REPUBLIC OF LITHUANIA

LAW ON APPROVAL, ENTRY INTO FORCE AND IMPLEMENTATION OF THE LABOUR CODE

14 September 2016 No XII-2603

Vilnius

(As last amended on 6 April 2023 – No XIV-1875)

Article 1. Approval of the Labour Code of the Republic of Lithuania

The Seimas of the Republic of Lithuania hereby approves the Labour Code of the Republic of Lithuania (hereinafter: 'the Labour Code') (attached).

Article 2. Entry into force

1. This Code, with the exception of Article 6(1) of this Law and Article 72(2) of the Labour Code, shall enter into force on 1 July 2017.

2. Article 72(2) of the Labour Code shall enter into force on 1 July 2018.

Article 3. Application of the Labour Code to labour relations

The labour relations that existed on the day of the entry into force of the Labour Code shall be subject to the provisions of the Labour Code, with the exceptions set out in Article 6(6–11) of this Code.

Article 4. Validity of other laws and legal acts

Other laws and other legal acts that were in force in the Republic of Lithuania on the day of entry into force of the Labour Code shall be valid insofar as they meet the provisions of the Labour Code, except for the cases where the Labour Code gives priority to the provisions of other laws.

Article 5. No longer effective laws

Upon the entry into force of this Law, the following laws shall be no longer effective:

1) Law No IX-926 of the Republic of Lithuania on Approval, Entry into Force and Implementation of the Labour Code of the Republic of Lithuania, with all of its amendments and supplements;

2) Law No IX-2500 of the Republic of Lithuania on Work Councils, with all of its amendments and supplements;

3) Law No XI-1379 of the Republic of Lithuania on Recruitment through Temporary Employment Agencies, with all of its amendments and supplements;

4) Law No X-199 of the Republic of Lithuania on Guarantees for Posted Workers, with all of its amendments and supplements;

5) Law No I-1214 of the Republic of Lithuania on the Establishment of Late Fees for Payments Related to Labour Relations, with all of its amendments and supplements.

Article 6. Implementation and application of the Law

1. Prior to the entry into force of the Labour Code, the Government of the Republic of Lithuania or institutions authorised thereby, the Minister of Social Security and Labour of the Republic of Lithuania and other institutions referred to in this Law shall adopt implementing legislation for the Labour Code approved by this Law, with the exception of the implementing legislation referred to in Article 72(2) of the Labour Code, which the Government of the Republic of Lithuania or institutions authorised thereby shall adopt by 1 January 2018.

2. Short-term contracts concluded prior to the entry into force of the Labour Code shall continue to have effect and shall be subject to the provisions of fixed-term employment contracts.

3. Employment contracts on secondary duties concluded prior to the entry into force of the Labour Code shall continue to have effect and shall be subject to the provisions of either fixed-term or open-ended employment contracts.

4. Remote work contracts concluded prior to the entry into force of the Labour Code shall continue to have effect and shall be subject to the provisions of fixed-term or open-ended employment contracts and the provisions of the Labour Code regulating remote work.

5. From the entry into force of the Labour Code, several employment contracts concluded by the same employer with the same employee shall remain in force, subject to the establishment of the main employment contract and the agreement on additional job functions; these contracts shall be governed by the provision of the Labour Code regulating agreements on additional work. If the parties fail to determine the main or additional job function, the function first agreed upon shall be deemed the main function.

6. If, prior to the entry into force of the Labour Code, an employee was given written notice of termination of the employment contract or personally had given a written notice or request for termination of the employment contract through no fault of the employee, the employer shall dismiss the employee under the provisions in force prior to the entry into force of the Labour Code.

7. If a complaint, a request to settle an individual labour dispute, or a lawsuit regarding the implementation of labour rights was filed prior to the entry into force of the Labour Code, the complaint or request shall be resolved under the provisions that were effective prior to the entry into force of the Labour Code.

8. After the entry into force of the Labour Code, annual leave entitlements (including extended and additional leave) acquired prior to the entry into force of the Labour Code shall be granted in working days by granting five working days of annual leave for every seven calendar days of leave (for a five-day work week), or by granting six working days of leave for every seven calendar days (for a six-day work week). If recalculation of unused annual leave from calendar days to working days results in a partial day of leave, the said will be counted as a full day. Employees who, prior to the entry into force of the Labour Code, have unused annual leave for more than three years of employment, shall be entitled to use it by 1 July 2020.

9. Disciplinary procedures initiated prior to the entry into force of the Labour Code shall be completed under the provisions that were effective prior to the entry into force of the Labour Code.

10. Except for the case specified in Article 169(3) of the Labour Code, employers who, on the day of entry into force of the Labour Code, have an average number of employees of twenty or more, shall, within six months of entry into force of the Labour Code, form a commission for the election of a work council under the procedure set out in Article 171 of the Labour Code. Until the work council is elected and begins to operate under the procedure set out in the Labour Code, the rights provided for in the Labour Code regarding provision of information, consultation and other types of employee participation in decision-making shall continue to be implemented by the employer-level trade union or the joint representation of employer-level trade unions.

11. Collective agreements concluded prior to the entry into force of the Labour Code shall be valid under the provisions of the legislation in force prior to the entry into force of this Law, but not longer than until 1 January 2019.

12. Full material liability contracts concluded prior to the entry into force of the Labour Code shall become void once this Law enters into force.

13. The State Labour Inspectorate of the Republic of Lithuania under the Ministry of Social Security and Labour shall monitor the implementation of the Labour Code and, by 31 December 2019 and each subsequent year, shall submit to the Government of the Republic of Lithuania and

the Seimas of the Republic of Lithuania a report on monitoring of the implementation of the Labour Code and assessment of the results achieved. The Report shall list the positive and negative consequences of the implementation of the Labour Code and legislative acts associated with its implementation (the number and classification of violations (including violations associated with working time record-keeping, provision of information and consultation, rates of remuneration for work, and conditions for posted workers); the number of dismissals classified by grounds for dismissal; the number, subject and outcomes of labour disputes on rights investigated by Labour Disputes Commissions; the number of lawsuits filed in court regarding labour disputes on rights; the number of fixed-term employment contracts; the number of enterprises using annualised hours; the number of notifications of posted workers received (by type of posting; by countries from which the posting takes place; by sector to which workers are posted; and by duration of posting); the number of employer requests to grant consent to the termination of employment contracts with persons who engage in employer-level employee representation on the initiative or the will of the employer; the number of requests to make the statutory terms of an employment contract less favourable than the previous statutory terms of the employment contract or than the statutory terms of the employment contract of other employees in the same category; the number of the said requests that have been satisfied; and the number of employee representatives in enterprises) and proposals for the improvement of the Labour Code and other laws related to its implementation.

14. The Tripartite Council of the Republic of Lithuania that functioned prior to the entry into force of the Labour Code shall continue its activities in accordance with the provisions of the legislation in force prior to the entry into force of this Law, but not longer than until 1 July 2018.

I promulgate this Law passed by the Seimas of the Republic of Lithuania.

President of the Republic Dalia Grybauskaitė

APPROVED
by Law No XII-2603
of the Republic of Lithuania
of 14 September 2016

LABOUR CODE
OF THE REPUBLIC OF LITHUANIA

PART I
GENERAL PROVISIONS

CHAPTER I
PROVISIONS OF THE LABOUR LAW AND SOCIAL RELATIONS REGULATED THEREBY

Article 1. The scope of and social relations regulated by the Labour Code of the Republic of Lithuania

1. The Labour Code of the Republic of Lithuania (hereinafter: 'the Code') shall regulate individual employment relations that arise upon concluding an employment contract under the procedure set out in this Code.

2. This Code shall also regulate social relations arising from individual employment relations, including the relations existing prior to the conclusion of and after the termination of an employment contract; collective labour relations; relations which arise in settling disputes between participants in labour relations; relations related to observation and supervision of the law, and other relations.

3. In the cases set out in this Code and other laws of the Republic of Lithuania, this Code shall also regulate social relations regulated by other laws, provided the said relations result from the implementation of professional, official, creative, or other activities by individuals.

4. The provisions of this Code are harmonised with the provisions of the European Union legal acts specified in the Annex to this Code.

Article 2. Principles of legal regulation of labour relations

1. Labour relations shall be governed by the principles of legal certainty, protection of legitimate expectations, comprehensive defence of labour rights, provision of safe and healthy working conditions, stability of labour relations, freedom to choose a job, fair remuneration for work, equality of the subjects of labour law regardless of their gender, race, nationality, citizenship, language, origin, social status, faith, convictions or views, age, sexual orientation, disability, ethnic affiliation, religion, health status; intention of having a child/children or foster child/children or becoming a guardian/custodian to a child/children (hereinafter: 'a child'); marital and family status, political affiliation, trade union or trade association membership; circumstances unrelated to the employees' professional qualities; freedom of association; free collective bargaining; and the right to take collective action.

2. Other principles of labour law shall also apply to legal relations of individual labour law institutions.

Article 3. Sources of labour law in Lithuania

1. Labour law provisions are set out by the Constitution of the Republic of Lithuania, this Code, other laws regulating labour relations, European Union legislation, treaties of the Republic of Lithuania, resolutions of the Government of the Republic of Lithuania, regulatory acts of other state institutions, collective agreements, arrangements between the employer and work councils, and other local regulatory acts.

2. Should contradictions arise between this Code and other laws, the provisions of this Code shall apply except for the cases where this Code gives priority to the provisions of other laws.

2^{1}. Laws regulating mobilisation, martial law, crisis management and civil protection may set out rules governing labour relations that differ from the rules set out in this Code.

3. Provisions of other laws enacted as part of implementation of European Union legislation may set out rules governing labour relations that differ from the rules set out in this Code.

4. Treaties of the Republic of Lithuania shall be directly applicable to labour relations only when direct application of the provisions of a treaty arises from the treaty.

5. Resolutions of the Government of the Republic of Lithuania and regulatory acts of other state institutions may only regulate labour relations to the extent set out in this Code.

6. Within their scope of application, the regulatory provisions of collective agreements and employer–work council arrangements shall establish mutual rights and obligations of and shall be binding for the employers and the employees.

7. In the cases and procedure set out in this Code and other laws, as well as in exercising the employer's contractual right to organise the work of subordinate employees, the employer may adopt local regulatory acts that regulate the procedure or terms of employment of all or part of the employees at the workplace.

8. The provisions of arrangements between employers and work councils (hereinafter: 'employer-work council arrangements'), local regulatory acts, resolutions of the Government of the Republic of Lithuania and regulatory acts of other state institutions may not make the conditions for the employees less favourable than those set out in this Code and the law, except for the exceptions set out in the said legislation. If an employer-work council arrangement, a local regulatory act, or a regulatory act of the Government of the Republic of Lithuania or other state institution is in conflict with the provisions of this Code or the law, the provisions of this Code or the law shall be applicable.

