increase of the non-monetary capital of the company.

DECREASE OF BASIC CAPITAL OF A LIMITED LIABILITY COMPANY:

Simplified procedure:

- Accurately filled out application for registration
- decision of the assembly to decrease basic capital.

Regular procedure:

- Accurately filled out application for registration
- Decision of the assembly to decrease basic capital
- Evidence of payment of matured or securing non-matured claims filed by creditors within the prescribed term
- Certificate of the competent company authority that creditors have not filed their claims within the prescribed term.

For the PAYMENT OF MONETARY CONTRIBUTION TO THE BASIC COMPANY CAPITAL it is necessary to submit a bank certificate of payment.

INCREASE OF BASIC CAPITAL OF AN OPEN JOINT STOCK COMPANY:

Additional contributions:

A two-phase process is prescribed for the increase of basic capital of an open joint stock company by additional contributions. In the first instance, the decision of the competent company body is registered with the Register, by submitting the following documents:

- Accurately filled out application for registration
- Decision of the competent company authority to increase the basic capital, which should not be more than 6 months old from the application filing date
- Fee.

Following the approval of the registration of the decision to increase the company's basic capital by the Serbian Business Registers Agency, the company registers the increase of basic capital, by submitting the following documents:

- Accurately filled out application for registration
- Certificate issued by the Central Registry, Contributionary and Clearing of Securities on the total amount of the successful share offering
- Fee.

Company's own funds:

The procedure for the increase of basic capital of an open joint stock company with the company's own funds also foresees two phases. In the first instance, the decision of the competent company body is registered with the Register, by submitting the following documents:

- Decision of the competent company authority to increase the basic capital, which should not be more than 3 months old from the application filing date
- Fee.

Following the registration approval of the decision to increase the company's basic capital by the Serbian Business Registers Agency, the company registers the increase of basic capital, by submitting the following documents:

- Accurately filled out application for registration
- Certificate issued by the Central Registry, Contributionary and Clearing of Securities on the total amount of the successful share offering
- Fee.

In order to fulfill the obligation arising from the agreement of sales of socially (state) owned capital:

For the increase of basic capital of an open stock company in order to fulfill the obligation from the sales agreement of socially (state) owned capital, the following documents are submitted to the Register:

- Accurately filled out application
- Decision of the competent company body to increase the basic capital, not more than 6 months old from the application filing date
- Proof of effected capital increase (bank certificate of payment of the monetary capital and/or report on the valuation of contributions in kind)
- Fee.

DECREASE OF BASIC CAPITAL OF AN OPEN JOINT STOCK COMPANY (AD):

Regular procedure:

The regular procedure for the decrease of capital of an open joint stock company foresees two-phases In the first instance, the decision of the competent company body to decrease basic capital is filed with the Register, by submitting the following documents:

- Accurately filled out application
- Decision of the competent company body to decrease the basic capital
- Fee.

Following the registration approval of the decision to decrease the company's basic capital by the Serbian Business Registers Agency, the company registers the decrease of basic capital, by submitting the following documents:

- Accurately filled out application for registration
- Certificate issued by the Central Registry, Contributionary and Clearing of Securities on the completed decrease of basic capital
- Fee.

Simplified procedure:

For the decrease of basic company of an open joint stock company in a simplified procedure, the following documents are submitted to the Register:

- Accurately filled out application
- Decision of the company's competent body to decrease the basic capital
- Fee.

CHANGE OF LEGAL FORM

The documentation required along with the application for the registration of the conversion of limited liability company into joint stock company, of a limited liability company into a limited or general partnership, a limited or general partnership into a limited liability company, is a decision by the authorized bodies of the companies on the change of legal form and the documents prescribed for the registration of the appropriate legal form of business:

- Fee for the change of legal form in the amount of RSD 5,100
- Late filing penalty (upon expiry of a 15 day term from the date of adoption of the decision on the change of legal form), in the amount of RSD 9,600.

