



# Overview of key economic measures in connection with the COVID – 19 pandemic in Czech Republic

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## 1. OVERVIEW OF KEY ECONOMIC MEASURES IN CONNECTION WITH THE COVID – 19 PANDEMIC IN CZECH REPUBLIC

### 1.1 Support to economy and business

Measure	Recipient	Conditions	Period/Deadline	Details
<b>ČNB's two-week repo rate of 0.25%</b>			From 11 May 2020	Decision of the ČNB Board of 7 May 2020.
<b>Reduced penalty on social security payments</b>	Employers paying social security premiums and contributions to the state employment policy	Postponement of premium payments on the condition that the premium amount owed will be paid no later than 20 October 2020; employers will pay “only” a 20% penalty for late payment (i.e. an increase only by interest of approximately 4% p.a.)	Premiums are payable before (i) 20 June 2020, (ii) 20 July 2020 and (iii) 20 August 2020 Employers remain obligated to deduct social security from employees' pay and to pay the premiums as a payer by the 20 <sup>th</sup> day of the subsequent calendar month	Act No. 255/2020 Sb., on the reduction of penalty on payments of social security premium and contributions to the state employment policy paid by employers as payers in connection with emergency measures during the 2020 epidemic and on amendments to certain acts
<b>Postponement of toll payments</b>		During the period from 1 April 2020 to 31 July 2020 it should be possible to pay invoices for the toll within the period of three months.	From 1 April 2020 to 31 July 2020	Resolution of the Government of the Czech Republic no. 336 of 30 March 2020.

Measure	Recipient	Conditions	Period/Deadline	Details
<p><b>Carer's allowance of CZK 500 per each day of taking care of a family member</b></p>	<p>Self-employed persons</p>	<p>An allowance applicant:</p> <ul style="list-style-type: none"> <li>(i) must be a self-employed person on the date of filing the application and for the entire period of receiving the allowance; to be proven with an affidavit;</li> <li>(ii) must be registered with the tax office as an income tax payer; to be proven with an affidavit;</li> <li>(iii) must be a small or medium entrepreneur; to be proven with an affidavit; and</li> <li>(iv) must have no payments in arrears owed to the Czech Social Security Administration or a health insurance company; to be proven with an affidavit.</li> </ul> <p>A self-employed person taking care of a child / children under 13 years attending schools or other facilities for children that are currently closed due to</p>	<p>For the period of 31 days at maximum</p> <p>The programme will be implemented for the duration of the epidemic emergency measure adopted by the Czech government during the state of emergency in 2020</p>	<p>Resolutions of the Government of the Czech Republic (i) no. 262 of 19 March 2020, (ii) no. 311 of 26 March 2020 and (iii) no. 514 of 4 May 2020.</p> <p>Unless this or any other compensatory benefit for the same child/children is received by any other person.</p> <p>An application for the allowance must be filed for every calendar month. The allowance will be remitted to the self-employed person's bank account provided in the application. Applications for the carer's allowance will be accepted by any municipal Trade Licensing Office.</p>

Measure	Recipient	Conditions	Period/Deadline	Details
		<p>coronavirus may apply for the carer’s allowance, provided that nobody else receives this allowance or any other compensatory benefit for the same child / children. The child / children must be under 13 years on the date when the allowance application is filed.</p> <p>Also self-employed persons child up to 26 years that is dependent on assistance by another and falls at least within grade I (low dependence) under the Act on Social Services and not being able to attend a school closed due to coronavirus.</p> <p>The support applies also to self-employed persons taking care of a disabled person / disabled persons falling at least within grade I (low dependence) under the Act on Social Services.</p>		