9. The employer must make known, in manner customary at the workplace, the valid collective agreements, employer-work council arrangements, and local regulatory acts applicable at the workplace.

Article 4. Provisions of the labour law and of other branches of law

1. Labour relations not regulated by labour law provisions shall be subject to the provisions of labour law regulating similar relations.

2. Legal provisions regulating civil relations and the principles of civil law may only be applied to labour relations if there is a legal gap and provided doing so does not violate the fundamental tenets of the legal regulation of labour relations.

3. Special legal provisions, i.e. provisions establishing exceptions to general rules, may not be applied by analogy.

Article 5. Principles for the interpretation of labour law provisions

1. In order to ensure the consistency of this Code and compatibility of its structural parts, the applicable provisions of this Code shall be interpreted in the context of the system and structure of this Code.

2. The words and word combinations used in labour law provisions shall be interpreted according to their general meaning, except for the cases where it is clear from the context that the word or word combination is being used in a particular sense, namely, legal, technical or other. If the general and special meanings of a word differ, preference shall be given to the special meaning of the word.

3. The purpose and objectives of this Code as well as the provision under interpretation shall be taken into account in determining the true meaning of an applicable provision.

Article 6. Interpretation of agreements regulating labour relations

1. The provisions of employment contracts, collective agreements and arrangements shall be interpreted based on the principles of legal regulation of labour relations (Article 2 of this Code).

2. Where there is doubt about the terms and conditions of agreements regulating labour relations, the terms and conditions shall be construed to the advantage of the employees.

Article 7. Validity of labour law provisions

1. Only the labour law provisions adopted and promulgated in the procedure set out in law shall be valid.

2. Labour law provisions shall have no retroactive effect.

Article 8. Scope of application of the provisions of the Lithuanian labour law

1. The provisions of the Lithuanian labour law shall apply to labour relations and to the relations associated with the implementation and protection of labour rights where such relations arise, change, expire, or are being pursued on the territory of the Republic of Lithuania, except for the rules set out in this Code, other laws, European Union legislation, and international treaties of the Republic of Lithuania.

2. The law applicable to labour relations of international nature shall be set out in this Code, other laws, European Union legislation, and international treaties of the Republic of Lithuania.

CHAPTER II
LAW APPLICABLE TO LABOUR RELATIONS OF INTERNATIONAL NATURE

Article 9. Law applicable to posted workers

1. The labour law provisions of the Republic of Lithuania shall apply to terms of employment of an employee assigned to temporarily work abroad by an employer who falls under the jurisdiction of the Republic of Lithuania insofar as they fall outside the scope of mandatory provisions of the foreign country to which the employee is posted. The specifics of the terms of employment of employees posted to a foreign country shall also be set out in other provisions of this Code.

2. For employees temporarily assigned to work on the territory of the Republic of Lithuania by an employer who falls under the jurisdiction of a foreign country, the law applicable to the employment contract shall apply insofar as the work of the employees falls outside the scope of mandatory provisions of the labour law of the Republic of Lithuania.

3. Mandatory provisions shall consist of laws, other legal acts, and/or collective agreements or arbitration decisions that have been deemed universally applicable and may not be deviated from by agreement of the parties under the legislation of the country of applicable law.

Article 10. Regulation of labour relations at diplomatic missions and consular posts in Lithuania

1. Labour relations with the representative office of an international organisation, foreign country or foreign administrative unit that performs diplomatic or consular functions in Lithuania shall be regulated by the law chosen by the parties to the employment contract. If the parties to the employment contract fail to make a choice concerning applicable labour law, the law of the country with which the employment relations are more closely connected, having regard to the essence of the contract and the circumstances of its conclusion and performance, shall apply.

2. Employment relations between a natural person falling under the jurisdiction of the Republic of Lithuania and acting as an employee, on the one hand, and an employee of a representative office located in Lithuania, as specified in paragraph 1 of this Article, who is concluding an employment contract to meet personal or family needs, on the other, shall be regulated by the labour law provisions of the Republic of Lithuania, unless the parties to the employment contract agree otherwise.

Article 11. Regulation of labour relations in water, air and road transport vehicles

1. Labour relations on ships shall be regulated by the labour law provisions of the Republic of Lithuania, provided the ships sail under the flag of the Republic of Lithuania.

2. Labour relations on aircraft shall be regulated by the labour law provisions of the Republic of Lithuania, provided the aircraft carries the nationality mark of the Republic of Lithuania, except for the cases where an aircraft without a crew is temporarily transferred for use to an entity under the jurisdiction of a foreign country.

3. Labour relations governing road vehicles that cross the borders of at least two countries shall be determined on the basis of the registered location of the employer who uses the vehicle for operational purposes.

Article 12. Law applicable to individual employment relations

1. If individual employment relations involve more than one country, parties to the employment contract may select the law that will be applied to labour relations in their entirety or to separate aspects thereof.

2. If parties to an employment contract fail to select the law applicable to employment relations, the said parties shall be subject to the law of the country where the work is regularly performed under the employment contract. If the employee does not work in a single country on a permanent basis, the law of the country where the employer providing assignments to the employee is located or where the workplace thereof is located shall apply.

3. The rules set out in paragraph 2 of this Article shall not apply if the employment relations are more closely connected to another country, having regard to the essence of the contract and the circumstances of its conclusion and performance.

4. If the parties to the employment contract select the applicable law as set out in paragraph 1 of this Article, this selection shall not preclude the application of the mandatory rules of the country whose law would have been applied on the basis of paragraphs 2 and 3 of this Article.

5. The law of another country shall not apply if its application conflicts with the public order set out in the Constitution of the Republic of Lithuania, this Code and other laws. In this case, the labour law provisions of the Republic of Lithuania shall apply.

Article 13. Law applicable to collective labour relations

1. The procedures for the provision of information, consultation and other types of employee participation in the employer's decision-making process shall be subject to the law of the country of the employer or country of the employer's workplace where these procedures are performed.

2. The establishment and activities of trade unions shall be regulated by the law of the country in which they are established, while the legal status of other employee representatives shall be regulated by the law of the country in which they operate in their area of competence, except for the cases where they are granted additional rights under effective legislation.

3. The conclusion, application and validity of a collective agreement or arrangement between an employer and employee representatives shall be subject to the national law of the country of registration of the employer or employers' organisation unless otherwise agreed by the parties to the agreement.

4. The legitimacy of collective actions in collective labour disputes shall be established based on the law of the country where the said actions (acts or omissions) are performed.

CHAPTER III

TERMS

Article 14. Definition and calculation of terms

1. The term set out in labour law provisions, an employment contract, or a labour dispute body shall be defined by a calendar date or a certain period of time. The term may also be defined by referencing an event that should inevitably occur.

2. A term defined by a certain period of time shall begin the day following the calendar date or event that determines the beginning of the term.

3. Terms defined by years, months or weeks shall end on the corresponding day of the year, month or week. If a term defined in months ends during a month that does not have a corresponding day, the term shall end on the last day of that month. If it is impossible to determine the exact month on which a term calculated in years began, the last day of the term shall be deemed to be 30th of June of the year; if it is impossible to determine the exact day on which a term calculated in months began, the last day of the term shall be deemed to be the 15th day of the month.

4. A term defined in weeks or calendar days shall include days off (Saturdays and Sundays) and public holidays. If the last day of a term falls on a day off or a public holiday, the next working day shall be deemed to be the day of the end of the term. A term defined in days shall be calculated in calendar days unless laws establish otherwise.

5. If a term is established for performing a certain action, the said action shall be performed by midnight of the last day of the term. Written requests, applications, notifications or documents delivered to the post office or other communications establishment or sent by information and electronic communications technology in an agreed or regulated manner by midnight of the last day of the term shall be deemed to have been sent out in due time.

6. If an action has to be performed at the workplace with the person physically present, the term for the performance of the action shall end at the time when the administration of the workplace finishes work, unless established otherwise by labour law provisions or an arrangement between the parties.

Article 15. Limitation of actions

1. Limitation of actions is the statutory period of time (term) within which persons can defend their infringed rights by filing a lawsuit or submitting a request to settle a labour dispute.

2. The general limitation period for the relations regulated by this Code shall be three years, unless this Code and other laws establish shorter limitation periods for individual claims.

3. Limitation of actions shall not apply to claims of non-material nature for breach of honour and dignity of an employee and to compensation of non-material damages related to

personal injury or deprivation of life. Laws may also establish other claims for with the limitation of actions shall not apply.

4. The calculation and application of limitation of actions shall be subject to the provisions of the Civil Code of the Republic of Lithuania and the Code of Civil Procedure of the Republic of Lithuania, unless this Code or other laws set out special provisions for the application of limitation of actions.

Article 16. Procedural time limits and time bars

1. The procedural time limits established in labour laws shall be subject to the provisions of the Code of Civil Procedure of the Republic of Lithuania concerning the application and calculation of said terms, except for the exceptions set out in this Code and other laws.

2. Unless set out otherwise in this Code, a missed procedural time limit may be renewed by the party or institution applying it if the said party recognises that the time limit was missed for justifiable reasons. The person who missed the time limit must be informed about the decision taken on this matter within five working days of the decision being taken. An employer's refusal to renew a missed procedural time limit may be appealed under the procedure established for settling labour disputes on rights.

3. If this Code or other laws establish an extinctive time limit, the right of the party to exercise or defend the right granted thereto by this Code or other law shall expire once the extinctive time limit ends.

CHAPTER IV
DEFENCE OF LABOUR RIGHTS

Article 17. Defence of labour rights through labour dispute resolution bodies

The rights granted by labour law provisions in the procedure set out in this Code and other laws shall be defended through labour dispute resolution bodies and in court.

Article 18. Defence of labour rights under administrative procedure

Execution of this Code and other labour law provisions under the competence set out in legal acts shall be controlled and prevention of violations thereof shall be carried out by the State Labour Inspectorate of the Republic of Lithuania under the Ministry of Social Security and Labour (hereinafter: 'the State Labour Inspectorate') and other institutions.

Article 19. Defence of labour rights through employee and employer representatives

1. Under the procedure set out in this Code and other laws, the rights and interests of employees and employers shall be defended and represented by their representatives in collective labour relations.

2. The competence and procedure for the implementation of the competence of trade unions, work councils, employee trustees and employers' organisations shall be set out in this Code, other laws, collective agreements, employer-work council arrangements and other labour law provisions.

Article 20. Liability

Liability for non-fulfilment or improper fulfilment of the rights and obligations set out in this Code shall be set out in this Code, other laws and other labour law provisions, as well as contracts and arrangements between the parties to the labour relations.

