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ON THE POSSIBILITY OF CANCELLATION OF THE SUPERVISORY BOARD IN JOINT STOCK COMPANIES

The article discusses the prospects of legislative consolidation of forming the supervisory board in joint stock companies and limited liability companies. Particular attention is paid to the possibility of increasing efficiency of the supervisory board by introduction of the institution of independent directors as well as avoiding administrative functions. It is stated that there are economic opportunities to legitimate optional founding of the supervisory board in Ukrainian joint stock companies. There are the following reasons for that: low level of banking capital at the corporate structure; high level of minority of shareholders along with majority of shareholders which control more than 50% of the shares. Also it is stated that it should

be granted to limited liability companies form the supreme board.

We offer the following ways to reform the supervisory board: optional foundation of the supervisory board in joint stock companies and limited liability companies; introduction of mandatory quotas of independent members of the supervisory board; reduction of the power of the supervisory board by removing executive power (apart from certain types of transactions stipulated by the statute); provision of disclosure of information regarding supervisory board members, their quantitative and personal composition in the Unified State Register of Legal Entities and Individual Entrepreneurs.