

Lithuania: Legal Framework

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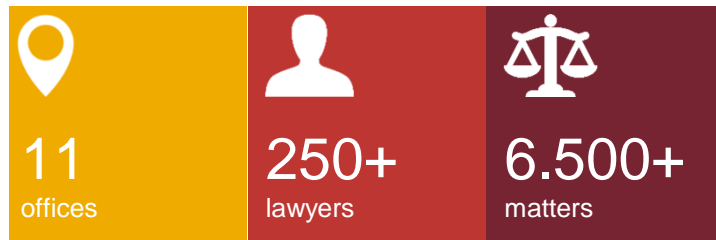
Kinstellar

Introduction

Kinstellar is a leading independent law firm in Emerging Europe, Turkey and Central Asia, with offices in **Almaty** and **Astana** (Kazakhstan), **Belgrade** (Serbia)*, **Bratislava** (Slovakia), **Bucharest** (Romania), **Budapest** (Hungary), **Istanbul** (Turkey), **Kyiv** (Ukraine), **Prague** (the Czech Republic), **Sofia** (Bulgaria) and **Tashkent** (Uzbekistan).

Operating as a single fully integrated firm, Kinstellar delivers consistently high quality services across all jurisdictions in an integrated and seamless style. We are particularly well suited to servicing complex transactions and advisory requirements spanning several jurisdictions.

Our key highlights:



Real Depth

The range and breadth of our specialist practices and sectors set us apart in Emerging Europe and Central Asia.

Sectors:

Aviation	Asset Solutions	Automotive & Industrials
Banks & Financial Institutions	Energy & Natural Resources	Infrastructure
Life Sciences & Healthcare	Private Equity	Real Estate
Technology, Media & Telecomms		

Practices:

Banking, Finance & Capital Markets	Competition & State Aid	Compliance, Risk & Sensitive Investigations
Dispute Resolution	Employment & Labour Law	Energy & Natural Resources
Infrastructure & Projects	Intellectual Property	M&A & Corporate
NPLs & Distressed Assets	Real Estate, Construction & Planning	Restructuring & Insolvency
Tax	Technology, Media & Telecomms	White-Collar Crime

Out of Area

But certainly not out of our depth. Quite the contrary.

We have experience in **close teamwork with legal counsel in jurisdictions where we do not have our own office**. Kinstellar Prague would be your **single point of contact** in order to ensure the unified approach.

In **Lithuania** we use to work closely with **Sorainen**, a leading pan-Baltic law firm.



SORAINEN is a leading regional business law firm with fully integrated offices in Estonia, Latvia, Lithuania and Belarus. Since its establishment in 1995, SORAINEN has been advising international and local organisations on all business law and tax issues involving the Baltic States and Belarus.

Overview

- International Treaties
- Enforcement of Decisions / Judicial Cooperation / Arbitration
- Verification of Documents /
- Corporate Law
- IP



International Treaties



Business and trade

- EEA Agreement (1994) ✓
- Convention on the OECD (1960) ✓
- UN Convention on Contracts for the International Sale of Goods (1980) ✓
- Marrakesh Agreement establishing the World Trade Organisation (1994) ✓
- Convention establishing Multilateral Investment Guarantee Agency (1985) ✓
- ICSID Convention - Convention on the settlement of investment disputes between States and nationals of other States (1966) ✓

Transport and logistic

- Convention for the Unification of Certain Rules for International Carriage by Air (1999) ✓
- Convention concerning International Carriage by Rail (1985) ✓

International Treaties



Energy

- Energy Charter Treaty (1994) ✓

IP

- Member state of the World International Patent Organisation (WIPO, 1883) ✓
- Member state of the European Patent Organisation (EPO, 1977) ✓