Measure	Recipient	Conditions	Period/Deadline	Details
<b>Suspension of the obligation to report sales under the electronic sales reporting system (EET) and of the obligation to place an informative notice</b>	All entrepreneurs, i.e. not only those who were obligated to report sales from 1 May 2020	<p>The suspension means that no payer will be obligated to (electronically) report their sales.</p> <p>Nevertheless concerned payers are still obligated to treat authentication data, EET certificates and receipt books in a manner preventing their abuse.</p>	<p>The sales reporting system will be suspended until 30 September 2020.</p> <p>The obligation to place an informative notice is suspended until 31 December 2020.</p>	Amendment no. 137/2020 Sb.
<b>Remission of minimum social security and health insurance benefits for self-employed persons</b>	Self-employed persons	<p>For the purposes of social security this will be considered as a period excluded from pension insurance.</p> <p>The remission applies to the minimum amount of prepayments, i.e. CZK 2,544 for the main independent gainful activity and CZK 1,018 for an additional independent gainful activity for pension insurance and CZK 2,352 for health insurance.</p> <p>Regarding benefits</p>	From March 2020 for the period of 6 months	<p>Act no. 134/2020 Sb.</p> <p>If a self-employed person has already paid benefits for March 2020, the payments will be used to settle other due obligations and then as a “prepayment” for September 2020 or the following months.</p>

Measure	Recipient	Conditions	Period/Deadline	Details
		<p>exceeding the minimum amount, self-employed persons are not obligated to pay any benefits for the period of remission.</p> <p>In the following year they will retrospectively pay the difference between the minimum and actual premium for the relevant “remitted” months on the basis of the 2020 Statement for Self-Employed Persons.</p>		
<p><b>Deferred repayment of loans</b></p>	<p>A consumer / recipient to whom a loan was granted or to whom a loan was assigned or who assumed a debt from such granted loan (but not credit cards, overdraft facilities or operating lease) and who will apply for deferment (i.e. no general deferment for all borrowers)</p>	<p>For loans granted and utilised before 26 March 2020</p> <p>For loans granted before 26 March 2020, if they in general relate to housing (with exceptions)</p> <p>The debtor will notify the creditor of the use of the protective period</p>	<p>A protective period until 31. October 2020 / a shortened period until 31 July 2020 (as per the borrower’s choice)</p> <p>For the duration of the protective period:</p> <ul style="list-style-type: none"> <li>- the repayment of the borrower’s financial debts will be deferred;</li> <li>- the duration of loan security will be extended;</li> <li>and</li> <li>-the lender will become</li> </ul>	<p>Act on certain measures for the repayment of loans in connection with the COVID-19 pandemic.</p> <p>Act amending Act no. 257/2016 Sb., on consumer loans, as amended.</p>

Measure	Recipient	Conditions	Period/Deadline	Details
			<p>entitled to interest (entrepreneurs will pay the contractually agreed amount / consumers will pay a maximum of the ČNB repo rate + 8%), and the loan maturity (legal entities: during the protective period / individuals: after the termination of the protective period). Entitlement to payments associated with a borrower's delay (except for defaulting legal entities) is not created for the period between the first day of the month in which the law enters into effect and 31 October 2020.</p>	



Measure	Recipient	Conditions	Period/Deadline	Details
<p><b>Limitation of unilateral termination of (sub)leases of business premises due to a (sub)tenant’s delayed payments</b></p>	<p>Landlords / (sub)tenants of business premises</p>	<p>During a protective period a landlord cannot unilaterally terminate the lease only due to a delay in the payment of the rent if the delay occurred during a decisive period and as a consequence of an emergency measure during the epidemic preventing or substantially complicating the operation of the business (however, the tenant must substantiate such limitation to the landlord)</p>	<p>Protective period: between the entry into effect of the law and 31 December 2020                      Decisive period: from 12 March 2020 to 30 June 2020</p>	<p>The limitation applies also to usufructuary lease of business premises.</p> <p>After the termination of the state of emergency landlords may require termination of the lease (subject to exemptions).</p> <p>The tenant must pay all claims which became due during the decisive period that have not been duly paid by the end of the protective period.</p> <p>If the tenant fails to make all overdue rental payment that became due during the decisive period, the landlord is entitled to terminate the lease with a 5-day notice.</p> <p>Act on certain measures to mitigate the effects of the SARS CoV-2 coronavirus epidemic on tenants of business premises.</p>

