



Duties for Public and Private Limited Liability Companies in Relation to Euro Introduction

Reminder

11 October 2016

Dear All,

Please find below once again our reminder on statutory duties for public and private limited liability companies (hereinafter the "Companies") in relation to the introduction of euro in Lithuania.

Amendments to the Articles of Association in relation to euro introduction

Having introduced the euro in Lithuania, a statutory duty to amend the Articles of Association of the Company has been established (by specifying the amounts of share capital and nominal share value in euros). Amended Articles of Association have to be submitted to the Commercial Register of Lithuania by **31 December 2016**. Therefore, we recommend to convene the Extraordinary Shareholders' Meeting which should decide on conversion of nominal values of shares in Lithuanian litas into euros and approve amendments to the Articles of Association at the upcoming Shareholders' Meeting as soon as possible if you have not done so yet. Please be reminded that the shareholders must be informed on the convocated Shareholders' Meeting at least 21 days before the meeting date (except if all shareholders agree in writing to do not follow the terms indicated in Articles of Association).

Calculation of the share capital in euros

Nominal value of shares in Lithuanian litas shall be exchanged into euros under the official exchange rate EUR 1 = LTL 3.4528 and rounded according to mathematical rules. For instance, if the share capital of a private limited liability company is LTL 10,000 and consists of 1,000 ordinary shares with a nominal value of LTL 10 each, then:

- (i) nominal value of one share is equal to EUR 2.90 ($\approx 2.896200\dots$);
- (ii) share capital in euros is equivalent to the multiple of nominal value and number of shares: EUR 2,900 (EUR 2.90 x 1000 shares).

In order to calculate the Company's share capital and nominal value of a share, we recommend using a specific [calculator provided by the Commercial Register](#).

If the share capital value changes due to the rounding of shares' nominal value in euros, it shall not be considered as the increase or reduction of the share capital. In such cases, a change shall be registered in the accounting as a revenue (when a change is negative) or as expenditure (when a change is positive) of the Companies' appropriate fiscal year.

Other duties in relation to euro introduction

Following the submission of amended Articles of Association to the Commercial Register, a private limited liability company is also required to carry out the following actions related to the shares' nominal value in euros:

- (i) to change the records at the personal securities accounts/shareholders' register;
- (ii) to prepare a new list of shareholders, except for companies owned by a sole shareholder;
- (iii) not later than 5 days after the registration of amended Articles of Association, to provide respective data to JADIS (Information System of Legal Entities' Shareholders), except for the companies owned by a sole shareholder.

This reminder has been prepared for information purposes only and does not contain a binding advice.

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