PART II
INDIVIDUAL EMPLOYMENT RELATIONS

CHAPTER I
PARTIES TO AN EMPLOYMENT CONTRACT AND THEIR COMMON DUTIES

Article 21. Parties to an employment contract

1. The parties to an employment contract are the employee and the employer.

2. An employee is a natural person who undertakes to perform a job function for remuneration under an employment contract with an employer. Employee status is open to persons with working capacity (the ability to have employment rights and obligations) and legal capacity (the ability to acquire employment rights and create employment obligations through one's own actions). A natural person shall acquire working and legal capacity at the age of 16, except for the exceptions set out in law.

3. An employer is a person for whose benefit and under whose subordination a natural person has undertaken to engage in remunerated employment and perform certain job functions under an employment contract. Employer status is open to legal persons under the jurisdiction of the Republic of Lithuania who have working capacity and legal capacity; divisions (branches, representative offices) of legal entities or other organisations falling under the jurisdiction of a foreign country and registered on the territory of the Republic of Lithuania; and natural or legal entities, other organisations, and divisions (branches, representative offices) of a legal entity or another organisation, or group of them, that fall under the jurisdiction of a foreign country and are

registered on the territory of the Republic of Lithuania. An employer who is a legal entity shall acquire working capacity and legal capacity from the moment of its establishment, unless the legal acts regulating its activities set out a later date of establishment. Employer status is also open to natural persons. The working capacity and legal capacity of an employer as a natural person shall be regulated by the Civil Code of the Republic of Lithuania.

4. An employer can have one or several workplaces, i.e. structural/organisational units (branches, representative offices or other structural, industrial, commercial or other operational divisions) in charge of carrying out the activities of the employer; these workplaces serve the employer's employees to perform their job functions. If a legal entity has several workplaces, that legal entity shall be considered to be the employer. An exception is a division (branch, representative office) of a legal entity or organisation registered on the territory of the Republic of Lithuania yet falling under the jurisdiction of a foreign country, in which case the said division shall be considered to be the employer.

5. Employers may execute their rights and obligations to the employees through their legal representatives or authorised persons.

Article 22. Procedure for determining the average number of employees

1. The average number of employees shall be determined and applied in the cases and for the purposes set out in this Code and other labour law provisions.

2. 'An average number of employees of the employer' means the number of employees bound with the employer by valid employment relations for more than three months. This number shall include the employees of all branches, representative offices, structural/organisational divisions and other workplaces of an employer as a legal entity that are located on the territory of the Republic of Lithuania. The average number of employees of the employer shall include temporary agency employees who have worked for the employer for more than three months.

3. 'An average number of employees at a workplace' means the number of employees working at the workplace who are bound with the employer by valid employment relations for more than three months.

4. The rules for determining the average number of employees of an employer and the average number of employees at a workplace shall be approved by the Minister of Social Security and Labour of the Republic of Lithuania.

Article 23. Provision of information on labour relations

1. Under the procedure set out in this Code, other laws, and other labour law provisions, an employer must provide information about employees and their terms of employment or other aspects of labour relations to the competent authorities specified in the said legislation.

2. Upon the request of the work council or, in the absence thereof, under the request of the employer-level trade union, an employer with an average number of employees exceeding 20 must provide and update the following data at least once per year:

1) depersonalised data on the average remuneration of employees (with the exception of employees holding managerial positions) by occupational group and gender, provided that there are more than two employees in the occupational group;

2) information required to be published by law, collective agreements and employer-work council arrangements.

Article 24. Implementation of the principles of good faith and cooperation

1. In implementing their rights and fulfilling their duties, employers and employees must act in good faith, cooperate, and avoid abuse of the law.

2. The implementation of labour rights and fulfilment of duties should not violate the rights and legally protected interests of other persons.

3. Each party must implement its rights and obligations in a way allowing the other party to defend its rights in the least time-consuming way and by incurring the least other expenditures possible.

4. The employee must use the employer-owned work equipment for work purposes, except for the cases where the parties to the employment contract agree on the procedure and conditions for using the employer’s equipment for other purposes.

5. Each of the parties must avoid conflicts of interest and strive for the common good of the employer and the employee(s), sustainable development of labour relations, and defence of the legitimate interests of the other party to the employment contract.

6. If one party fails to fulfil or improperly fulfils the duties established in this Article, the other party shall have the right to compensation or other types of redress.

Article 25. Proper provision of information and protection of confidential information

1. The parties to an employment contract must inform one another in a timely manner about any circumstances that may have a significant impact on the conclusion, implementation or termination of the contract. This information must be correct, free of charge, and must be provided within reasonable time limits set by the parties to the employment contract.

2. The documents (notices, requests, consent letters, objections, etc.) and other information submitted by one party to an employment contract to the other party to the employment contract in the cases set out in this Code, other labour law provisions or agreements must be presented in writing. Provision of data through standard information and electronic communication technology (electronic mail, mobile devices, etc.) shall be considered to be proper provision of documents and information in writing, provided it is possible to identify the content of the information, the submitter, and the fact and time of submission, and provided reasonable opportunities to save and print out the information are created. If a party to an employment contract expresses reasonable doubt regarding the creation of these conditions, the employer must prove that they were in fact created.

3. The employment contract and the information set out in Article 42(2) of this Code must be drawn up in Lithuanian or, when the employee is a foreigner, in Lithuanian and another language understandable to the employee.

4. In the cases specified in Article 25 (1) and 25(2) of this Code, the information must be provided in Lithuanian, and if the employee is a foreigner or has a disability, the information must be provided in Lithuanian and in another language understandable to the employee.

5. The obligation to protect confidential information (information that is considered to constitute a commercial/industrial, professional, state or official secret) and liability for the violation of this obligation shall be regulated by laws. Under the procedure set out in this Code, the parties to an employment contract may conclude additional agreements on the protection of confidential information.

6. In the job notice (job offer notice published by the originator/distributor of information) the employer must provide information on the amount and/or the range of the basic (rate) remuneration (hourly rate or monthly salary, or the fixed part of the basic salary), except for the cases provided for by law.

Article 26. Gender equality and non-discrimination on other grounds

1. The employer must implement the principles of gender equality and non-discrimination on other grounds. This means prohibition, in the employer's relations with employees, of any direct or indirect discrimination, harassment, sexual harassment or instruction to discriminate on the grounds of gender, race, nationality, citizenship, language, origin, social status, faith, convictions or views, age, sexual orientation, disability, ethnic affiliation, health status, marital and family status, political affiliation, trade union or association membership, religion (except for the cases of employment in religious communities, societies or centres, provided that the requirement for the employee regarding religion, faith or convictions is genuine, legitimate and justified, in view

of the ethos of the religious community, society or centre), intention of having a child, present or past exercise by the employee of the rights provided for in this Code, as well as circumstances unrelated to the professional qualities of employees, or on any other statutory grounds.

2. In implementing the principles of gender equality and non-discrimination on other grounds, and irrespective of the employee's gender, race, nationality, citizenship, language, origin, social status, faith, convictions or views, age, sexual orientation, disability, health status, marital and family status, ethnic affiliation, political affiliation, trade union or association membership, religion (except for the cases of employment in religious communities, societies or centres, provided that the requirement for the employee regarding the professed religion, faith or convictions is genuine, legitimate and justified, in view of the ethos of the religious community, society or centre), intention of having a child, present or past exercise by the employee of the rights provided for in this Code, or other grounds provided for in laws, the employer must perform the following actions:

1) apply equal selection criteria and conditions when hiring employees;

2) provide equal benefits and create equal working conditions and opportunities for the employees to improve their qualifications, pursue professional development, retrain, and acquire practical work experience;

3) use equal work evaluation criteria and equal criteria for dismissal from work;

4) pay the same remuneration for the same work or work of the same value;

5) take measures to ensure that, at the workplace, the employee is safe from harassment or sexual harassment, that no instructions are given to discriminate, and that the employee is not subject to persecution and is protected from hostile treatment or adverse consequences after filing a complaint concerning discrimination or being involved in a case concerning discrimination;

6) take appropriate measures for conditions to be created for people with disabilities to get a job, work, pursue a career or learn, including the creation of adequate working conditions, unless the employer is disproportionately burdened by the said measures.

3. The specifics of the implementation of the principles of gender equality and non-discrimination on other grounds may be set out in other laws and other labour law provisions.

4. For the purpose of settling cases on pay discrimination, 'remuneration' means wages or any other pay, whether in cash or in kind, received directly or indirectly by an employee from an employer in return for work done.

5. For the purposes of settling cases on gender equality and non-discrimination on other grounds in employment relations, if an employee alleges circumstances which suggest that the employee has been discriminated against, the employer shall bear the burden of proving that there was no discrimination.

6. An employer with an average number of employees exceeding 50 must adopt and publish, in the ways that are customary at the workplace, measures for ensuring the implementation and monitoring of the application of the principles of equal opportunities policy.

Article 27. Rights of employees to privacy and to the protection of personal data

1. The employer must respect the right to privacy and to the protection of personal data of the employee.

2. The confidentiality of an employee's personal communication must be preserved during the employer's exercise of ownership or management rights over information and electronic communication technologies used at work.

3. Laws and other labour law standards may regulate specific features of the implementation of the employee's right to privacy.

Article 28. Respect for the family obligations of employees

1. The employer must take measures to help the employees fulfil their family obligations.

2. In the cases set out in this Code, employee requests related to the fulfilment of family obligations must be addressed by the employer and given a reasoned response in writing.

3. An employee's behaviour and actions at work should be evaluated by the employer in an effort to comprehensively put the principle of reconciliation of work and family obligations into practice.

Article 29. Respect for the pursuit of professional development of employees

1. The employer must train the employees insofar as is necessary for them to perform their job functions.

2. The employer must take measures to increase the qualifications and professionalism of employees, as well as their ability to adapt to changing business, professional or working conditions. For this purpose, in the cases and under the procedure set out in this Code, labour law provisions or mutual agreements, the employer shall create the conditions for the employees to learn, improve their qualifications, and pursue professional development.

Article 30. Protection of the honour and dignity of employees; prohibition of violence and harassment

1. The employer must create for the employee or a group of employees a work environment free from hostile, unethical, demeaning, aggressive, insulting or offensive behaviours that impinge on the honour, dignity, or physical or psychological integrity of an employee or a group of

employees, or that are aimed at intimidating, belittling or pushing an employee or a group of employees into a helpless or powerless position.