Measure	Recipient	Conditions	Period/Deadline	Details
<p><b>Limitation of unilateral termination of (sub)leases of residential premises due to a (sub)tenant's delayed payments</b></p>	<p>Landlords / (sub)tenants of residential premises</p>	<p>During a protective period a landlord cannot unilaterally terminate the lease only due to a delay in the payment of the rent or utilities if the delay occurred during a decisive period and prevailingly as a consequence of an emergency measure during the epidemic preventing or substantially complicating the operation of the business (however, the tenant must prove such limitation to the landlord by means of a confirmation issued by a competent labour office of the Czech Republic).</p>	<p>Protective period: between the entry into effect of the law and 31 December 2020</p> <p>Decisive period: between 12 March 2020 and 31 July 2020</p>	<p>After the termination of the state of emergency landlords may require termination of the lease (subject to exemptions).</p> <p>If during the protective period the tenant fails to make all overdue rental payments which became due during the decisive period the landlord is entitled to terminate the lease without a notice period.</p> <p>Act on certain measures to mitigate effects of the SARS-CoV-2 coronavirus epidemics on tenants of residential premises, on recipients of a loan granted by the State Housing Development Fund and in connection with the provision of performance associated with the use of flats and non-residential premises in an apartment house.</p>

Measure	Recipient	Conditions	Period/Deadline	Details
<b>Price moratorium on flat rent increases</b>	Tenants / landlords	Flat rents may not be increased	For the duration of government decree until the termination of the emergency measure	Government decree stipulating the price moratorium on flat rent increases (No. 202/2020 Sb.).
<b>Subsidy programme “Rent”</b>	Individuals – entrepreneurs or legal persons doing business on leased premises	<p>In the form of subsidy, the state would pay one half of the total amount of rent for the period from April to June 2020 to tenants whose activities have been affected by the coronavirus.</p> <p>CZK 10 million at maximum</p> <p>Tenants will have to present a confirmation from the landlord that the landlord granted them a 30% rent discount (i.e. the tenant pays 20% from their pocket, 30% of the discounted rent is paid by the landlord and the state subsidises 50%).</p> <p>If the landlord operates in the public sector, a discount of 80% should be granted.</p>	The program launched Ministry of Industry and Trade is subject to notification to the EU and is expected to be announced afterwards.	Resolution of the Government of the Czech Republic no. 550 of 18 May 2020

## 1.2 Labour market and employers

Measure	Recipient	Conditions	Period/Deadline	Details
<b>ANTIVIRUS programme: partial compensation for wages</b>	All employers including job agencies whose payroll funds are not covered by public budgets	<p>Two regimes:</p> <p><b>A.</b> Imposition of quarantine and closure or limitation of operations due to extraordinary emergency measures.</p> <p>Obstacles to work involving quarantine imposed on employees or closure or limitation of operations due to extraordinary emergency measures adopted by public health protection authorities. In the case of imposed quarantine employees are entitled to compensatory wage in the amount of 60% of reduced average earnings while in the case of other obstacles to work an employee is entitled to compensatory wage in the amount of 100% of average earnings.</p> <p><b>A benefit in the amount of</b></p>	<p>Benefits may be paid from the programme for wage compensations paid from 12 March 2020 to 31 May 2020.</p> <p>Regime B until 31 August 2020</p>	<p>Resolution of the Government of the Czech Republic (i) no. 353 of 31 March 2020, (ii) no. 481 of 27 April 2020, and no. 581 of 25 May 2020.</p> <p>Act on certain regulations in employment in connection with emergency measures during the epidemic in 2020 and on amendments to Act no. 435/2004 Sb., on Employment, as amended (Act No. 161/2020 Sb.).</p> <p>To be granted solely for employees with an employment contract concluded who are still the employer's employees on the date when the employer files a statement of account and who are not under notice or given notice (exemptions are applicable). In the case of job agencies an additional condition applies that the</p>

