



To whom it may concern

Date 10 April 2013

Your ref

Our ref

Direct dial

Direct fax

Brief Information about establishing an Individual Enterprise and Small Partnership in the Republic of Lithuania

Dear Sirs,

Below please find brief information about requirements and steps to establish an Individual Enterprise (hereinafter "the Enterprise") as unlimited liability legal entity and Small Partnership (hereinafter "the Partnership") as limited liability legal entity, in Lithuania.

Establishing an Individual Enterprise

Main stages of registration

Main stages of registration of the Enterprise include:

- a) Collecting the information and documents on the founder – natural person (such as the copy of the passport/ID of the founder, details of the person to be appointed as the managing director of the new Enterprise, etc.). Please note that only one natural person may be a founder of the Enterprise;
- b) Collecting the information on the Enterprise (such as name of the Enterprise, address of the premises to be used as a registered office of the Enterprise in Lithuania, Spheres of activities of the Enterprise, etc.);
- c) Executing the Resolution for Establishing of the Enterprise to elect the managing director of the Enterprise and to resolve upon other legal set-up formalities within the competence of the founder of the Enterprise;
- d) Drafting and signing of the Regulations of the Enterprise;
- e) Obtaining operational licences (if any) that have to be obtained before the incorporation of the Enterprise is completed;
- f) Submitting all the incorporation and incorporation-related documents to a notary public for appropriate certification;
- g) Submitting the documents relating to the incorporation of the Enterprise to the Registrar (State Company Centre of Registers) and registration of the Enterprise with the Register of Legal Entities.

Some other steps and formalities might need to be executed depending on circumstances.

Timing

Under normal circumstances, it would take some 5 to 10 working days to register the Enterprise.

Post-registration formalities

After the Enterprise has been registered such actions may be taken:

- a) corporate seal can be made for the Enterprise;
- b) the current bank account should be opened;
- c) other actions might need to be performed.

Establishing a Small Partnership

Main stages of registration

Main stages of registration of the Partnership include:

- a) Collecting the information and documents on the founders – natural persons only (such as the copies of the passports/IDs of the founders, details of the person to be appointed as the managing director of the new Partnership, etc.). Please note that maximum 10 persons may be the founders and the owners of the Partnership;
- b) Collecting the information on the Partnership (such as name of the Partnership, address of the premises to be used as a registered office of the Partnership in Lithuania, Spheres of activities of the Partnership, etc.);
- c) Executing the Act for Establishing of the Partnership (if one person is the founder) or concluding the Agreement for Establishing of the Partnership (if more than one person is the founder);
- d) Executing the Resolution to elect the managing director of the Partnership (if it is going to be elected in the Partnership) and to resolve upon other legal set-up formalities within the competence of the founder(s) of the Partnership;
- e) Obtaining operational licences (if any) that have to be obtained before the incorporation of the Partnership is completed;
- f) Submitting all the incorporation and incorporation-related documents to a notary public for appropriate certification;
- g) Submitting the documents relating to the incorporation of the Partnership to the Registrar (State Company Centre of Registers) and registration of the Partnership with the Register of Legal Entities.

Some other steps and formalities might need to be executed depending on circumstances.

Timing

Under normal circumstances, it would take some 5 to 10 working days to register the Partnership.

Post-registration formalities

After the Partnership has been registered such actions may be taken:

- a) corporate seal can be made for the Partnership;
- b) the current bank account should be opened;
- c) other actions might need to be performed.

Residence permits (applicable for both legal entities)

With regard to appointment of foreign nationals as members of management bodies of the legal entities, Lithuanian laws do not provide for any restrictions. It should be noted, however, that residence and work permits might be required for foreign nationals, depending on their nationality, length of stay, and other circumstances.

EU nationals are exempted from obtaining a work permit. However, if EU/EEA nationals intend to stay in Lithuania for more than 90 days during any 6-month period, EU national certificate must be obtained and place of residence must be declared.

Non-EU/non-EEA nationals intending to work in Lithuania must obtain a work permit, except when they are subject to one of the statutory exemptions provided by the legal acts. If non-EU/non-EEA nationals intend to stay in Lithuania for more than 90 days during any 6-month period, they need a residence permit.

Our services

We would be pleased to assist you in establishing an Enterprise and/or a Partnership in Lithuania and any other legal matters relating to your operations in Lithuania.

Should you need any additional information or more detailed explanation of the above-mentioned provisions, please do not hesitate to contact us at your convenience.

Sincerely,

Rimtis Puišys
Partner, Attorney-at-law
Law Firm Eversheds Saladžius, a member of Eversheds International Limited