2. ‘Violence and harassment, including psychological violence, gender-based violence and harassment (violence and harassment directed against persons on the basis of their gender or disproportionately affecting persons of a particular gender, including sexual harassment)’ means any unacceptable behaviour or threat of such behaviour intended to attain physical, psychological, sexual or economic ends, regardless of whether such behaviour occurs on a single occasion or is repeated, and regardless of whether it achieves or is likely to achieve those purposes, violates personal dignity, or creates an intimidating, hostile, degrading or offensive environment and/or has caused or is likely to cause physical, material and/or non-material harm. Violence and harassment are prohibited in the following situations:

1) at the workplace, including public and private places, where the employee is at the disposal of the employer or performs duties under an employment contract;

2) during rest and meal breaks and when using domestic, sanitary and hygiene facilities;

3) during work-related trips, travel, training, events or social activities;

4) during work-related communication, including communication by means of information and electronic communication technologies;

5) in accommodation provided by the employer;

6) on the way to/from work.

3. The employer shall take all the necessary measures to ensure prevention of violence and harassment and undertake the following active steps to provide assistance, in the cases provided for in paragraph 2 of this Article, to persons who have experienced violence or harassment:

1) take measures to eliminate and/or control violence and harassment, in view of the potential risks of violence and harassment;

2) establish the procedures for reporting and handling reports on violence and harassment and make these procedures known to employees;

3) organise training for employees on the risks of violence and harassment, on prevention measures, and on the rights and obligations of employees with regard to violence and harassment.

4. An employer with an average number of employees exceeding 50, having completed the information and consultation procedures under the procedure set out in this Code, must adopt, make known in the ways that are customary at the workplace, and implement a policy on the prevention of violence and harassment. The policy on the prevention of violence and harassment must set out the ways of recognising violence and harassment, define the possible forms of violence and harassment, and set out the procedures for communication on violence and harassment prevention measures, procedures for the reporting and handling of reports on violence

and harassment, measures for the protection of, and assistance to, persons who report violence and harassment and fall prey thereto, rules of conduct/work ethics for employees, and other information on the prevention of violence and harassment.

5. The employer shall update the policy on the prevention of violence and harassment in the light of the received reports of violence and harassment, detected cases of violence and harassment, changes in the potential risks or the emergence of new ones, or at the request of the State Labour Inspectorate of the Republic of Lithuania.

Article 31. Protection of material and non-material interests

1. The employer must create the conditions for the employee to perform the job function and must provide the employee with the work equipment or property required. The parties to an employment contract may agree for employees to use their own equipment or property for work, except for the personal protection equipment that must be provided by the employer to the employees. In this case, a payment shall be agreed upon to compensate the employees for the use of their own equipment or property.

2. The employee must protect the material and non-material interests of the employer. The employee must use the work equipment, property and funds provided by the employer economically and in accordance with their intended purpose. The employer has the right to establish a procedure for the use of work equipment, property or funds owned by the employer and provided to the employee, provided the rights of the employee set out in this Code and other laws are protected.

3. Notification of a state or municipal institution or establishment about violations of labour law or other legal provisions committed by the employer, submission of information about a violation under the procedure set out in the Law of the Republic of Lithuania on the Protection of Whistleblowers, or application to a relevant labour dispute resolution body regarding the defence of violated rights or interests may not be considered actions that infringe upon the material or non-material interests of the employer. An employee cannot be persecuted for this and cannot be subjected to measures adversely affecting the employee’s interests.

4. Employee’s innovations aimed at improving the employer’s activities and measures stemming from the employee and aimed at effective use of property or funds should be incentivised. The terms of remuneration for innovation and the forms of incentives shall be set out in labour law provisions and agreements between the parties to the employment contract. Copyrighted works created by an employee must be protected and compensation for their use must be provided under the procedure set out in laws and agreements.

CHAPTER II
DEFINITION AND TERMS OF THE EMPLOYMENT CONTRACT

SECTION ONE
DEFINITION AND CONTENT OF THE EMPLOYMENT CONTRACT. STATUTORY EMPLOYMENT CONTRACT TERMS

Article 32. Definition of the employment contract

1. 'The employment contract' means an agreement between the employee and the employer by which the employee undertakes to perform a job function for the benefit of and under the subordination of the employer, and the employer undertakes to pay remuneration for that performance.

2. 'Subordination to the employer' means the performance of a job function where the employer has the right to control or manage either the entire work process or part thereof and the employee obeys the instructions of the employer and the procedures in force at the workplace.

3. The commercial, financial or industrial risks arising in the process of carrying out the job function shall fall on the employer.

Article 33. Content of the employment contract

1. The terms of an employment contract are either statutory or supplementary.

2. Statutory employment contract terms are the terms (the job function, terms of remuneration and workplace) that, once agreed upon, result in the employment contract being deemed as concluded.

3. Supplementary employment contract terms are the terms of employment which are agreed by the parties to the employment contract and specify the labour law provisions or confirm the agreement made between the parties to the employment contract, provided the agreement does not conflict with the labour law provisions. Agreeing on these terms under an employment contract is non-obligatory, but they shall become obligatory for the parties to the employment contract once agreed upon.

4. The mandatory rules set out in this Code or other labour law provisions, with the exception of the rules on maximum working time and minimum rest time, on conclusion and termination of the employment contract, on minimum remuneration, on safety and health at work, and on gender equality and non-discrimination on other grounds, may be deviated from in an employment contract which establishes a monthly remuneration of at least two national average gross monthly earnings as last published by Statistics Lithuania, provided that a balance between

the interests of the employer and the employee is achieved by the employment contract. Disputes on the legitimacy of such agreements shall be settled under the procedure set out to settle labour disputes on rights. If it is established that a clause of an employment contract contradicts the mandatory rules established in this Code or other provisions of labour law, or that an employment contract fails to strike a balance between the interests of the employer and the employee, the clause of the employment contract may not be applied and the rule set out in this Code or provisions of labour law shall apply instead. In any case, a clause of an employment contract may make the employee's situation more favourable compared with that set out in this Code or other provisions of labour law.

5. The parties may not conclude agreements of civil nature for the exercise of rights and obligations set out in this Code. Such agreements shall be subject to the provisions of labour law.

6. Disputes regarding the validity of employment contract terms, proper or improper implementation thereof, or compensation for damages shall be settled under the procedure set out in this Code for the settlement of labour disputes on rights.

Article 34. Statutory employment contract terms

1. Each employment contract must contain an agreement on the job function, remuneration, and workplace.

2. The performance of any action, service or activity, as well as work of a particular profession, speciality or qualification, may be considered a job function. The job function shall be defined in the employment contract, job regulations or job (activity) description. At the request of the employee, information about the content and scope (standard workload) of the agreed job function or the requirements for the job function must be provided by the employer in writing within five working days from the day of the employee's request is submitted to the employer.

3. In the employment contract, the parties shall establish the monthly remuneration (hereinafter: 'monthly salary') or hourly remuneration (hereinafter: 'hourly pay (wage)'), which cannot be lower than the minimum monthly salary or the minimum hourly pay (wage) approved by the Government of the Republic of Lithuania. The parties to the employment contract may also agree upon extra pay, allowances, bonuses or other additional payments under various remuneration systems.

4. The employer and the employee shall also agree on the workplace where the employee will perform the job function. The location where the job function is performed may differ from the location of the workplace. If an employee does not have the main workplace for the performance of the job function or if the workplace of the employee is not permanent, the

workplace from which the employee receives instructions shall be considered to be the employee's workplace.

SECTION TWO
SUPPLEMENTARY EMPLOYMENT CONTRACT TERMS

Article 35. Agreement on additional work

1. By an agreement on additional work, which shall become a part of the employment contract, the parties to the employment contract may agree on the performance of an additional job function that was not previously agreed upon in the employment contract. These activities may be performed during time outside of performance of the main job function (agreement on the combination of job functions), at the same time as the main job function (agreement on the alignment of job functions), or project work may be agreed upon (agreement on project work). The special features of the employment contract on project work set out in this Code shall apply *mutatis mutandis* to agreements on project work.

2. The parties to an employment contract shall also be entitled to agree on exchange of the main job function and the additional job function for either a specific of an indefinite period of time.

3. In implementing agreements on additional work, the maximum working time and minimum rest time requirements set out in this Code and other labour law provisions may not be infringed upon.

4. The agreement on additional work must specify when the additional job function will be performed, its scope in terms of working hours, and the remuneration or allowance for the additional or other work.

5. An agreement on additional work may be terminated by either party to the employment contract by giving five working days' notice in writing to the other party to the employment contract. Upon termination of the employment contract for the main job function, the agreement on additional work shall also expire unless the parties to the employment contract agree otherwise.

6. In the event of a conflict between the main and additional job functions, the employee must give priority to the main job function unless the employer sets out otherwise.

7. If, as a result of performing the additional job function provided for in an agreement on the combination of job functions, the employee is entitled to additional rights or obligations provided for in this Code or other labour law provisions, including longer rest time, shorter working time, paid leave, etc., these provisions shall apply to the employee only during the performance of additional function and only to the extent that it is performed.

Article 36. Probationary period agreement

1. In order to verify whether an employee is suitable for the agreed job and whether the agreed job is suitable for the employee, the parties entering into an employment contract may agree on a probationary period.

2. The probationary period may not exceed three months, excluding any period during which the employee was absent from work due to temporary incapacity for work, paid leave, or other important reasons. Extension of the probationary period by agreement of the parties to the employment contract shall be prohibited. If a fixed-term contract is concluded for a period of less than six months, the probationary period must be proportionate to the duration of the contract (i.e. consist of less than three months).

Note from the Register of Legal Acts. *The provision of Law XIV-1189 on the probationary period for fixed-term contracts of less than 6 months applies to fixed-term contracts concluded after 1 August 2022.*

3. If the employer finds that the results of the probationary period are unsatisfactory, the employer may take a decision to terminate the employment contract before the end of the probationary period, in which case the employer must give the employee written notice thereof three working days before the expiry of the employment contract and may not pay the severance pay.

4. The employee may terminate the employment contract during the probationary period by giving the employer written notice thereof three working days in advance. This notice may be withdrawn not later than on the next working day after its submission. Notice given and not withdrawn by the employee shall terminate the employment contract and the employer must formalise termination of the employment contract not later than on the last working day of the employee.

Article 37. Agreement on reimbursement of training expenses

1. The parties to an employment contract may agree on conditions for reimbursement of expenses incurred by the employer for the employee's training or qualification development when the employment contract is being terminated on the initiative of the employer through the fault of the employee or on the initiative of the employee without a justifiable reason.

2. Reimbursement may only be made for expenses related to the provision of knowledge or skills of an employee in excess of the work requirements. The agreement may establish whether training or qualification development expenses shall include other business trip expenses (travel, accommodation, etc.).

3. Reimbursement may only be made for the expenses incurred by the employer during the last two years before the expiry of the employment contract unless the collective agreement establishes a different term which may not exceed three years.

4. If employees are studying on their own initiative in pursuit of a bachelor's or master's degree in a given field of study and/or professional qualification under formal vocational training programmes and the employer covers all or at least half of these expenses, the parties to the employment contract may additionally agree that during the period when the employees are carrying on with their studies covered by the employer and three years after the end of this period, the employees may terminate the employment contract on their own initiative without a justifiable reason only upon reimbursing the employer for the expenses incurred thereby.