STATUS CHANGES

MERGER

A merger by acquisition of a limited liability company:

For a merger by acquisition of a limited liability company, the following supporting documents shall be submitted to the Register:

- Accurately completed application for the registration of a merger by the acquiring company, (with a registration of increase of the basic capital when the capital of the acquiring company is being increased)
- Decision of the acquired company's assembly with the statement that the company members and creditors have been duly informed in accordance with the Law
- Contract for merger with certified signatures of the authorized persons
- Amendments of the acquiring company's Articles of Association (with the exact specification of the basic capital increase as a consequence of the merger and list of members of acquired company who have become members-shareholders of the acquiring company)
- Financial statements – final account not older than 8 months of each of the business entities participating in the status change
- Accurately filled out application for the registration of the strike off of the acquired company from the Register.

For a merger by acquisition of a company fully dependent on the parent company a decision of the assembly of the acquiring company is submitted, in which case it is not necessary to submit amendments of the Articles of Association of the acquiring company, considering that there is no change of founders-shareholders of the parent company and that the increase of basic capital of the acquiring company is not permitted. In this case it is necessary to submit a contract for merger by acquisition with certified signatures of the persons authorized to represent the company.

Merger by acquisition of a joint stock company:

The registration is carried out in two phases:

Phase I – The following supporting documents are submitted to the Register:

- Accurately filled out application for the registration of the draft contract for merger by acquisition
- Draft contract for merger by acquisition
- Registration fee in the amount of RSD 1,560
- Phase II - (upon adoption of the contract) The following supporting documents are submitted to the Register
- Accurately filled out application for the registration of a merger by acquisition, with the registration of increase of basic capital of the acquiring company
- Decision of the acquired company's assembly with a statement that the company members and creditors were duly informed in accordance with the Law
- Contract for merger by acquisition with the certified signatures of the authorized persons
- Amendments to the Articles of Association of the acquiring company (with the exact specification of the basic capital increase as a result of merger by acquisition and a list of members of the acquired company who have become members of the acquiring company)
- Financial statements – closing balance sheet not more than 8 months old for each of the business entities taking part in the status change
- Accurately filled out application for the registration of strike off of the acquired company.

The decision of the company assembly may be replaced by the decision of the Board of Directors containing a statement that legal requirements have been fulfilled to implement the merger without the decision of the assembly.

Merger by formation of a limited liability company (doo):

For the merger by formation of a limited liability company, the following supporting documents are submitted to the Register:

- Accurately filled out application for the registration of the newly-founded company as a result of the merger (with proof of payment of the registration fee and the documentation prescribed for the registration of the appropriate legal form of business)
- Decision of the assemblies of the merging companies with a statement that members and creditors were duly informed in accordance with the Law
- Contract for merger with certified signatures of the authorized persons (the contract represents the Articles of association of the newly-founded company and therefore it has to contain all the elements of a Articles of Association)
- Financial statement not more than 8 months old of each of the business entities participating in the status change
- Accurately filled out application for the registration of the strike off of the merging business entities.

Merger by formation of a joint stock company (ad):

The registration of merger by formation of a joint stock company is carried out in two phases:

Phase I – The following documents are submitted to the Business Register:

- Accurately filled out application for the registration of the draft contract for merger by formation of new company
- Draft contract for merger by formation of new company
- Registration fee in the amount of RSD 1,560.

Phase II – Upon approval of the contract, the following documents are submitted to the Register:

- Accurately filled out application for the registration of merger by formation of new company (with proof of payment of the registration fee and the documentation prescribed for the registration of the appropriate legal form of business)
- Decision of the assemblies of the merging companies with statement confirming that the members and creditors were duly informed thereof in accordance with the Law
- Contract for merger with the certified signatures of authorized persons, (the contract represents the Articles of Association of the newly founded company and therefore it must contain all the elements of a Articles of Association)
- Financial statements – closing balance sheet not more than 8 months old for each of the companies undergoing status change
- Accurately filled out application for the registration of strike off of the companies which are being merged.

The decision of the company assembly may be replaced by the decision of the Board of Directors containing a statement that legal requirements have been fulfilled to implement the merger without a decision of the assembly.

DIVISION

Division by acquisition of limited liability company (doo):

For a division by acquisition of limited liability company, the following documents are submitted to the Register:

- Accurately filled out application for the registration of division by acquisition for the acquiring company, (with registration of an increase of basic capital if the basic capital of the acquiring company is being increased)
- Decision of the assembly of the company terminated by division, with statement that the members and creditors were duly informed thereof, in accordance with the Law
- Contract for division by acquisition containing delimitation of funds, rights and liabilities of the company which is being divided and merged with business entities, with certified signatures of the authorized persons
- Amendments to the Articless of Association of the acquiring companies (with the exact specification of basic capital increase by acquisition and a list of the members of the company terminated by division and the members-shareholders of the acquiring company)
- Financial statements – closing balance sheet not more than 8 months old for each of the companies undergoing status change
- Accurately filled out application for the registration of strike off of the company terminated by division.