Measure	Recipient	Conditions	Period/Deadline	Details
		<p><b>80%</b> of paid compensatory wage including levies and taxes, <b>a maximum of CZK 39,000 per employee.</b></p> <p><b>B:</b> Related difficulties associated with COVID-19 (e.g. absence of a significant part of employees due to obstacles to work on their part, lack of resources or limitations to sales of the employer’s production) Obstacles on the employer’s part where a causal connection with the COVID-19 infection is presumed, i.e. in particular due to the absence of a significant part of employees due to obstacles on their part, lack of resources or limitation to the sales of the employer’s production). The creation of a particular obstacle to work depends on a particular situation of the employer and their possibilities to optimise</p>		<p>employment relationship with the employer must have been concluded before 12 March 2020.</p> <p>The benefit is paid only if the employer paid the employees wages or compensatory wages and duly paid social security and health insurance premiums.</p> <p>Acts relating to the application for the benefit will be performed electronically.</p> <p>Administration procedure: 1) filing an application, 2) concluding an agreement, 3) making a statement of account of paid compensatory wages and 4) granting the benefit.</p>

Measure	Recipient	Conditions	Period/Deadline	Details
		<p>their activities. Employees are entitled to compensatory wage in the amount of 60–100% of average earnings depending on a particular obstacle.</p> <p><b>A benefit in the amount of 60% of paid compensatory wage including levies and taxes, a maximum of CZK 29,000 per employee.</b></p>		
<p><b>Carer’s allowance for employees</b></p>	<p>Employees with children under 13 years or those who take care of a household member with a disability</p>	<p>The last day of entitlement is the day preceding the child’s 13<sup>th</sup> birthday.</p> <p>No age limit applies if parents take care of a child with a disability.</p> <p>Carer’s allowance will be provided to people who take care of a person with a disability (falling at least within dependency grade I) due to the closure of social service facilities (day care centres etc.) with whom they share a household. No age</p>	<p>The carer’s allowance will be provided for the whole period of closure of schools and other facilities</p>	<p>Act no. 133/2020 Sb.</p> <p>The carer’s allowance will be paid also if the competent school authority decides on closure.</p>

Measure	Recipient	Conditions	Period/Deadline	Details
		<p>limit applies.</p> <p>Carers may take several turns in taking care of a child or person with a disability without any limitation.</p>		
<b>Compensation bonus</b>	<p>Sole traders</p> <p>(i) main activity; or</p> <p>(ii) secondary activity (unless the sole trader is employed in parallel)</p> <p>An individual acting as a shareholder of a limited liability company (s.r.o.)</p>	<p>CZK 500 per day</p> <p>Granted upon request (no formal decision, the bonus will be transferred to the applicant's account subject to compliance with formal requirements) Sole traders will declare that they could not carry out activities fully or partly beyond the usual extent due to a health threat relating to the occurrence of coronavirus or crisis measures adopted by the government. Sole traders will prove compliance with the conditions for the grant of the compensation bonus by submitting an affidavit. It is required for an individual acting as a shareholder of a</p>	<p>For the period from 12 March 2020 until 30 April 2020 (the total amount for the full number of days is CZK 25,000).</p> <p>Second bonus period from 1 May 2020 to 8 June 2020.</p>	<p>Amendment to Act No. 159/2020 Sb. on Compensation bonus concerning measures to mitigate the effects of the SARS CoV-2 coronavirus epidemic, as amended</p> <p>Government Resolution no. 504 of 4 May 2020. The sole trader / limited liability company shareholder had to be actively carrying out business as at 12 March 2020 or the sole trader's trade was suspended at any point after 31 August 2019 (seasonal trades). The compensation bonus is not subject to any tax or social security or health insurance premium payments.</p>

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Measure	Recipient	Conditions	Period/Deadline	Details
		limited liability company to have no more than two other shareholders (individuals) or that all shareholders are members of one family.		