Article 38. Non-compete agreement

1. The parties to an employment contract may agree that, for a certain period of time, the employee will not perform certain job activities under an employment contract with another employer and will also not engage in independent commercial or industrial activities related to the job functions if these activities are in direct competition with the activities of the employer. This agreement may be concluded within the period of validity of the employment contract and/or after the employment contract has expired. Once the employment contract expires, this agreement shall be valid for not more than two years after the termination of the employment contract.

2. Non-compete agreements may only be concluded with employees who have specialized knowledge or skills that can be detrimental to the employer when applied in an enterprise, institution or organisation that competes with the employer or when used in setting up individual activities.

3. A non-compete agreement must define the work or professional activities prohibited for the employee, the amount of non-compete compensation due to the employee, the non-compete territory, and the period of validity of the non-compete agreement. During the period of the non-compete agreement with the employer, the employee must be paid a compensation in the amount of least 40 per cent of the employee's average remuneration.

4. Upon violating the non-compete agreement, the employee must discontinue the competing work or professional activities for the agreed period of the non-compete agreement, return the compensation received, and compensate the employer for the damage incurred. Advance agreements on penalties in excess of the non-compete compensation for three months received by the employee shall be invalid.

5. An employee is entitled to unilaterally terminate a non-compete agreement when the employer has delayed payment of non-compete compensation or part thereof for more than two months.

Article 39. Non-disclosure agreement

1. The parties to an employment contract may agree that the employee, during the performance of the employment contract and after its termination, shall not use for personal or commercial purposes, or disclose to third parties, certain information received from the employer or received in the course of the performance of the job function which the parties to the employment contract have designated as confidential in their non-disclosure agreement. Confidential information shall not include data which are publicly available, data which, by law or by virtue of their purpose, cannot be regarded as confidential, or data for the protection of which the employer has not taken reasonable measures. The prohibition to disclose confidential information shall not apply to provision to a state or municipal institution or establishment of the information on breaches of labour law and other legal provisions committed by the employer, as well as to the provision of information to a court or other dispute settlement body.

2. The non-disclosure agreement must define the data that constitutes confidential information, the period of validity of the non-disclosure agreement, and the employer's duties in helping the employee protect the confidentiality of the information. The parties to the employment contract may agree on penalties for non-fulfilment or improper fulfilment of this agreement.

3. If the parties to the employment contract have not agreed on a longer period, the non-disclosure agreement shall be valid for one year after termination of the employment relations.

Article 40. Agreement on part-time work

1. Both during conclusion and implementation of an employment contract, part-time work, i.e. fewer working hours than the standard working time applicable to the work activity, can be agreed on.

2. Part-time work is set by reducing the number of working hours per day, by reducing the number of working days per working week or month, or both. The condition of part-time work may be established on a fixed-term or open-ended basis.

3. Unless agreed otherwise, an employee who has agreed to work part-time has the right to request, not more than once every six months, that the part-time work clause be changed. The employer must consider this request and provide the employee with a reasoned decision within 10 working days.

4. During fulfilment of an employment contract, an employee who has been in employment relations with the employer for at least three years shall have the right to submit a written request to temporarily work part-time. An employee's request to change the working time by shortening the working day to four hours per day, or to reduce the number of working days to three working days per working week, shall be satisfied if it is submitted at least 30 days before its entry into force, provided the employee will work part-time for a period not exceeding a year. Employees shall have the right to repeatedly request the establishment of part-time work only after having worked full-time for the same period as they did part-time. Only for justifiable grounds can the employer decline an employee's request to work part-time temporarily.

5. The restrictions on the establishment and duration of part time work set out in paragraph 4 of this Article shall not apply if the employer agrees to other part-time employment terms proposed by the employee or if, as documented in the conclusion of a healthcare institution, the employee's request is based on the employee's medical condition, disability, or the need to nurse or care for a family member or a person residing with the employee, and also if the request comes from an employee who is pregnant, has recently given birth, is breastfeeding, is raising a child under the age of eight, or is a single parent with a child under the age of 14 or with a disabled child under the age of 18. These employees can return to full-time work by giving written notice to the employer two weeks in advance, except for the cases where the employer agrees to waive this term.

6. Part-time work shall not lead to restrictions in determining for the employees concerned annual leave entitlement, calculating the length of employment, promoting them to a higher position, or improving their qualifications, and shall not limit their other labour rights compared to employees who perform the same or equal work under full-time employment conditions, in view of the length of employment, qualification and other circumstances. Remuneration for part-time work shall be commensurate to the time spent working or the work performed as compared to the work performed working full-time.

7. An employer's refusal to allow working part-time as well as any violation in creating equal working conditions may be contested under the procedure set out to settle labour disputes on rights.

8. Employers must regularly, at least once per calendar year, upon the request of the work council or, in the absence thereof, upon the request of the employer-level trade union, provide information about the employees working part-time at the enterprise, institution or organisation, the number of part-time employees and the positions held thereby, as well as the average remuneration by occupational group and gender, provided that there are more than two employees in the occupational group.

CHAPTER III
CONCLUSION OF AN EMPLOYMENT CONTRACT

Article 41. Pre-contractual relations between the parties to an employment contract

1. Before the conclusion of an employment contract as well as when an employment contract is not yet concluded, the parties to the employment contract must comply with the obligations of gender equality, non-discrimination on other grounds, fairness, provision of the information necessary to conclude and implement the contract and non-disclosure of confidential information. It is prohibited to demand that employees provide any data that is unrelated to their health status, qualifications or other circumstances that are irrelevant to the direct performance of the job function.

2. If these obligations are not fulfilled or are fulfilled improperly, the other party to the employment contract shall become entitled to apply to a labour dispute resolution body to claim compensation for the damage caused or to use other remedies provided by this Code.

3. A competition may be used to select an employee for a managerial or specialist position, or for positions open to persons with special abilities or special mental, physical, medical or other requirements. The Government of the Republic of Lithuania shall establish the list of positions for which a competition must be held and the procedure for the organisation and execution of competitions at state and municipal enterprises, state and municipal institutions funded from the budgets of the state, municipality or State Social Insurance Fund or from other funds established by the state, and at public institutions owned by the state or municipality. This shall exclude the positions under the list of positions for which a competition must be held and the list and/or procedure for the organisation and execution whereof shall be set out in special laws. The winner of the competition shall be entitled to demand for the conclusion of an employment contract within 20 working days, except for the cases where exceptions are set out in law.

4. A position for which a competition must be held under the provisions of paragraph 3 of this Article may be filled in by a person employed on a fixed-term contract until an employee is recruited to the position by organising a competition, but for no longer than a year.

Article 42. Conclusion of an employment contract

1. An employment contract shall be considered to have been concluded when the parties agree on the statutory employment contract terms (Article 34 of this Code).

2. The territorial office of the State Social Insurance Fund Board under the Ministry of Social Security and Labour (hereinafter: ‘the State Social Insurance Fund Board’) must be notified

in accordance with the established procedure about conclusion of the employment contract and the hiring of the employee at least one working day before the scheduled employment commencement date. This requirement shall not apply in cases where a person is hired under an employment contract that specifies that the person's workplace is not in the Republic of Lithuania, and when, under European Union regulations on the coordination of social security systems or under treaties of the Republic of Lithuania, this person is subject to social insurance legislation other than the legislation of the Republic of Lithuania.

3. The employment contract shall come into effect when the employee starts work. If an employment contract was concluded but failed to come into effect through no fault of the employee, the employer must pay the employee a compensation in an amount of not less than the employee's remuneration for the agreed period of work not exceeding one month. If an employment contract was concluded but failed to come into effect through the fault of the employee, i.e. if the employee failed to give the employer a notice three working days in advance of the agreed employment commencement date, the employee must compensate the employer for damages in the amount of not more than the employee's remuneration for the agreed period of work not exceeding two weeks.

4. The employer shall only allow the employee to start work after familiarising the employee, against signature, with the terms of employment, the labour law provisions establishing workplace procedures, and requirements for safety and health at work.

Article 43. Formal requirements for employment contracts

1. An employment contract shall be concluded in writing in duplicate.

2. Amendments to an employment contract shall be also made in writing.

3. A standard employment contract template shall be approved by the Minister of Social Security and Labour of the Republic of Lithuania.

Article 44. Provision of information on the terms of employment

1. Before the commencement of work, the employer must provide the employee with the following information:

1) the employer's full name, code and registered office address (for employers as natural persons: name, surname, personal number, or, in the absence thereof, the date of birth and permanent place of residence);

2) the place where the job function will be performed. If an employee does not have the main place for the performance of the job function or if it is not permanent, it shall be specified

that the employee works in several places and the address of the workplace from which the employee receives instructions shall be given;

3) the type of employment contract; the length and terms of the probationary period, if agreed;

4) a characterisation or description of the job function or the name of the job (position or duties, profession, speciality) and, where provided for, its hierarchy level and/or level/degree of qualification or complexity;

5) the employment commencement date;

6) the expected end date (in the case of a fixed-term employment contract);

7) annual leave entitlement;

8) the notice period for the cases when the employment contract is terminated on the initiative of the employer or the employee; the procedure for the termination of the employment contract;

9) the remuneration and components thereof (to be set out separately), and the terms and procedure for the payment of the remuneration;

10) the established duration of the employee's working day or working week; the procedure for determining and paying for overtime work and, where applicable, the procedure for changing work (shift);

11) information on the collective agreements in force at the enterprise and the procedure for learning about these agreements;

12) the right to training, if granted by the employer;

13) the names of the social security institutions receiving social security contributions in connection with the labour relations; information on other social security cover provided by the employer, if the employer is in charge of providing the said cover.

Note from the Register of Legal Acts. *The information referred to in Article 44(1)(3), (8–10), (12), (13) of the Labour Code set out in Law No XIV 1189 regarding the duration and terms of the probationary period, the termination of the employment contract, the components of the remuneration for work, overtime, the right to training, and the employer's social security cover shall, at the request of the employee, be made available to employees employed before 31 July 2022.*

2. The information must be provided to the employee free of charge, by providing one or several documents in writing. If the information is provided in several documents, at least one of them must contain the information specified in points 1–10 of paragraph 1 of this Article.

3. Where the duration of annual leave, the procedure for determining and paying for overtime work, the procedure for changing the work (shift), the duration and terms of the

probationary period, the time limits for giving notice of dismissal, the procedure for termination of the employment contract, or the social security cover provided by the employer are set out in labour law, the document shall contain references to the relevant labour law provisions.

4. If the terms of employment specified in paragraphs 1 and 3 of this Article change, the employer shall, in the same procedure, provide information about the changes in the terms of employment applicable to the employee before their entry into force.