Division by acquisition of a joint stock company (ad):

The registration of a division by acquisition of joint stock company is implemented in two phases:

Phase I – The following documents are submitted to the Register:

- Accurately filled out application for registration of the draft contract for division by acquisition
 - Draft contract for division by acquisition
 - Registration fee amounting to RSD 1,560
- Phase II - (Following the adoption of the contract for division) The following documents are submitted to the Business Register
- Accurately filled out application for the registration of a division by acquisition for the acquiring company (with registration of the basic capital, if the capital of the acquiring company is being increased)
 - Decision of the assembly of the company terminated by division, with the statement that the company members and creditors were duly informed thereof in accordance with the Law
 - Contract for division by acquisition containing delimitation of funds, rights and liabilities of the company which is being divided and merged with existing business entities, with certified signatures of the authorized persons
 - Amendments to the Articless of Association of the acquiring companies (with the exact specification of basic capital increase by acquisition and a list of the members of the company terminated by division and the members-shareholders of the acquiring company)
 - Financial statements – closing balance sheet not more than 8 months old for each of the companies undergoing status change
 - Accurately filled out application for the registration of strike off of the company terminated by division.

The decision of the company assembly may be replaced by the decision of the Board of Directors containing a statement that legal requirements have been fulfilled to carry out the division without decision of the company's assembly.

Division by formation of limited liability company (doo):

For a division by formation of limited liability company, the following documents are submitted to the Business Register:

- Accurately filled out application for registration of division by formation of a newly founded company (with proof of payment of the registration fee and the documents prescribed for the registration of the appropriate legal form of business)
- Decision of the assembly of the dividing company, with statement that the company members and creditors were duly informed thereof, in accordance with the Law
- Contract for division by formation containing delimitation of funds, rights and liabilities of the company which is being divided between the newly founded companies, with certified signatures of the authorized persons, (the contract represents the Articles of association of the newly founded company and must contain all elements prescribed by law for a Articles of association)
- Financial statements – closing balance sheet not more than 8 months old for the company terminated by division
- Accurately filled out application for the registration of strike off of the company terminated by division.

Division by formation of joint stock company (ad):

The registration of a division by formation of joint stock company is implemented in two phases:

Phase I – The following documents are submitted to the Business Register:

- Accurately filled out application for the registration of the draft contract for division by formation of new company
- Draft contract for division by formation of new company
- Registration fee in the amount of RSD 1,560.

Phase II - (upon adoption of the contract) – The following documents are submitted to the Register:

- Accurately filled out application for registration of formation in virtue of the division (with proof of payment of the registration fee and the documentation prescribed for the registration of the appropriate legal form of business)
- Decision of the assembly of the dividing company, with statement confirming the company members and creditors were duly informed thereof, in accordance with the Law
- Contract for division by formation containing delimitation of funds, rights and liabilities of the dividing company, with certified signatures of the authorized persons, (the contract represents the Articles of association of the newly founded company and must contain all elements prescribed by law for a Articles of association)
- Financial statements – closing balance sheet not more than 8 months old for the dividing company
- Accurately filled out application for the registration of strike off of the dividing company.

SEPARATION

Separation by acquisition of limited liability company :

The required supporting documents to be submitted to the Register are the same as for division by acquisition (only pertaining to separation by acquisition), with the exception of the provisions on strike off of the separated company.

Separation by formation of limited liability company:

The required supporting documents to be submitted to the Register are the same as for division by formation (only pertaining to separation by formation), with the exception of the provisions on strike off of the separating company.

Concurrently with the application for the registration of separation by acquisition and separation by formation, an application for the registration of the basic capital decrease of the separating company is also submitted, however the provisions on the decrease of basic capital in regular procedures do not apply in this case.

Separation by acquisition of joint stock company:

The required supporting documents to be submitted to the Register are the same as for division by acquisition (but pertaining to separation by acquisition), with the exception of the provisions on strike off of the separating company.

