

By the Judgement of 24 March 2026 No. 17-II, the Constitutional Court assessed the constitutionality of Article 60 (item 2) of the Civil Code of the Russian Federation and Article 7 (item 2 of part 1) of the Federal Law of 14 July 2022 No. 292-FZ «On Amending Certain Legislative Acts of the Russian Federation, Invalidating the Sixth Paragraph of Part One of Article 7 of the Law of the Russian Federation “On State Secrets”, Suspending the Effect of Certain Provisions of Legislative Acts of the Russian Federation, and Establishing Specific Features of Regulation of Corporate Relations in 2022 and 2023».

The aforementioned legal provisions were the subject of consideration insofar as, on their basis within the system of current legal regulation, courts resolve claims of legal entities and individuals – bondholders (creditors) – for early performance of the obligation to redeem bonds in connection with the reorganisation of the issuer of such bonds (debtor).

The Constitutional Court recognised that Article 60 (item 2) of the Civil Code does not comply with the Constitution to the extent that it permits – in the absence of criteria on the basis of which the said claims of creditors are to be examined – the possibility of granting such claims without taking into account the financial and economic state of the debtor and without assessing whether the reorganisation in connection with which the creditors have filed these claims has led (or could lead) to a prejudice of their interests justifying the need for early performance of the obligations to redeem bonds.

At the same time Article 7 (item 2 of part 1) of the Federal Law of 14 July 2022 No. 292-FZ was recognised as not contradicting the Constitution because although it restricts the creditor’s right to demand early performance of a loan obligation (including from bond placement) in certain cases in order to minimise the negative consequences of unfriendly actions by foreign states and international organisations, it does not apply to the said claims if the reorganisation is not performed in the context of such unfriendly actions.

Until the appropriate legislative changes are made, when examining cases concerning the early performance of the said obligations on the basis of Article 60 (item 2) of the Civil Code, courts must examine on the merits and take into account all factual circumstances relevant to the proper resolution of the case (including the property status of the debtor following the reorganisation). At the same time, the burden of proving that the reorganisation has not led to a deterioration of the debtor’s property status and to a material breach of the creditors’ interests shall rest on the debtor or its legal successor.