5. *No longer effective from 1 August 2022.*

6. The provision of information specified in paragraph 1 of this Article does not preclude the obligation to provide the employee with information about the statutory employment contract terms under Article 34 of this Code.

CHAPTER IV
IMPLEMENTATION OF THE EMPLOYMENT CONTRACT

Article 45. Changes to the terms of employment on the initiative of the employer

1. Changes to the statutory employment contract terms, the supplementary employment contract terms, the established type of working time arrangements or the employee's place of work on the initiative of the employer can only be made with the written consent of the employee.

2. The employee's consent or refusal to work under newly proposed statutory or supplementary employment contract terms, under new working time arrangements, or at a new place must be voiced within the time limit set by the employer, which may not be less than five working days. The employee's refusal to work under newly proposed terms may be considered to be the reason to terminate the employment relations on the initiative of the employer through no fault of the employee under the procedure provided for in Article 57 of this Code. An employee's refusal to work for reduced remuneration may not be considered a legitimate reason to terminate an employment contract.

3. An employee has the right to appeal to a body resolving labour disputes on rights on the grounds of unlawful amendment of the employment contract and to demand that the employer be obligated to fulfil the employment contract and compensate for the damages. If the employee fails to do so within three months of the date on which the employee became aware or should have become aware of the violation of the employee's rights, the employee shall be deemed to have agreed to work under the newly proposed terms of employment.

4. Terms of employment not mentioned in paragraph 1 of this Article may be changed by a decision of the employer if the rules governing them change or in cases of economic, organisational or industrial necessity. The employee must be informed about changes to these

terms within a reasonable time. The employer shall create sufficient conditions for the employee to prepare for the upcoming changes.

Article 46. Change to the terms of employment on the initiative of the employee

1. When this Code or other labour law provisions do not grant an employee the right to demand that the terms of employment be changed, the employee is entitled to ask the employer to change the terms of employment.

2. Refusal to satisfy an employee's written request to change the statutory employment contract terms or supplementary employment contract terms agreed upon by the parties to the employment contract must be justified and submitted in writing within five working days of the employee's request.

3. If an employer refuses to satisfy an employee's request to change the terms of employment, the employee may repeatedly apply for the change of these terms not sooner than one month from the submission of the employee's request to change the terms of employment.

4. If the employer agrees with the employee's request or if the employer makes another proposal and the employee agrees with that proposal, the terms of employment shall be considered changed once the corresponding changes have been made to the employment contract. If the agreement to change the terms of employment is for a fixed term, the employee shall work on the previous terms of employment after the end of the term.

Article 47. Idle time

1. An employer can declare idle time for an employee or a group of employees under the following conditions:

1) if the employer is unable, for objective reasons not attributable to the fault of the employee, to provide the employee with the work agreed in the employment contract and the employee refuses to take another job offered to the employee;

2) the employer is unable to provide the employee with the work agreed in the employment contract because of the restrictions imposed by the Government of the Republic of Lithuania during the period of state of emergency and/or quarantine and it is impossible to perform the agreed work remotely due to the peculiarities of the organisation of work, or when the employee refuses to perform other work offered to the employee.

2. In the case referred to in paragraph (1)(1) of this Article,

1) where the employer declares idle time lasting up to one working day, the employees shall be paid their average remuneration and the employer shall have the right to demand that the employees be present at the workplace.

2) where the employer declares idle time exceeding one working day but not exceeding three working days, the employee may not be required to be present at the workplace for more than one hour's time each day. For presence at the workplace during idle time, employees shall be paid their average remuneration, and for the remaining period of idle time when the employees are not required to be at work, they shall be paid two thirds of their average remuneration.

3) where the employer declares idle time for an indefinite period of time or for a period exceeding three working days, the employees shall not be required to be present at the workplace, but must be prepared to come to the workplace the next working day after the employer's notice. Idle time of up to three working days shall be remunerated under the procedure set out in paragraphs 1 and 2 of this Article and the employees shall receive 40 per cent of their average remuneration for the remaining idle time.

4) for each calendar month during the idle time, the remuneration paid to the employee for that month may not be lower than the minimum monthly salary approved by the Government of the Republic of Lithuania, provided that the full standard working time is agreed in the employment contract;

5) an employer may declare partial idle time for a specified period of time and reduce the employee's weekly working time (at least to 40 per cent of the standard working time, or, if the number of working hours per day is reduced, the working day may not be shorter than three hours) and specify in writing the days on which the employee is to work, the times for the beginning and end of work on the working days, and the duration of the partial idle time. During periods of partial idle time, when employees are not required to be present at the workplace, they shall be remunerated under the procedure set out in points 2 and 3 of this paragraph.

3. For idle time announced in cases set out in paragraph 1(2) of this Article, the following requirements shall apply:

1) not later than one working day (shift) before announcing or cancelling idle time or partial idle time, the employer shall, by using the information system of the Board of the State Social Insurance Fund under the Ministry of Social Security and Labour, inform the State Labour Inspectorate, in the manner set out by the Chief State Labour Inspector of the Republic of Lithuania and coordinated with the Board of the State Social Insurance Fund under the Ministry of Social Security and Labour, about the announcement/cancellation of the idle time to the employee. When idle time is extended or other information on the announced idle time provided in accordance with the established procedure changes, the information submitted to the State Labour Inspectorate must be updated at least one working day in advance of the envisaged change;

2) the employee may not be required to be present at the workplace;

3) during the idle time period, the employer shall pay the employee a remuneration of not less than the minimum monthly salary approved by the Government of the Republic of Lithuania, provided full-time standard working time is agreed in the employee's employment contract. The employer, with the exception of an employer whose legal form is a budgetary institution, shall be compensated for part of the remuneration costs incurred during idle time in the amount and under the procedure set out in the Law on Employment of the Republic of Lithuania;

4) the employer may announce partial idle time for the employee for a certain period of time and reduce the employee's working time per week to not less than 40 per cent of the standard working time. Alternatively, if the number of working hours per day is reduced, the working day may not be shorter than three hours. The employer shall specify in writing the days on which the employee is to work, the times for the beginning and end of work on the working days, and the duration of the partial idle time. In such case, the working time shall be paid for at the rate of pay for the working time and the period of partial idle time shall be paid on a pro rata basis in accordance with the procedure set out in point 3 of this paragraph.

Article 48. Short-time work

1. Short time work may be introduced when, due to justifiable economic reasons that objectively exist in a certain territory or sector of economic activity and that are recognised as such by the Government of the Republic of Lithuania, the employer is unable to provide employees with work and there are preconditions for the dismissal of a group of employees (Article 63 of this Code).

2. 'Short time work' means working time reduced by up to half of the employee's normal working time, when the employee is compensated for the reduction in remuneration due to the reduction in working time by a short-time work allowance paid under the procedure set out in the Law of the Republic of Lithuania on Unemployment Social Insurance.

3. The decision of the territorial office of the State Social Insurance Fund Board on the allocation of short-time work benefit shall give the grounds for the employer to establish short-time work. The employer's decision to introduce short-time work must specify the part of the shortened working time, as well as what is being reduced (the number of working days per working week, the number of working hours per day, or both), the commencement and duration of short time work, and the employees for whom short time work applies.

4. The employer's decision to introduce short-time work shall take effect from the day on which the short-time work benefit begins to be paid under the decision of the territorial office of the State Social Insurance Fund Board.

Article 49. Suspension of an employment contract on the initiative of the employer or other persons

1. If an employee comes to work under the influence of alcohol or narcotic, psychotropic or toxic substances, the employer shall suspend the employee from work for that day/shift, without allowing the employee to work and without payment of remuneration.

2. The employer shall also suspend an employee from work by notice in writing for up to three months, without allowing the employee to work and without payment of remuneration, upon the written demand of officers or bodies granted the right of suspension by law. The notice must specify the period of time the employee is suspended for, as well as the reasons and legal grounds for the suspension.

3. For the purpose of investigating the circumstances of a possible breach of work duties committed by an employee, the employer may suspend the employee from work for up to 30 calendar days, paying the employee in question the employee's average remuneration.

3^1. If the Government of the Republic of Lithuania declares a state of emergency and/or quarantine, the employer shall be obliged to offer teleworking to an employee, whose health condition endangers the health safety of other employees, in a reasoned written proposal in order to protect the health of employees and third parties. The employer's offer of teleworking shall specify the reason, the time limit and the legal basis for the offer of teleworking. Employees must inform the employer in writing within one working day of their agreement to telework. If the employee disagrees to telework or fails to reply to the employer's offer of telework, the employer shall, not later than one working day from the date of the deadline for the employee's reply to the employer's offer, suspend the employee in writing, without permission to work and without payment of remuneration. The employer's decision to suspend the worker shall specify the period for which the worker is suspended, the reason and the legal basis for the suspension.

4. The suspended employees, if they agree, may be transferred to another job, provided that this transfer meets the purpose of the suspension.

5. At the end of the period of suspension, the employees shall be reinstated in their previous positions, provided that the suspension did not give rise to grounds for termination of the employment contract.

6. If an employee was suspended from work by demand of the employer or duly authorised bodies or officers without reasonable grounds, the employee shall be compensated for damages under the procedure set out in laws.

7. Disputes on the validity of a suspension and damages shall be settled under the procedure for settling labour disputes on rights.

Article 50. Suspension of an employment contract on the initiative of the employee

1. If the employer fails to pay the full remuneration due to an employee for two or more consecutive months or fails to fulfil, for more than two consecutive months, other obligations set out in the employment contract and collective agreement or which are set out in the labour law provisions regulating working time and rest time, remuneration for work, and safety and health at work, the employee shall have the right to suspend implementation of the employment contract temporarily, for up to three months, by giving the employer written notice thereof three working days in advance. In this case, the employees in question shall be released from the duty to perform their job functions.

2. The suspension of an employment contract shall end the day after the employee withdraws, in writing, the temporary suspension of the employment contract, after the employer fulfils all obligations to the employee and informs the employee thereof in writing, or after the three-month period set out in paragraph 1 of this Article expires.

3. The employer shall pay the employee a compensation in the amount of not less than the size of one minimum monthly salary as approved by the Government of the Republic of Lithuania for each month that implementation of the employment contract was suspended, except for the cases when the employee suspends implementation of the employment contract without reasonable grounds.

4. An employee who has suspended implementation of an employment contract without reasonable grounds shall be liable for damage caused to the employer in the procedure set out in laws.

Article 51. Continuity of employment relations in the event of reform, reorganisation, restructuring or transfer of the employer's business or part thereof

1. Changes in the composition of the employer's participants, change in the employer's subordination, change of participant or name, employer's reform, restructuring, merger, division, distribution, take-over by another enterprise, institution or organisation, or transfer of a part of functions of the employer to another employer shall not change the terms of employment for the employer's employees and may not serve as a legitimate reason for the termination of employment relations.