## 1.3 Support to the banking sector

Measure	Recipient	Conditions	Period/Deadline	Details
<b>COVID 2 programme – a guarantee provided by ČMZRZB for loans from commercial banks, contribution up to CZK 1 million towards payment of interest</b>	<p>Small and medium-sized (not large) enterprises, sole traders.</p> <p>The programme is financed from the EU structural funds under the OPPIK programme (Operational Programme Enterprise and Innovation for Competitiveness), and therefore it is not intended for implementation of projects in the Municipality of Prague (guarantees under a special programme have been already used up).</p>	<p>Purpose of the loan: primarily to cover operating expenses (subject to exceptions)</p> <p>Characteristics of the guarantee:</p> <p>(i) amount of the guaranteed loan: up to CZK 15,000,000</p> <p>(ii) up to 80% of the principal of the guaranteed loan</p> <p>(iii) for a maximum of 3 years</p>	<p>The first round (CZK 5 billion) was closed on 3 April 11:59 pm.</p> <p>The next round will be announced as per a decision of the Ministry of Trade and Industry.</p> <p>In each round (as yet with the exception of the first round) CZK 1.5 billion to be made available; once this limit is reached, the round will be closed and next round will be opened 10 business days after closing the preceding round, by an announcement at <a href="http://www.cmzrb.cz">www.cmzrb.cz</a></p>	<p>Resolution of the Government of the Czech Republic no. 260 of 19 March 2020</p> <p>To be agreed between the bank and the loan recipient:</p> <ul style="list-style-type: none"> <li>(i) interest rate</li> <li>(ii) collateral</li> <li>(iii) deferment of instalments.</li> </ul>
<b>COVID III programme – guarantees granted by CMZRZB for loans made available by commercial banks</b>	<p>Sole traders and companies with less than 500 employees whose activities have been affected due to the occurrence of the coronavirus infection and related preventive measures.</p>	<p>ČMRZB will issue guarantees for commercial loans</p> <p>Maximum amount of the guaranteed loan is CZK 50 million</p> <p>Guarantees:</p>	<p>The maximum guarantee period is 3 years.</p> <p>The support is requested by means of a credit application with the cooperating bank that has entered into a portfolio guarantee</p>	<p>Resolution of the Government of the Czech Republic No. 553 of 18 May 2020</p>

Measure	Recipient	Conditions	Period/Deadline	Details
		<p>(i) 90% of the principal for entrepreneurs with no more than 250 employees, but no more than up to CZK 45 million;</p> <p>(ii) 80% of the principal for entrepreneurs with no more than 500 employees, but no more than CZK 40 million.</p> <p>The support is provided in the form of guarantees granted by the CMZRB to the cooperating bank for a transaction portfolio.</p> <p>For the payment of operating costs, such as wages, rent, utility charges, supplier and customer invoices, inventory and material purchases.</p>	<p>agreement for the COVID III Programme with CMZRB.</p> <p>The credit must not be payable before 1 January 2021 except for credits arrange for an indefinite period.</p>	

Measure	Recipient	Conditions	Period/Deadline	Details
<p><b>COVID PLUS programme – a guarantee for bank loans from EGAP</b></p>	<p>Large export companies with over 250 employees and at least 20% of sales generated last year from export (also from subcontracted supply to export companies struggling with a sudden lack of liquidity).</p>	<p>Purpose of the loan (broader than under COVID II):</p> <ul style="list-style-type: none"> <li>(i) refinancing or restructuring a current loan</li> <li>(ii) a new operating loan</li> <li>(iii) a new investment loan</li> <li>(iv) a combination of the foregoing</li> </ul> <p>Characteristics of EGAP's guarantee:</p> <ul style="list-style-type: none"> <li>(i) up to 80% of loan principal</li> <li>(ii) from CZK 5 million to CZK 2 billion</li> <li>(iii) maximum amount of available loan capped at 25% of the applicant's total turnover in 2019.</li> </ul> <p>Period: 3 years (for working capital loans) and 5 years (for investment loans).</p>	<p>To be handled by the creditor bank and EGAP</p> <p>Specific obligations of the borrower to be stipulated in the loan agreement (restrictions on divestitures, profit share payments etc.)</p>	<p>Decree of the Government of the Czech Republic of 24 April 2020 on the implementation of certain provisions of the Act on state-aided export insurance and finance</p> <p>Act amending Act no. 58/1995 Sb., on state-aided export insurance and finance and on amendments to Act no. 166/1993 Sb., on the Supreme Audit Office, as amended.</p>

