

SUPPORT MEASURES

1. A force majeure

The introduction of a quarantine established by the Government is considered a force majeure.

2. Exemption from lease payment

The tenant is exempted from lease payment for all the time during which the property could not be used by him from the moment of introduction of a quarantine until its end.

3. Exemption from land payment

There shall be no charge and no payment for the period from 1 March to 31 March 2020 of land payment (land tax and rent for state and communal property land) regarding the land owned or used (leased) by natural or legal persons. The land payment for April 2020 shall be paid until 30 June 2020 and no penalties shall be charged for payment within this period.

4. Exemption from tax on real estate

There shall be no charge and no payment for the period from 1 March to 31 March 2020 of tax on real estate other than land with regard to non-residential real estate owned by natural or legal persons. The tax on real estate charged for April 2020 shall be paid until 30 June 2020 and no penalties shall be charged for payment within this period.

5. Exemption from the payment of a single contribution to compulsory state social insurance

The following persons shall be temporarily exempt from the charge and payment of the single contribution to compulsory state social insurance in respect of the amounts to be calculated and paid for the periods from 1 to 31 March and from 1 to 30 April 2020:

- private entrepreneurs;
- persons engaged in independent professional activity, namely scientific, literary, artistic, educational or teaching, as well as medical, legal practice, including advocacy, notarial activity, or persons engaged in religious (missionary) activity, other similar activities, and earn income from such activities;
- farmers.

No penalties shall apply for late payment, incomplete payment or untimely submission of reports regarding a single contribution to compulsory state social insurance to tax authorities that was made from 1 March 2020 to 30 April 2020.

6. Extension of the period of payment of taxes by individuals

Extension from 01 August to 01 October 2020 of the period of payment by individuals of taxes specified in their annual declarations of property and income for 2019.

PETERKA PARTNERS

THE CEE LAW FIRM

7. Release from liability for violation of tax law

No penalties shall apply for violation of tax law committed during the period from 1 March to 31 May 2020 (except for penalties for violation of accrual, declaration and payment of value added tax, excise tax, rent).

8. Release from liability for breach of term for filing of financial reports and annual reports

Persons responsible for submitting and publishing annual financial (consolidated) report are exempt from liability for breach of the timing of such report if it is published during the quarantine period or within 90 calendar days of the day following the end of the quarantine, but not later than 31 December 2020.

An additional deadline is provided for the submission of annual information about the issuer: such annual information may be disclosed by the issuer of securities before 30 April 2020, or after that date - within 5 working days after the general meeting of shareholders.

9. Temporary prohibition of documentary and factual inspections

• **The establishment of a moratorium on documentary and factual inspections for the period from 18 March to 31 May 2020**, except for inspections regarding violations of the requirements of the legislation in part of:

- accrual, declaration and payment of value added tax;
- accounting, licensing, production, storage and transportation of fuel, ethyl alcohol, alcoholic beverages and tobacco;
- targeted use of fuel and ethanol by taxpayers;
- equipment of excise warehouses by flowmeters and / or uniform meters;
- carrying out the functions defined by the legislation in the field of production and circulation of ethyl alcohol, alcoholic beverages and tobacco, fuel.

Documentary and factual inspections, which commenced before 18 March 2020 and were not completed, are suspended until 31 May 2020. Such suspension interrupts the period of inspection and does not require any further decision by the supervisory authority.

• **The establishment of a moratorium on documentary and factual inspections on the correctness of the calculation and payment of a single contribution to compulsory state social insurance for the period from 18 March to 18 May 2020**. Documentary and factual inspections, which commenced before 18 March 2020 and were not completed, are suspended until 18 May 2020. Such suspension interrupts the period of inspection and does not require any further decision by the supervisory authority.

10. Temporary prohibition of state supervision (control) activities

Temporarily, until 30 June 2020, it is prohibited to carry out by the state supervision (control) activities in the field of economic activity, except for state supervision (control):

- upon activities of entities that are classified as high-risk entities;
- in the field of compliance with requirements for formation, establishment and application of state regulated prices
- in the field of sanitary and epidemiological well-being of the population.

PETERKA PARTNERS

THE CEE LAW FIRM

11. Release from liability for violation of consumer credit agreement

In the event of delay by the consumer from 1 March 2020 to 30 April 2020 of the fulfillment of obligations under the consumer credit agreement, the consumer shall be released from liability for such delay (including, but not limited to, the consumer is exempted from the obligation to pay a penalty stipulated by the agreement for late execution (default, partial fulfillment) by the consumer of obligations under such agreement).

12. Prohibition on raising the interest rate on the loan agreement

Raising the interest rate on the loan agreement during the quarantine is forbidden.

13. Release from liability for violation of the legislation on the legal status of foreigners and stateless persons

To foreigners and stateless persons who were unable to travel outside Ukraine or were unable to apply to the territorial bodies of the State Migration Service of Ukraine with an application for the extension of their stay in Ukraine and / or for the exchange of a temporary / permanent residence permit during the quarantine, no administrative liability for violations of the legislation on the legal status of foreigners and stateless persons shall apply, if such violations occurred during or after the establishment of the quarantine. The issuance of identity documents confirming the citizenship of Ukraine or the special status of the person during the quarantine period is carried out at the place of the person's address.

14. Limitation of the Law “On public procurement”

Until 18 April 2020 the procedure of public procurement shall not apply to cases where the subject matter of the procurement are the goods, works or services which are necessary for the implementation of measures aimed at preventing the occurrence and spread, localization and elimination of outbreaks, epidemics and pandemics of COVID-19. As a result of such procurement the customer shall publish in the electronic procurement system a report on concluded contracts, a procurement contract and all annexes thereto, a report on the performance of the contract, which is simplified procedure in comparison with general procedure of control of public procurements established by the Law “On public procurement”.

15. Extension of some terms

The following terms are extended for the duration of the quarantine:

- accrual of penalties for delayed fulfillment of obligations;
- warranty period of use of the goods;
- the term of exercise of the pre-emptive right to purchase a share in the right of joint partial ownership;
- general and special limitation period for claims (especially for claims: arising from improper quality of works under a contract for capital construction; for compensation to the customer of

PETERKA PARTNERS

THE CEE LAW FIRM

the losses caused by the shortcomings of the project under the contract on carrying out design and research works; claims to a surety; claims regarding termination of a donation agreement; claims for damages in connection with damage to rental property; lawsuits in labor disputes).

16. Extension of a term for holding of annual general meetings of shareholders

The annual general meeting of shareholders for the 2019 financial year shall be held no later than three months after the date of termination of the quarantine. If due to the action it is impossible to hold a general meeting of shareholders in accordance with the procedure established by the Law of Ukraine "On Joint Stock Companies", the general meeting of shareholders may be held remotely in the order and terms determined by the temporary order of remote holding of the general meeting which shall be approved by the National Securities and Stock Market Commission.

If the term of office of the members of the supervisory boards of joint-stock companies expires in 2020, the powers of such members of the supervisory boards shall be fully extended until the date of the general meeting of shareholders.

17. Increase of the maximum marginal income levels for single tax payers

Increase of the marginal income levels for single tax payers: Group I - UAH 1,000,000; Group II - UAH 5,000,000; Group III - 7 000 000 UAH.

For any further information and assistance with respect to the above and any other COVID-19 related legal matters, please do not hesitate to contact our **COVID-19 Help desk** at covidhelpdesk@peterkapartners.com.

The document reflects the status as of April 3, 2020.

This document is for informational purposes only and may not be considered a legal opinion or advice on how to proceed in a particular case.