2. If, on the basis of a transaction(s)/legal act(s), a business or a part thereof is transferred from one employer (hereinafter: 'the business transferor') to another entity (hereinafter: 'the business transferee'), the employment relations with the employees of the said business or part thereof shall automatically be transferred to the latter. The business transferee shall acquire the rights and obligations of the business transferor as an employer existing at the time of the transfer.

If these rights and obligations are set out in collective agreements, the rights and obligations must be applied for two years after the transfer of the business or part thereof, unless the said collective agreements expire or these conditions are set out for the employees in a newly concluded collective agreement applicable to the business transferee.

3. The employment relations transferred from the business transferor to the business transferee shall be continued under the same terms in the enterprise, institution or organisation of the business transferee, irrespective of the legal basis for the transfer of the business or part thereof. It shall be prohibited to change the terms of employment or terminate an employment contract due to the transfer of a business or part thereof. When employment relations are transferred to the business transferee, the said may only terminate them on general grounds unrelated to the transfer of the business or part thereof.

4. If the business transferee fails to fulfil the duties specified in paragraphs 2 and 3 of this Article, the business transferor shall be jointly and severally liable for the fulfilment the employee's rights acquired before the transfer. Joint and several liability shall apply for one year after transfer of the business or part thereof. The business transferor and the business transferee may agree on compensation for the business transferee in respect of the transfer to the transferee of rights and obligations acquired by an employee while working for the business transferor (unused leave, outstanding monetary claims, etc.).

5. The business transferor must give advance written notice to an employee about the impending transfer of the business or part thereof at least 10 working days before the transfer, indicating the legal basis and the date of the transfer of the business or part thereof, as well as the economic and social consequences of such a transfer for the employee and the measures taken. If, within five working days of receipt of the notice, the employee does not agree in writing to the continuity of employment relations, the business transferor shall terminate the employment contract with the employee on the initiative of the employer through no fault of the employee under the procedure set out in Article 57 of this Code.

6. The transferor of the business or part thereof shall hand over the personal data and documents of the employees in the transferor's possession to the business transferee and shall inform the territorial office of the State Social Insurance Fund Board of the change of employer. Changes to the employment contracts must be made within 10 working days of transfer of the employment relations.

Article 52. Remote work

1. Remote work is a form of work organisation or a method of work performance in which an employee regularly performs all or part of the assigned work functions remotely, i.e. at an

agreed location other than the workplace that is acceptable to the parties to the employment contract, during all or part of the working time, using information and electronic communications technology (telework).

2. Remote work shall be assigned at the request of the employee or by agreement of the parties. An employee's refusal to work remotely may not serve as a legitimate reason to terminate an employment contract or change the terms of employment. If the employer cannot prove that this would cause excessive costs due to production necessity or due to the specifics of work organisation, the employer must satisfy the employee's request to work remotely where this is requested by an employee who is pregnant, has recently given birth, is breastfeeding, raising a child under the age of eight, a single parent with a child under the age of 14 or with a disabled child under the age of 18, or an employee whose request is based on a conclusion from a health authority confirming the employee's medical condition, disability, or the need to nurse or care for a family member or a person residing with the employee.

3. When assigning remote work, the requirements for the workplace (if any), the work equipment to be used for the work, the procedure for its provision, and the rules for using the work equipment shall be specified in writing; the division, department or responsible person to whom, under the procedure determined by the employer, the employee has to report on the work performed shall also be specified.

4. If, while working remotely, the employee incurs additional expenses related to the job or the purchase, installation or use of work equipment, the said must be reimbursed. The amount of compensation and the conditions for its payment shall be set out in agreement of the parties to the employment contract.

5. In the case of remote work, the hours worked by the employee shall be calculated under the procedure established by the employer. Employees shall allocate working time at their own discretion, without violating the maximum working time and minimum rest time requirements.

6. Remote work shall not lead to restrictions in calculating the length of employment, promoting employees to a higher position, or improving their qualifications, and shall not limit or encumber their other labour rights. The procedure established by the employer for the implementation of remote work cannot infringe upon protection of the employee's personal data or right to privacy.

7. The employer must create the conditions for employees working remotely to receive information from the employer and to communicate and cooperate with employee representatives and other employees working at the employer's workplace.

8. The employer must regularly, at least once per calendar year, upon the request of the work council, inform the work council, or, in the absence thereof, the employer-level trade union

about the remote work situation at the enterprise, institution or organisation, indicating the number of employees working remotely and the positions held by them, as well as the average remuneration by occupational group and gender, provided that there are more than two employees in the occupational group.

CHAPTER V
TERMINATION OF AN EMPLOYMENT CONTRACT

Article 53. Grounds for the termination of an employment contract

An employment contract shall end under the following conditions:

1) upon termination of the employment contract by mutual agreement;

2) upon termination of the employment contract on the initiative of one of the parties;

3) upon termination of the employment contract at the will of the employer;

4) upon termination of the employment contract without the will of the parties;

5) upon the death of a natural person who is a party to the employment contract;

6) under the procedure established by the Minister of Social Security and Labour of the Republic of Lithuania when it is impossible to determine the whereabouts of the employer, if the said is a natural person, or of the employer's representatives;

7) on other grounds set out in this Code and other laws.

Article 54. Termination of an employment contract by mutual agreement

1. Either of the parties to an employment contract may propose to the other party to the employment contract that the employment contract be terminated.

2. The proposal to terminate an employment contract must be presented in writing. The said must set out the terms of termination of the employment contract (the date when the employment relations will end, the amount of compensation, the procedure for granting unused leave, the procedure for settlement, etc.). The terms of termination of the employment contract may be limited by laws governing certain activities.

3. If the other party to the employment contract agrees to the proposal, consent must be given in writing. If a party to the employment contract does not reply to the proposal within five working days, it shall be considered that the proposal to terminate the employment contract has been rejected.

4. An agreement on the termination of an employment contract or the written consent of the other party to the employment contract to the proposal to terminate the employment contract

shall terminate the employment contract under the terms specified therein, and the employer must formalise the termination of the employment contract no later than on the last working day.

Article 55. Termination of an employment contract on the initiative of the employee without a justifiable reason

1. An open-ended employment contract and a fixed-term employment contract may be terminated by letter of resignation of the employee, who must give notice in writing to the employer at least 20 calendar days in advance, unless the employer agrees to shorten or waive the notice period.

2. The employee has the right to withdraw the letter of resignation within three working days of the day the letter or resignation was submitted, except for the cases when the employment contract has already been terminated. Thereafter, the employee may only withdraw the letter of resignation with the employer's consent.

3. The employee's letter of resignation shall terminate the employment contract upon expiration of the notice period, except for the case set out in paragraph 2 of this Article, and the employer must formalise the termination of the employment contract no later than on the last working day.

Article 56. Termination of an employment contract on the initiative of the employee for justifiable reasons

1. An employment contract may be terminated by written letter of resignation of the employee by giving the employer notice thereof at least five working days in advance in the following cases:

1) the employee has been on idle time through no fault of the employee for more than 30 consecutive days, or for more than 45 days over the past 12 months;

2) the employee has not been paid the due full remuneration (monthly salary) for two or more consecutive months, or the employer has failed to fulfil, for more than two consecutive months, the obligations set out in the labour law provisions regulating safety and health at work;

3) the employee is unable to properly perform the assigned job function due to illness or disability, or due to nursing a family member (a child, a biological/adoptive parent/custodian, or a spouse) or a person with a special documented need for permanent nursing or permanent care/assistance residing with the employee;

4) the employee working under an open-ended employment contract has reached the statutory age of old-age pension and has acquired the right to full old-age pension while working for that employer.

2. When terminating an employment contract on the grounds established in this Article, the employer must pay the employee a severance pay in the amount of two times the average remuneration or, for employment relations of less than one year, a severance pay in the amount of one average remuneration.

3. The employee's letter of resignation shall terminate the employment contract upon expiration of the notice period, and the employer must formalise the termination of the employment contract no later than on the last working day.

Article 57. Termination of an employment contract on the initiative of the employer through no fault of the employee

1. The employer has the right to terminate an open-ended or fixed-term employment contract prematurely for the following reasons:

1) the job function performed by the employee has become superfluous due to changes in work organisation or other reasons related to the employer's activities;

2) the employee is not achieving the agreed performance outcomes under the performance improvement plan provided for in paragraph 5 of this Article;

3) the employee refuses to work under the changed statutory or supplementary employment contract terms or to change the type of working time arrangements or place of work;

4) the employee does not agree to continue the employment relations in the case that the business or part thereof is transferred;

5) a court or body of the employer has taken a decision ending the employer.

2. Changes in the organisation of work or other reasons related to the activities of the employer can only serve as a reason for terminating an employment contract if they are realistic and determinant in making the job function(s) performed by a particular employee or group of employees redundant. An employment contract may only be terminated on these grounds if there is no vacancy at the workplace to which the employee agrees to be transferred during the period from the notice of termination of the employment contract to five working days before the end of the notice period.

3. If a redundant function is performed by several employees and only some of them are to be made redundant, the employer shall approve the selection criteria for the redundancies after coordination with the work council, or, if there is no work council, with the trade union. In this case, selection shall be carried out and proposals for employee dismissal shall be presented by a committee set up by the employer, which must include at least one member of the work council. When determining the selection criteria for redundancies, the following employees must be given

priority over all other employees of the same specialisation working for the same employer at the same workplace to keep their jobs:

1) employees who have been injured or have contracted an occupational disease at that workplace;

2) employees with three or more children under the age of 14, single parents with a child under the age of 14 or with a disabled child under the age of 18, or sole carers for other family members who have been recognised as having less than 55 per cent of their capacity for work or family members who have reached the statutory age of old-age pension and who have been recognised as having a high or average level of special needs;

3) employees who have completed at least 10 years of continuous employment with the same employer, except for employees who have reached the statutory age of old-age pension and have become eligible to receive a full old-age pension while working at the employer's enterprise;

4) employees who have not more than three years left until the statutory age of old-age pension;

5) employees in respect of whom this right is set out in the collective agreement;

6) employees who have been elected as members of the management bodies of employer-level employee representatives.

4. The right of priority to be retained set out in points 1–5 of paragraph 3 of this Article shall apply to employees whose qualifications are not lower than the qualifications of other employees of the same specialisation working at that enterprise, institution or organisation.

5. An employee's performance outcome may serve as a reason to terminate an employment contract, provided that the employee has been given a written explanation of the performance shortcomings and unachieved personal outcomes, an overall performance improvement plan has been drawn up for a period of at least two months, and the outcome of the implementation of this plan has been unsatisfactory.