Separation by formation of joint stock company:

The required supporting documents to be submitted to the Register are the same as for division by formation (only pertaining to separation by formation), with the exception of the provisions on strike off of the separating company.

Concurrently with the application for the registration of separation by acquisition and separation by formation, an application for the registration of the basic capital decrease of the separating company is also submitted, however the provisions on the decrease of basic capital in regular procedures do not apply in this case.

FEES FOR STATUS CHANGES

Merger by acquisition:

- For the acquiring company RSD 5,100
- For the acquired company which is terminated RSD 420
- Late filing penalty to be paid by the acquiring company, if the registration is not filed within 15 days from the date of certification of the contract for merger, which amounts to RSD 9,600.

Merger by formation of new company:

- The newly founded company pays a fee for the registration of the appropriate legal form
- The merging companies that are being deleted from the Register are charged a fee of RSD 420.

Division by acquisition:

- For the acquiring companies with increase of capital the fee is RSD 5,100
- For the company terminated by division the fee is RSD 420.

Division by formation of new company:

- The newly founded companies pay the registration fee for the formation of a suitable legal form of business
- For the company terminated by division the fee is RSD 420.

Separation by acquisition:

- For the separating company the fee is RSD 5,100
- For the acquiring company whose capital is being increased the fee is RSD 2,400 for the capital increase.

Separation by formation of new company:

- The newly founded companies pay the fee for the formation of a suitable legal form of business
- For the separating company the fee is RSD 5,100.

STATUS CHANGE OF A SOCIALLY OWNED COMPANY

Along with the application for the registration of a change of status of a socially owned company (merger, division, separation), the following documents are submitted to the Business Register:

- decision of the competent authority on the status change (decision of the competent company body, contract or other)
- Proof of the amount of socially owned capital
- Proof that the socially owned capital is divided into accounting shares, i.e. shares of a determined nominal value
- Corporate bylaws of the socially owned company
- Evidence of the value of the socially owned capital of the company
- Evidence that the socially owned capital is divided into accounting shares, i.e. shares of a determined nominal value,
- Articles of Association of the socially owned company
- Decision on the appointment of the company representative if the representative is being replaced,
- Certified signature of the person authorized to represent if the latter is being replaced,
- Other documents in accordance with the law.

SOCIALLY-OWNED COMPANIES:

Change in name, registered office and activity of a socially-owned company:

For the registration of a change in name, registered office and activity of a socially-owned company, the following documents are submitted to the Business Register:

- accurately filled out application
- decision of the competent body specified in the company's Articles of Association on the change of these data.

Change of representative of a socially-owned company:

- For the registration of a change of the company's representative the following supporting documents are required:
- accurately filled out application
- decision of the competent body on the dismissal of the former representative
- decision of the competent body on the appointment of the new representative

- certified signature of the new representative.

For the registration of new representatives of a socially-owned company the following supporting documents are required:

- accurately filled out application
- decision of the competent body on the appointment of a new representative
- authenticated signature of the new representative.

Change of members and/or chairperson of the Board of Directors of a socially-owned company:

For a change of members and chairperson of the Board of Directors of a socially-owned company the following supporting documents are submitted to the Register:

- accurately filled out application for registration
- decision of the competent body on the dismissal of the current members or chairperson of the Board of Directors
- decision of the competent body on the appointment of new members or chairperson of the Board of Directors.

Change of status of a socially-owned company:

For a change of status of a socially-owned company the following, beside the documents required by the Business Registration Law, the following supporting documents need do be submitted for specific status changes:

- decision of the competent body of the socially-owned company on the change of status
- evidence of the value of the socially-owned capital of the company
- evidence that the socially-owned capital has been divided into shares, i.e. stakes with a specific nominal value
- corporate bylaws of the socially-owned company
- decision on the appointment of the company representative if the representative is being replaced
- authenticated signature of the person authorized to represent if the latter is being replaced
- approval of the Republic of Serbia, all in accordance with art. 421a of the Law on Companies.