Finance

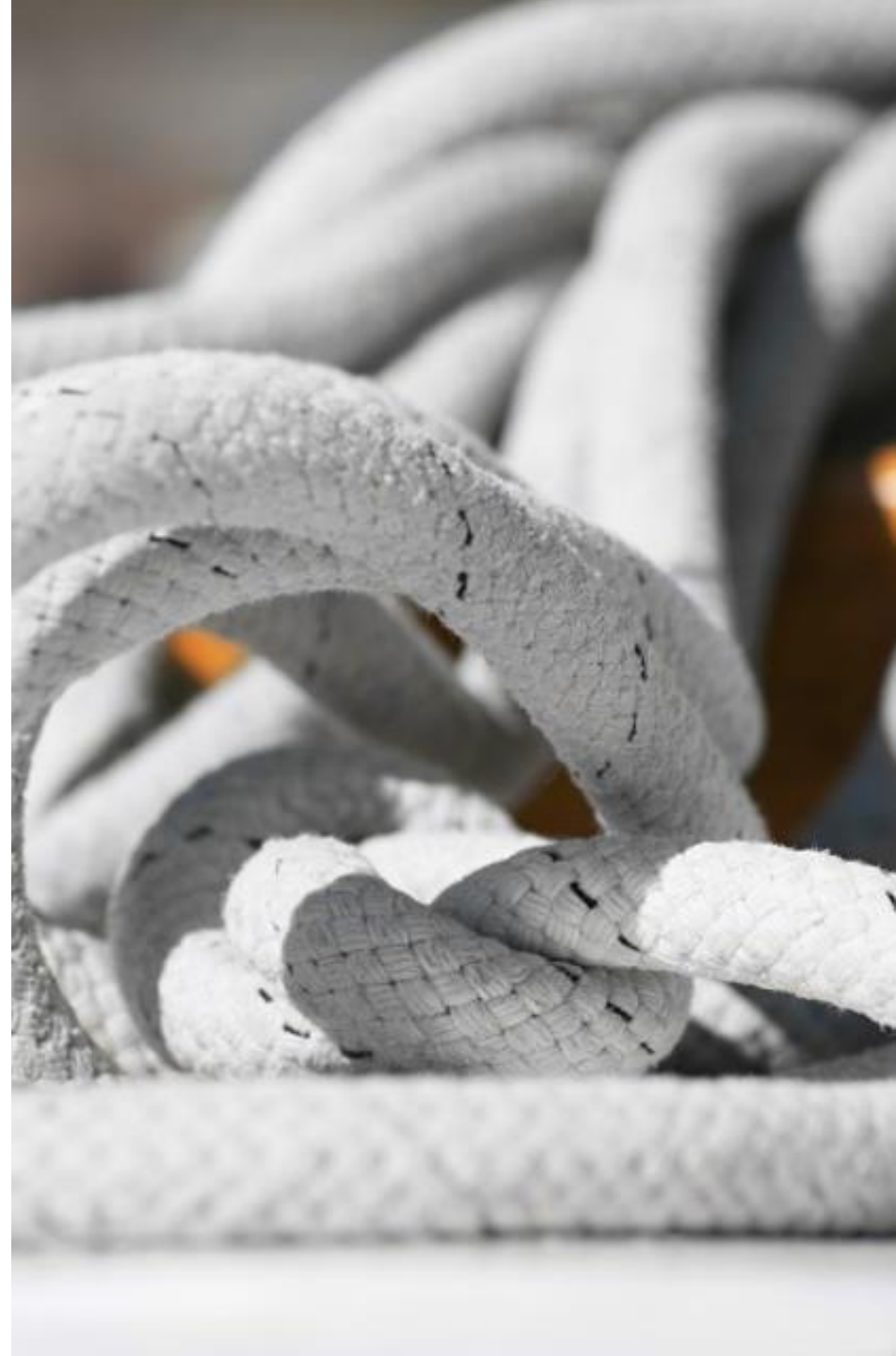
- Agreement of the International Monetary Fund (IMF, 1945) ✓
- Member states of the International Bank for Reconstruction and Development (IBRD), the International Finance Corporation (IFC) and European Bank for Reconstruction and Development (EBRD) (recipient of funds) ✓
- Euro area

Terrorism and Corruption

- UN International Convention for the Suppression of the Financing of Terrorism (1999) ✓
- UN Convention against Corruption (2003) ✓

Investment treaties

- Agreement between the Government of the Czech Republic and the Government of the Republic of Lithuania for the Promotion and **Reciprocal Protection of Investments** (1994)
- Convention between the Czech Republic and the Republic of Lithuania for the **Avoidance of Double Taxation** and the Prevention of Fiscal Evasion with respect to Taxes on Income and on Capital (1994)
- **However: EU approach to BITs**



Arbitration

Enforcement of Decisions / Judicial Cooperation

- Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York, 1958) ✓
- Regulation No. 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (Brussels Regulation) ✓
- Convention of 30 June 2005 on Choice of Court Agreements (Hague Convention) ✓
- A final and conclusive judgment for payment of money rendered by a court of Lithuania which is enforceable in Lithuania will be recognised and enforceable by Czech courts, according and subject to the Brussels Regulation and the Hague Convention, and *vice versa* ✓



Verification of Documents / Apostille

Hague Convention on Apostilles

Verification of **Lithuanian documents** for use in the Czech Republic

- Lithuanian Chamber of Notaries – verification by individual notaries

Verification of **Czech documents** for use in Lithuania

- Ministry of Foreign Affairs of the Czech Republic (documents issued by administration)
- Ministry of Justice of the Czech Republic (documents issued by judicial authority or notary)



Most Common Types of Entities

- Limited Liability Company (UAB)
- Public Company (AB)
- General Partnership (TUB) and Limited Partnership (KUB)
- Branch or representative office



How to Start Business in Lithuania?