## 1.4 Tax measures

Measure	Recipient	Conditions	Period/Deadline	Details
<b>Claiming tax loss for 2020 by filing additional income tax return for 2018 and 2019</b>	Individuals and legal entities	Tax loss reported in 2020 can be claimed retrospectively in by filing additional income tax return for 2018 and 2019.		<p>The relevant amendment to the Income Tax Act has not been approved yet.</p> <p>Nevertheless, according to preliminary information if tax liability is reported in 2018 and 2019, an income tax overpayment will be created by filing additional income tax returns for those periods; the overpayment will be received from the tax administration.</p> <p>Additional income tax returns can be filed only after filling the regular 2020 income tax return, i.e. any overpayment will be received in April 2021 or in July 2021 at the earliest.</p>
<b>Remission of the income tax prepayments due by 15 June 2020</b>	Individuals as well as legal entities	It will not be necessary to apply for the remission (prescription of prepayments).		Decision on remission of the tax penalty, the tax prepayment and the administrative fee due to

Measure	Recipient	Conditions	Period/Deadline	Details
				<p>Bulletin no. 5/2020.</p> <p>Remission of income tax prepayments does not entail remission of income tax. (i.e. remitted income tax prepayment is not deducted from the final tax liability on the basis of the filled 2020 income tax return unlike in the case of social security and health insurance).</p>
<p><b>General remission of a penalty for late filing of the tax return for the real estate acquisition tax and of late payment interest</b></p>	<p>Individuals as well as legal entities</p>	<p>Applies to tax returns for the real estate acquisition tax with the prescribed period for filing between 31 March 2020 and 31 July 2020.</p>		<p>Decision on remission of the tax penalty, the tax prepayment and the administrative fee due to extraordinary circumstance no. MF-7633/2020/3901-2 published in the Financial Bulletin no. 5/2020.</p> <p>The remission is conditional on the tax return being filed and the real estate acquisition tax being paid by 31 August 2020.</p>

Measure	Recipient	Conditions	Period/Deadline	Details
<p><b>Remission of penalties for the late filing of the VAT return / late filing of the VAT control statement</b></p>	<p>All taxpayers</p>	<p>General remission of CZK 1,000 penalties for late filing of the VAT control statement created between 1 March 2020 and 31 July 2020 without requiring evidence of the existence of grounds related to coronavirus.</p> <p>On an individual basis remission of a CZK 10,000 to 50,000 penalty for a failure to file the VAT control statement, if a request was issued and the relevant VAT control statement was filed between 1 March 2020 and 31 July 2020 provided that evidence of a connection with coronavirus is provided.</p> <p>On an individual basis remission of a penalty for late filing of the VAT tax return if an individual application is filed for the remission of late payment interest (or for deferred</p>		<p>Decision on remission of the tax penalty, the tax prepayment and the administrative fee due to extraordinary circumstance no. MF-7108/2020/3901-2 published in the Financial Bulletin no. 4/2020.</p> <p>In connection with the individual cases of remission of the CZK 10,000 to 50,000 penalty for a failure to file the VAT control statement where a request to file the VAT control statement was made and the VAT control statement was filed between 1 March 2020 and 31 July 2020, the General Financial Directorate issued detailed Instruction no. GFŘ D-44 stipulating conditions for the remission of these sanctions.</p>

Measure	Recipient	Conditions	Period/Deadline	Details
		payment an instalment schedule), provided that evidence of a connection with coronavirus is provided.		