Change in ownership of socially- or state-owned capital:

For a change in the ownership of socially or state-owned capital, the following supporting documents are submitted to the Register:

- decision on the verification of the company capital valuation issued by the Privatization Agency
- agreement on the sale of socially-owned capital
- certificate issued by the competent Securities Register, i.e. Decision of the Privatization Agency confirming the transfer of shares to employees in the sale procedure
- decision on the appointment of a representative, if the representative is being replaced
- authenticated signature of the representative, if the representative is being replaced
- decision on change of the legal form of the company (if due to sale of the socially- or state-owned capital the legal form of the business entity will be changed). In this case, new articles of association for the business entity need to be submitted, as well

If application for registration of change in members and chairperson of the Board of Directors is also lodged with the Register, then a decision on dismissal of the members and chairperson of the Board of Directors is also required, together with the decision on the appointment of the members adopted by the company's assembly and the decision on the appointment of the chairperson of the Board of Directors, adopted by the company's Board of Directors.

Increasing or reducing the basic capital of a socially-owned company:

To increase or reduce the basic capital of a socially-owned company, the following documents need to be submitted to the Business Register:

- resolution passed by the authorized body of the company to increase or reduce the basic capital
- approval of the resolution to increase or reduce the basic capital by the Privatization Agency, all in accordance with the provision set forth in Art. 398 a. of the Law on Companies.

COOPERATIVES:

On 26 March 2008, representatives of the Ministry of Economy and Regional Development (MERD) and the Serbian Business Registers Agency (SBRA) met to discuss registration of cooperatives in the Business Entities Register kept by SBRA.

Ever since the Register began its work, numerous difficulties have been noticed with regard to registration of particular data on cooperatives. These issues were partly due to the lack of regulatory coordination, specifically between the Law on Cooperatives (Official Gazette of Federal Republic of Yugoslavia 41/96 and 12/98 and Official Gazette of the Republic of Serbia 101/2005 – state law and 34/2006), Law on Companies (Official Gazette of RS 125/2004) and Business Registration Law (Official Gazette of RS 55/2004 and 61/2005), and partly due to a loophole in the Business Registration Law.

Starting from the provision of the article 6 of Business Registration Law, which stipulates what data need to be entered in the Register, each issue was addressed individually in order to agree on clear and coherent opinions regarding application of the law, in view of the lack of coordination and the loophole mentioned above.

Agreements were reached on the subject matter of registration and the specific documents required to apply for registration of particular changes:

BUSINESS NAME:

Provision of the article 49 of the Business Registration Law stipulates that application for registration of change of name, registered office or activity of a business entity needs to be accompanied by the resolution on change of the respective data.

It can be inferred from the provisions of article 10, article 11, paragraph 1, point 1, article 13, paragraph 1, point 1 and article 31, paragraph 2, point 1 of the Law on Cooperatives that cooperative assembly is authorized to decide on change of the business name of the cooperative.

Hence, relevant resolution of the cooperative assembly should be supplied together with the application for registration of name change of a cooperative.

If bylaws of the cooperative place the resolution under competence of another body, it would be necessary to supply an extract from the valid bylaws of the cooperative in order to ascertain the body's authority to decide on the change of the registered office.

PRINCIPAL BUSINESS ACTIVITY:

Unlike the Law on Companies, the Law on Cooperatives still requires mandatory registration of all the business activities a cooperative is involved in, apart from those that serve for conducting the registered activities. Nevertheless, as article 6 of the Business Registration Law prescribes that the Register contains trade codes and description of the principal business activity, a cooperative, like any other business entity, should register only one – the principal business activity, while it may engage in other activities that are envisaged by its articles of association and in conformity with the law.

The key to determining the principal business activity is the area of business of a particular type of cooperative. In practice, this means that activities that by their nature extend outside the area of business to which the cooperative belongs cannot be introduced by a cooperative and particularly may not become its principal business activity (for instance, the principal business of a land cooperative may not be under trade code 55300 – restaurants).

The required supporting documents are set forth in article 49 of the Business Registration Law – resolution of the authorized body on the change of principal business activity.

The authorized body is the cooperative assembly. However, if bylaws of the cooperative place the resolution under competence of another body, it would be necessary to supply an extract from the valid bylaws of the cooperative in order to ascertain the body's authority to decide on change of the principal business activity.

DIRECTOR/ REPRESENTATIVES:

Article 50 of the Business Registration Law stipulates that the application for registration of change of a business representative should be accompanied by the following documents:

- resolution of the authorized body on dismissal of the former representative of the business entity and resolution on appointment of the new one
- authenticated signature of the new representative.

