

AVOCAD

Law firm

Lithuania

Annual General Meeting

- Annual meeting of share holders in 4 m. of financial year – end if there are no changes in law regulations;
- Company is obliged to confirm last year annual financial report;
- Shareholders can participate over telecommunications application (Skype, Zoom, Discord, Microsoft Teams, etc.);
- Use online voting tools (eBallot, Electionbuddy, etc.);
- Documents could be signed by e-signature;
- Report can be submitted to Registru Centras remotely in 30 days after annual meeting.

Crisis Response & Management

Taxes:

- Tax recovery would not be started;
- No interest calculated;
- Accumulated taxes would have to be paid within two months of the end of the quarantine or a tax credit agreement could be concluded;
- No interest would be applied to a tax credit agreement.

Employment:

- Remote work;
- Downtime;
- Partial downtime.
- Holidays. Employers cannot require or force employees
- Childcare;
- Part-time agreement.

Debts:

- Change your habits;
- Don't delay;
- Delegate;
- If you are in debt – talk.

Force majeure and further performance of contracts

- Force majeure – avoidance of liabilities?
- Force majeure – postponement of liabilities;
- The Civil code 6.204;
- The Civil Code provides an opportunity change the contract.
- Act, don't waist time.

Lease agreements

- Pay your rent in time;
- Quarantine doesn't relieve of your duty;
- Initiate a contract change;
- Toward the end of the contract.

AVOCAD advises to:

- a) carefully analyze the leases;
- b) evaluate the situation;
- c) plan tactical actions to be reflected in the letter to the lessor.

Restructuring and rescue options for business

Companies restructuring:

- Way to avoid bankruptcy;
- It could be initiated not only by the general director;
- The consent of the creditors is not required;
- Preliminary Restructuring plan must be prepared before the Court;
- Restructuring takes around 4 years + 1 year;
- Restructuring is not possible if the company is insolvent.

Bankruptcy

- Monitor business partners;
- Initiate company inventory or audit;
- Don't rush to change director or transfer shares;
- Don't rush initiate bankruptcy;
- Communicate with creditors and borrowers.

NB

Director shall immediately inform the shareholders about insolvency.

Court might not be required.

Examples and practices at present

- Non-competition agreements with employees;
- Non-standard clauses in regular agreements;
- Additional colateralls;

**AVOCAD 24/7 team is ready to answer all
your questions you may have.**

Stay home but don't be alone!

AVOCAD - advising, finds and implement non-standard solutions in the following main areas of practice:

- Corporative and company law
- Contract law
- Shareholder disputes
- Competition and advertising law
- Real estate, investment and construction law
- Energy and Environmental law
- Intellectual ownership right
- Tax and finance law
- Representation in court, arbitration & mediation

Thank you
for your attention

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