

Liquidation of the Company in the Republic of Kazakhstan

Liquidation process is a statutory prescribed process with defined deadlines for notification, filings and publication requirements which in case of violation can result refusal in registration or statutory fines.

What is Unicase and how do we work?

Unicase team provides full support during the liquidation of the Company in Kazakhstan through preparation of necessary documents, assistance with the governmental agencies on the process of liquidation, advising on termination of labour relationships and other issues.

The liquidation procedure proceeds according to the Step I-VI described in the sections below.

Step I. Preparation for liquidation process

Suitability for company liquidation

Foremost it is necessary to determine the suitability of the liquidated Company and the absence of potential obstacles/claims from third parties that may complicate the liquidation. Within the frameworks of liquidation Company has to pay its debts in full and solve claims of third parties, resolve all potential disputes, including claims from company employees and/or third parties. It is also necessary to deal with the tax obligations of the Company i.e. to pay all the necessary taxes and financial debts in relation to the banks and other organizations.

Step II Draft of necessary documents

Following the Step I, the standard liquidation procedure begins with a Resolution or Minutes of the General Meeting on dissolvent and liquidations of the company, drawn up in the manner prescribed by law.

The following document shall be passed:

- Resolution/Minutes on liquidation of the Company
- PoA for Unicase lawyers to perform all required steps for liquidation
- PoA for accountant to perform all required steps for liquidation related to the tax audit

Step III. Notice and publish in the mass media

Notifications shall establish that the Company has been placed in to liquidation as well as the liquidator's contact information allowing any potential creditors the opportunity to submit any outstanding claims.

- Notification for local justice and tax authorities on liquidation
- Notification for publishing in the official newspaper of the Justice Ministry of the announcement about liquidation*Term for bringing of claims by the creditors shall be not less than 2 (two) months from the date of publication
- Notification for the labor authority regarding forthcoming dismissal of staff due to liquidation* The labor authority should be notified on the forthcoming dismissal of staff in 1 month prior to the dismissal
- Notification for the staff regarding termination of labor agreements* The employees should be notified of their dismissal at least 1 (one) month in advance, unless a longer period is established in their employment or collective agreements

Step IV. Pay any creditor claims

If there are any claims from creditors these shall be paid by the Company and/or liquidator.

Step V. Liquidation tax audit

The following services shall be provided by the tax audit company

- Preparation of the intermediate liquidation balance sheet/financial statements
- Resolution on approval of the intermediate liquidation balance sheet/financial statements
- Submission of the application to carry out a liquidation tax audit to the tax authority
- The liquidation tax audit
- Preparation of the final liquidation balance sheet
- Resolution on approval of the final liquidation balance sheet
- Submission of the final liquidation balance sheet to the tax authority
- Closing bank accounts and destruction of the seal
- Obtaining certificate confirming the absence of tax indebtedness

Step VI. Registration of liquidation with a local justice department

Following the Step V, after completion issues related to the taxes liquidation must be registered to a local justice department by submission of the:

- Resolution on liquidation of the Company
- Original regulations on the liquidated Company
- Original certificate of registration of the liquidated Company
- Original of the newspaper where announcement of the liquidation was published
- Original certificate on absence of indebtedness of the customs and tax payments
- PoA for Unicase lawyers to perform all required steps for liquidation
- Document confirming payment of the state liquidation fee

FAQ

When will the liquidation be completed?

The liquidation of the Company will be completed within 5 business days after submission of the documents to the justice authority by excluding the company from the state database.

How long does it take to liquidate a Company?

In practice, the liquidation period takes approx. from 6 months up to 1 year or more, depending on the efficiency of each person/company/state authority involved.

Who should sign the documents on behalf of the liquidated Company?

The following persons/company has right to sign the documents on behalf of the liquidated Company: the HQ office of the Company, the Director of the liquidated Company, representative acting on the basis of the PoA and accountant of the liquidated Company with regards to the tax related documents.

How should documents be certified?

Documents executed outside of Kazakhstan shall be signed, sealed with corporate seal (if applicable), notarized and legalized (apostilled). Documents executed in Kazakhstan i.e. notification, application shall be signed and sealed with corporate seal.