Application for registration of a new representative should be accompanied by:

- resolution of the authorized body on appointment of the new representative

- authenticated signature of the new representative.

Article 31 of the Law on Cooperatives defines clearly that the body authorized to adopt the resolution on election of a director is the cooperative assembly. Cooperative assembly also decides on appointment of an acting director (article 45 of the Law on Cooperatives).

Issues concerning other representatives and procuration are governed by the Law on Companies (article 62 of the Law on Cooperatives).

The Law on Cooperatives specifically prohibits that a director be also elected as chairperson of the board of directors (article 47 of the Law on Cooperatives), which means that the director and chairperson of the board of directors cannot be the same person.

BOARD OF DIRECTORS:

Board of directors is subject to registration and any cooperative counting over 20 members is required to appoint and register one. Cooperatives with less than 20 members are not obligated to form a board of directors. However, if they decide to do so, they have to observe article 35 of the Law on Cooperatives (at least 5 board members, who are selected from members of the cooperative, unless a cooperative has more than 50 employees that are not members of the cooperative) and report data on members of the board of directors to the Register. Cooperative assembly elects the members and chairperson of the board of directors (article 31 of the Law on Cooperatives). Along with the application for registration of members of the board, the assembly's resolution on appointment of the board of directors needs to be filed (article 65 of the Business Registration Law).

BRANCH OFFICE:

Article 60 of the Law on Cooperatives prescribes that activity of a cooperative may be conducted in different locations. Accordingly, a cooperative may register branch offices, if it has any. The resolution on formation/strike-off of a branch office is passed by the cooperative assembly or another body authorized by cooperative bylaws.

Application for registration should be accompanied by documents stipulated by article 43a, paragraph 1 of the Business Registration Law:

- resolution on formation of a branch office
- resolution on appointment of a representative, if one was not appointed by the resolution on formation of the branch office
- authenticated signature of the representative of the branch office.

If another body, other than assembly, is authorized to decide on formation of a branch office, it is necessary to supply an extract from bylaws of the cooperative in order to ascertain the body's authority.

LIQUIDATION:

The Law on Cooperatives lists situations in which a cooperative shall be liquidated (article 64 of the Law on Cooperatives). It also makes clear that the cooperative assembly passes a resolution on filing for liquidation. In addition, provisions of articles 46a and 70 of the Business Registration Law set forth the documents that need to be submitted in case of liquidation and apply to all business entities.

Liquidation proceedings are conducted in conformity with provision of the Law on Companies as the only law that regulates liquidation (as the Law on Enforced Settlement, Bankruptcy and Liquidation was superseded).

The same provision of the Law on Cooperatives postulates that if the number of members of the cooperative declines below a specified minimum, the cooperative is required to inform the Register about it and shall be liquidated. Consequently, any cooperative whose membership declines below the minimum number and fails to affiliate new members to the cooperative within 6 months shall be required to file for liquidation. If a cooperative fails to do so, the Registrar, upon ascertaining that a cooperative does not have the minimum number of members, will order the applicant to file either the documents for affiliation of new members or the petition for liquidation.

MEMBERS OF COOPERATIVE:

A distinction should be made between several different situations concerning a change in membership of a cooperative and the relevant documents that need to be submitted in each case, in line with the provisions of articles 21 through 24 of the Law on Cooperatives and article 65 of the Business Registration Law.

Affiliation of members of cooperative:

When applying for registration of a member joining a cooperative, apart from the application for registration and a photocopy of a personal identification document, the following documents need to be submitted:

- statement of affiliation,
- resolution of the authorized body of the cooperative on granting a membership status, and
- photocopy of / extract from effective bylaws of the cooperative to ascertain the authorization of the cooperative body to pass the resolution on granting a membership status in the cooperative.

Resigning membership:

When filing application for registration of a member leaving a cooperative, only a written statement of membership resignation is required, as it is assumed that the application is filed by a representative of the cooperative, i.e. that the cooperative has received the statement of resignation and has accepted it (article 22 of the Law on Cooperatives).