Limited Liability Company (UAB)

- The articles of association / the act of establishment of the company (one founder)
- Accumulation account of the company
- Minimum registered capital EUR 2500
- Constituent meeting (approves the founder's report and elect the members of bodies)
- Creation of statutes
- Registration with the State Enterprise Centre of Registers

Branch office

- Decision to establish a branch
- Creation of regulations of the branch
- Appointment of management bodies of the branch
- Registration with the State Enterprise Centre of Registers

Restrictions on foreigners owning shares / real estate

SHARES

- No restrictions
- **Ultimate beneficial ownership** of shares is currently required to be made **public** for all shareholdings, via the Information System of Legal Entities Participants (JADIS)
- It is therefore not possible to veil the ultimate ownership behind a foreign controlled vehicle.

REAL ESTATE

- No restrictions



IP Protection

Trade marks

- The EU Trademarks Directive

Copyright

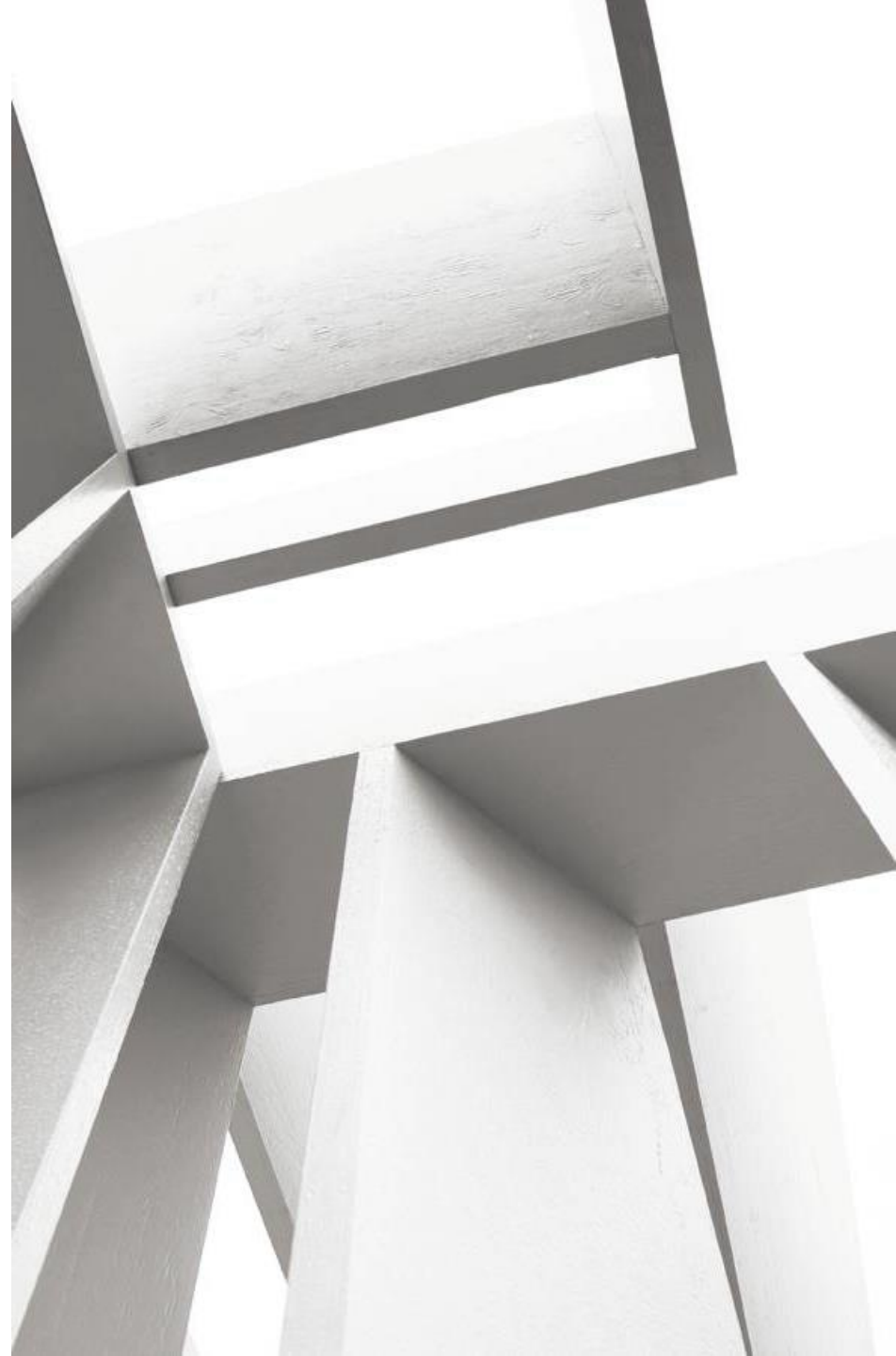
- There is no need to apply for copyright; protection arises on creation.

Patents

- Lithuania is an EPC member and part of PCT

Designs

- CDR, Community design protection



Questions?



Thank You!



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We would be pleased to provide you with any further information about any of our offices, lawyers, practice areas or expertise (as well as our fees policy) which you might require. Should you have any questions, all contact information is available on: www.kinstellar.com

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