## 1.5 Corporate governance

Measure	Recipient	Conditions	Period/Deadline	Details
<b>Extraordinary moratorium</b>	Debtors facing – even temporary – difficulties in relation to the COVID-19 disease that were not insolvent before the state of emergency was declared	<p>Temporary protection of otherwise competitive undertakings during the extraordinary crisis, enabling them to overcome the loss of their disposable funds by temporarily restricting the realization of collateral or the commencement of enforcement proceedings</p> <p>However, set-offs are not forbidden in comparison to the standard moratorium</p> <p>In order to apply for the extraordinary moratorium, the applicant does not have to file for insolvency and the insolvency proceedings do not have to be initiated</p>	In order to ensure better operational efficacy, the regulation of the extraordinary moratorium does not stipulate a necessary prior consent of a majority of the debtor’s creditors. The insolvency court is supposed to check in particular formal aspects of the filed request to declare the extraordinary moratorium. If the debtor wishes to further extend the extraordinary moratorium, it will have to obtain consent from a majority of its creditors. The calculation of a majority of its creditors is based on the respective amount of their receivables.	Act on certain measures to mitigate the effects of the SARS CoV-2 coronavirus epidemic on parties to court proceedings, injured parties, crime victims and legal entities, and to amend to the Insolvency Act and the Enforcement Code (“ <b>Covid Act</b> ”)
<b>Change in the debtor’s duty to file for its insolvency</b>	Debtors	The debtor’s duty to file for insolvency due to its inability to pay its debts is suspended	For 6 months after the emergency measure is terminated or cancelled	Does not apply if the debtor was not able to pay its debts before the emergency measure was adopted or if its inability to pay its debts is not triggered in relation to



Measure	Recipient	Conditions	Period/Deadline	Details
				the epidemic. Covid Act.
<b>Restriction of creditors' rights</b>	Creditors	<p>Creditors are unconditionally forbidden to file a request to initiate insolvency proceedings</p> <p>As a sort of compensation for creditors foreseen by the bill, the applicable time limits for challenging the debtor's juridical acts are prolonged by the time for which the debtor's duty to file for its insolvency is suspended. The court/enforcement officer will not conduct the enforcement by means of sale / auction of the movable / immovable assets (where the obligated party has its permanent residence) (with exceptions)</p> <p>Restrictions on late payment interest / default sanctions (in excess of statutory limits; where the default is the result</p>	<p>From the date of effect of the Act to 31 August 2020</p> <p>Enforcement proceedings/Auctions until 30 June 2020</p> <p>Late payment interest/sanctions until 30 June 2020</p>	Covid Act.

Measure	Recipient	Conditions	Period/Deadline	Details
		of an extraordinary measure during the epidemic disabling or materially aggravating timely fulfilment of the debt)		
<b>A legal entity's body may adopt decisions outside its meetings (online / in writing) even if the juridical act aimed at formation of the legal entity does not allow for such an option</b>	Companies and cooperatives	Without prejudice to other statutory conditions	For the duration of the emergency measure as a result of which the meeting of the legal entity's body was disabled or materially aggravated, however until 31 December 2020 at the latest.	Covid Act.
<b>Extension of the time limit to consider the annual financial statements</b>	Limited-liability companies Joint-stock companies Cooperatives	The time limit to consider the annual financial statements will lapse in 3 months of the end of the emergency measure but no later than 31 December 2020, if the time limit were to lapse earlier.	For the duration of the emergency measure as a result of which the meeting of the legal entity's body was disabled or materially aggravated, however until 31 December 2020 at the latest.	Covid Act.
<b>Extension of the term of office of an elected body member</b>	Companies and cooperatives	A term of office expiring: (i) during the emergency measure; or (ii) within 1 month of the	For the duration of the emergency measure as a result of which the meeting of the legal entity's body was disabled or materially	Covid Act.

Measure	Recipient	Conditions	Period/Deadline	Details
		<p>termination of the emergency measure,</p> <p>will be extended to 3 months after the end of the emergency measure.</p>	<p>aggravated, however until 31 December 2020 at the latest.</p> <p>The term of office will not be extended if the elected body member delivers to the company his/her statement that he/she does not agree with the extension.</p>	
<p><b>Co-opting – temporary appointment of a member to a vacant position within the body by the body itself</b></p>	<p>Business corporation</p>	<p>The legal entity’s body (e.g. the board of directors) may appoint substitute members to vacant positions (e.g. of members of the board of directors).</p>	<p>For the duration of the emergency measure as a result of which the meeting of the legal entity’s body was disabled or materially aggravated, however until 31 December 2020 at the latest.</p>	<p>Covid Act.</p> <p>Co-opting is allowed even where not permitted by the memorandum of association.</p> <p>Co-opting is possible only where the number of the entity’s members has not dropped to less than a half before the co-opting.</p>