Termination of membership:

When filing application for registration of termination of membership in a cooperative, the following documents need to be submitted:

- reasoned resolution on termination of a member's membership in a cooperative, and
- photocopy of / extract from effective bylaws of the cooperative (in order to ascertain the authorization of the body that passed the resolution) (article 23 of the Law on Cooperatives).

Death of a member of a cooperative:

When filing application for registration of affiliation of a deceased member's successor, the following documents need to be submitted:

- statement of affiliation,
- resolution of the authorized body of the cooperative on granting a membership status,
- photocopy of / extract from effective bylaws of the cooperative in order to ascertain the authorization of the body that passed the resolution, and
- photocopy of the identity card(s) of the new member(s) of the cooperative.

CAPITAL:

Article 6, paragraph 1, point 13 of the Business Registration Law stipulates that the Register contains data on a business entity's capital (subscribed, paid-in and contributed). On the other hand, the Law on Cooperatives does not recognize the category of capital and only states that cooperatives may operate with or without membership interests and that members of a cooperative have equal interests.

Because of the specific nature of stakes held by members in a cooperative, the categories that otherwise apply to interest held in companies do not exist. For instance, there can be no transfer of a member's interest in a cooperative to another member or to third parties, because a member's stake is tied with the membership status, thus a member can hold a stake in a cooperative as long as he or she has the status of a member in a cooperative. Upon cessation of the membership status, the stake is repaid to the, now former, member.

Therefore, it can be inferred that in the meaning of the Business Registration Law, the relevant information for legal transactions involving cooperatives is whether a cooperative operates with or without membership interests. If a cooperative operates with stakes, the amount of members' individual stakes in a cooperative is entered in the register. However, as the members' interests are only one element of a cooperative property, the aggregate stakes cannot be treated as capital in the meaning of article 6 of the Business Registration Law. Therefore, the data on the aggregate value of members' interests in a cooperative is not entered in the Register, and neither is the proportion of individual member's share in the total value of stakes (which is practiced in relation to limited liability companies and in conformity with the Law on Companies).

Consequently, upon formation of a cooperative (or upon a member's joining a cooperative), members of a cooperative apply for registration only of individual membership interests, without stating the total value of stakes (the sum total). Furthermore, upon resignation/termination of membership, each member is struck off the Register together with the amount of his or her registered stake, as interests are returned upon cessation of membership status. If there has been a revaluation of membership interests and the interest repaid to a member leaving the cooperative is now higher (or lower) than the one registered at the moment of application for removal of a member, it would first be necessary to report the change in the value of stakes of all members in a cooperative resulting from the revaluation. When forming a cooperative, the information about membership interests must be contained in the articles of association and the application for registration. In the event of subsequent affiliation to a cooperative, beside the application for registration, the value of interest would have to be specified also in the resolution of the authorized body on granting a membership status or another document of the authorized body passed in line with bylaws of the cooperative. If there has been a revaluation of membership interests, the documents on which the revaluation was based need to be submitted, in line with article 65 of the Business Registration Law.

If a resigning member wishes to leave his stake to the cooperative, the stake has to be distributed equally between all the remaining members of the cooperative and this change has to be stated in the application for registration and acknowledged by a document passed by the authorized body of the cooperative.

STRIKE OFF FROM THE BUSINESS REGISTER

A strike off from the Business Register can be effected in the following cases:

- As a result of company status changes
- In consequence of take-over of competence by another registration body
- Upon completion of liquidation or bankruptcy procedure.

LIQUIDATION

The process of liquidation takes place in two stages.

In the first stage, the liquidator files the application for registration of commencement of liquidation in order for a notice to creditors to be issued.

Along with the application for the initiation of liquidation procedures, the following documents must be submitted:

- Decision of the Assembly on the initiation of liquidation procedures with an invitation to creditors to register their claims and by stating the address which will be used for the registration of claims (signed by the founders in the capacity of the company's assembly, certified with the company's registered stamp, and in the case when the founder is a legal entity – then signed by the representative/ director of that legal entity)
- Decision of the assembly on the appointment of a liquidation manager
- OP form for the liquidation manager (only when the liquidation manager is a person other than the company's representative)
- Proof of payment of RSD 2,400 to the Agency's account no. 840-969627-83 ref.no. 9501-... (the company code should be indicated).

Based on this request, a decision is adopted to initiate liquidation procedures and a notice of the liquidation is posted on the Agency's website for a period of 60-90 days, requiring claimants to file their claims.

In the second stage, application for registration of striking off the Register is filed.

The application for strike off from the Register shall be filed upon expiry of a minimum of 60 days, or 90 days from the date of publication of the notice of liquidation to claimants, (for example, if the date of publication of the notice is 1 October 2008, the application for strike off may be filed at the earliest on 2 December 2008), by the liquidation or bankruptcy administrator, within 15 days from the end date of the liquidation or bankruptcy procedures, along with the following supporting documents:

- Report of the liquidation manager on the implementation of the liquidation procedures in which it is specified whether any claims were filed and if so – were they settled, signed by the liquidation manager and certified with the stamp of the company, (the liquidation manager shall bear financial and criminal accountability for the truthfulness of the statements made in the report)
- Extraordinary financial statements - original or certified copy of the financial statements (balance sheet, profit and loss account and balance of statistics) drafted on the end date of liquidation (this date may be, at the earliest, upon expiry of 60 days from the date of publication of the notice, or even later if the decision on the ending of the liquidation procedure was adopted after the expiry of the 60 day term)
- Evidence of payment of the RSD 420 fee to the Agency's account no. 840-969627-83 with reference to number 9501-... (the company code should be indicated).

IMPORTANT NOTICE: Together with the application for registration of strike off, all business entities are required to file an application for registration of annotation of details on the person in charge of the books and documents of the liquidated company, in line with article 362 of the Law on Companies and article 6 paragraph 5, points 1 and 2 of the Business Registration Law. This application for registration must be accompanied by the resolution of the company's founder(s) on the appointment of the person to be in charge of the company's books and documents. A proof that the RSD 1,560 fee for registration of the change has been paid to the Agency's account number 840-969627-83, reference number 9501-(include company code) must also be filed, in line with article 3, paragraph 1, point 1 of the Decree on Fees for Registration and other Services Provided by the Business Registers Agency (Official Gazette of RS No. 109/05).

BANKRUPTCY

Together with the bankruptcy petition, a resolution on initiation of bankruptcy proceedings passed by the authorized body needs to be filed. The petition is submitted by the bankruptcy administrator, who also applies for registration of change of the business name and representative. Bankruptcy administrator, as representative of the bankrupt company, supplies the authenticated signature form. The relevant registration fee is RSD2,400.00.

The application for strike off the Register, which should be filed by bankruptcy administrator within 15 days from closure of bankruptcy proceedings, must be accompanied by a final court decision on closure of bankruptcy proceedings. The registration fee is RSD420.00.

Bankruptcy proceedings may be suspended due to sale of bankruptcy debtor as a legal entity. In this case, instead of striking the bankruptcy debtor off the Register, the procedure for change of data on the bankruptcy debtor ensues.

If in the course of bankruptcy proceedings the bankruptcy debtor is sold as a legal entity, in line with article 113, paragraph 1 of the Bankruptcy Law, the bankruptcy proceedings against the bankruptcy debtor shall be suspended and directed against the bankruptcy estate. After suspension of the bankruptcy proceedings, the business entity that was sold in the course of bankruptcy proceedings retains its legal personality, while the founder or owner of the legal entity is changed, by registering the buyer of the bankruptcy debtor as its founder in the SBRA's Register.

The authorized applicant in this case shall be the newly appointed representative of the legal entity that was sold in the course of the bankruptcy proceedings. The following documents need to be filed to register this change:

- application for registration of change of a business name, founder, director, company capital (it is compulsory to supply the documents that are usually required to register these changes – decisions, deposit slip, authenticated signature form, proof of identity of the founder)
- final court decision on suspension of bankruptcy proceedings
- agreement on sale of the bankruptcy debtor
- proof that the RSD2,400.00 fee for change of data has been paid.

STRIKING OFF A BRANCH OFFICE OR REPRESENTATIVE OFFICE OF A FOREIGN LEGAL ENTITY

For removing representative offices and branches of foreign companies from the Register, the following documents should be submitted:

- strike-off registration form
- the founder's decision on dissolution of the representative office/branch office
- the founder's authenticated statement that the representative office/branch has settled all its liabilities incurred in relation to the representative office/branch office business
- the fee for striking off the Register is RSD 420.00