6. An employee's refusal to work under newly proposed statutory or supplementary employment contract terms or to change the type of working time arrangements or place of work may serve as reason to terminate an employment contract where the employer's proposal to change the terms of employment is based on substantial reasons related to economic, organisational or industrial necessity.

7. The employment contract shall be terminated by giving the employee one month's notice, or two weeks' notice in the case of employment of less than a year. The periods of notice shall be doubled for employees with less than five years left until their statutory age of old-age pension, and tripled for employees with a child under the age of 14 or a disabled child under the age of 18, as well as for pregnant employees, disabled employees, employees who have submitted

a documented proof of a medical condition included in the list of serious diseases approved by order of the Minister of Health of the Republic of Lithuania, and employees with less than two years left until their statutory age of old-age pension.

8. Dismissed employees must be paid a severance pay in the amount of two times their average remuneration; for employment relations lasting less than a year, a severance pay shall consist of half of an average remuneration.

9. In addition, the dismissed employee shall additionally be paid a long-term employment benefit under the procedure set out in law, taking into account the length of the employee's uninterrupted employment with that employer.

Article 58. Termination of an employment contract on the initiative of the employer through the fault of the employee

1. The employer has the right to terminate an employment contract without notice and without paying a severance pay if the employee, through act or omission, commits a violation of the duties set out in provisions of the labour law or in the employment contract.

2. The following are justifiable reasons for the termination of an employment contract:

1) gross breach of work duties;

2) the second instance of the employee committing the same breach of work duties in the previous 12 months.

3. The following can be considered a gross breach of work duties:

1) failure to come to work for the entire working day or shift without a justifiable reason;

2) showing up at the workplace during working hours under the influence of alcohol or narcotic, toxic or psychotropic substances, except for the cases when the said intoxication was caused by the performance of professional duties;

3) refusal to undergo a medical examination when such an examination is required under the labour law provisions;

4) violence or harassment, including psychological violence and violence or harassment on the basis of gender (violence or harassment targeted at persons on the basis of their gender or disproportionately affecting persons of a particular gender, including sexual harassment), acts of discriminatory nature, or violation of honour and dignity in respect of other employees or third parties during working hours or at the workplace;

5) deliberately caused or attempted material damage to the employer;

6) an act constituting an offence committed during working hours or at the workplace;

7) other violations which result in gross breach of work duties.

4. Before taking a decision to terminate an employment contract, the employer must request a written explanation from the employee, except in cases where the employee fails to provide such explanation within a reasonable period set by the employer. An employment contract may only be terminated for the same breach of work duties committed by the employee for the second time if, when the first breach was detected, the employee was given the opportunity to provide an explanation and the employer warned the employee, within one month of the discovery of the breach, of the possibility of dismissal in the event of a repeat breach.

5. The employer must take the decision to terminate an employment contract for a breach committed by the employee after assessing the seriousness and consequences of the breach(es), the circumstances of the act, the employee's fault, the causal link between the employee's actions and the resulting consequences, and the employee's conduct and performance before the breach(es) was/were committed. Dismissal should be commensurate to the breach or breaches.

6. The employer must take the decision to terminate an employment contract due to a breach committed by the employee within one month of the discovery of the breach and not later than six months from the date of commission of the breach. The latter deadline shall be extended to two years if the breach committed by the employee comes to light during an audit, inventory check or inspection of activities.

Article 59. Termination of an employment contract at the will of the employer

1. An employer, with the exception of state and municipal institutions or establishments funded from the budgets of the state, municipality, State Social Insurance Fund, or other funds established by the state, also with the exception of state and municipal enterprises, public institutions owned by the state or municipality, and the Bank of Lithuania, shall be entitled to terminate an employment contract with an employee due to reasons unspecified in Article 57(1) of this Code by giving three working days' notice and paying a severance pay in an amount not less than six times the employee's average remuneration.

2. The grounds set out in this Article may not be used to terminate an employment contract in the following cases: providing information about a violation under the procedure set out in the Law of the Republic of Lithuania on the Protection of Whistleblowers; participation in a case against an employer who is accused of violations; application to administrative bodies regarding discrimination based on gender, race, nationality, citizenship, language, origin, social status, faith, convictions or views, age, sexual orientation, disability, ethnic affiliation, religion, marital and family status, intention of having a child, political affiliation, membership of trade unions and associations; present or past use by the employee of the rights provided for in this Code; or on other discriminative grounds.

Article 60. Termination of an employment contract without the will of the parties to the employment contract

1. An employment contract must be terminated without notice in the following cases:

1) upon entry into force of a verdict or judgment of the court by which an employee is sentenced to a punishment that makes it impossible for him or her to work;

2) when an employee, in the procedure set out in laws, is deprived of special rights to perform a certain job or to hold a certain position;

3) when a parent/ statutory representative/ healthcare provider of an employee under the age of 16, or, during the school year, the school in which the child is enrolled, requests that the employment contract be terminated;

4) when an employee, based on the conclusion from a healthcare institution, is no longer able to hold this position or perform this work, yet disagrees to be transferred to another vacant position or job at the same workplace that accommodates the health condition of the employee, or when such a position or job is not available at the workplace;

5) upon reinstatement of an employee whose position was filled by the employee being dismissed;

6) by order of a competent official of an institution responsible for the control of illegal work, where illegal work by a foreign national is detected;

7) when the employment contract is in conflict with laws, the contradictions cannot be eliminated, and the employee disagrees to the transfer or cannot be transferred to another vacant position at that workplace.

2. Subject to receiving a documented proof of the reason specified in paragraph 1 of this Article, or after having otherwise learned thereof, the employer must terminate the employment contract within five working days of receiving the document or finding out about the reason. In the case set out in paragraph 1(5) of this Article, if a decision is not taken within the specified time, the reason for termination of the employment contract shall be deemed to have expired.

3. In the case set out in paragraph 1(4) of this Article, the employee shall be paid a severance pay equal to two months of the employee's average monthly remuneration, while for employment relations that last less than a year, the size of the severance pay shall be equal to one monthly average remuneration of the employee. In the cases set out in paragraphs 1(5) and 1(7) of this Article, the employee shall be paid a severance pay equal to one average monthly remuneration of the employee; for employment relations that last less than one year, the size of the severance pay shall be equal to half of the average monthly remuneration of the employee.

Article 61. Restrictions on the termination of employment contracts

1. An employment contract with a pregnant employee during her pregnancy and until the baby is four months old may be terminated by mutual agreement; at her initiative; at her initiative during the probationary period; in the absence of the will of the parties to the contract; upon expiry of a fixed-term employment contract; or upon decision made by a court or a body of the employer to the effect of ending the employer. The fact of an employee's pregnancy shall be substantiated by submitting to the employer a maternity certificate issued by a medical doctor.

2. From the day the employer finds out about an employee's pregnancy until the day the baby of the employee turns four months old, the employer may not give notice to the pregnant employee about an impending termination of the employment contract or take a decision to terminate the employment contract on grounds other than those specified in paragraph 1 of this Article. If grounds for the termination of an employment contract emerge during this period, only after this period is over can the pregnant employee be given notice about the termination of the employment contract or can the decision to terminate the employment contract be taken. If, during the period when the baby is under four months old, an employee is granted pregnancy and childbirth leave or parental leave, the employment contract cannot be terminated until the end of that leave.

3. An employment contract with an employee raising a child under the age of three cannot be terminated on the initiative of the employer through no fault of the employee (Articles 57(1)(1–3) of this Code). An employment contract with an employee on pregnancy and childbirth leave, paternity leave or parental leave cannot be terminated at the will of the employer (Article 59 of this Code).

4. An employee who has been conscripted for compulsory military service, enlisted for discontinuous volunteer military service, or conscripted for alternative national defence service may not be dismissed from work at the will of the employer or on the initiative of the employer through no fault of the employee.

5. If, upon expiry of the periods set out in paragraph 4 of this Article, an employee fails to come to work, the employment contract with the employee may be terminated on the grounds for termination of an employment contract established in this Chapter.

Article 62. Termination of an employment contract in the event of a bankruptcy of the employer

1. Following a court order to institute bankruptcy proceedings against the employer or a decision of the meeting of creditors resolving to implement out-of-court bankruptcy proceedings, the insolvency administrator shall draw up a list of employees with whom fixed-term employment

contracts will be concluded to work at the workplace during the bankruptcy proceedings. These fixed-term employment contracts may not continue past the end of the enterprise's bankruptcy proceedings.

2. Employees shall, within three working days or, in the case specified in Article 63(1) of this Code concerning collective redundancy, not later than within seven working days following the coming into effect of the court order to institute bankruptcy proceedings against the enterprise or the adoption of the decision of the meeting of creditors to implement out-of-court bankruptcy proceedings in respect of the enterprise, be given written notice of the impending termination of their employment contracts and the employment contracts with them shall be terminated on the fifteenth working day after the service of the said notice. A notice intended for an employee about the coming termination of the employee's employment contract shall, when it cannot be served at the workplace, be deemed to have been served after the lapse of five working days from its dispatch by registered post to the home address declared by the employee or to any other address indicated by the employee (and known to the employer) or from the date of transmission electronically (via e-mail, mobile devices, etc.) where, upon the service of the notice electronically, it is possible to identify the content of the information, its submitter, the fact and time of service, and given reasonable opportunities to preserve this information have been created.

3. When employees are dismissed owing to a bankruptcy of the employer, provisions of Article 57(7) and Article 64(4) of this Code regarding the application of time limits for giving notice of termination of an employment contract as well as restrictions on the termination of an employment contract shall not apply.

4. Employees who are dismissed under paragraph 2 of this Article shall be paid a severance pay in the amount of two their average remunerations or, for employment relations of less than one year, a severance pay in the amount of half of their average remuneration.

Article 63. Collective redundancies

1. 'A collective redundancy' means a termination of employment contracts on the initiative of the employer through no fault of the employee (Article 57 of this Code), at the will of the employer (Article 59 of this Code), or by agreement of the parties to the employment contract (Article 54 of this Code), given the redundancy is initiated by the employer, happens within a period not exceeding 30 calendar days, or where, due to employer's bankruptcy (Article 62 of this Code), there are plans to make redundant the following numbers of employees:

1) 10 or more employees at a workplace where the average number of employees ranges between 20 and 99;

2) at least 10 per cent of the employees at a workplace where the average number of employees ranges from 100 to 299;

3) 30 or more employees at a workplace where the average number of employees is 300 or more.

2. When calculating the number of employment contracts to be terminated as specified in paragraph 1 of this Article, the calculation requirement shall apply to termination of the employment contracts of at least five employees. Cases of planned redundancies upon expiry of the term of the employment contract shall not be considered to constitute collective redundancies. When calculating the number of the employees planned to be made redundant due to the employer‘s bankruptcy as indicated in paragraph 1 of this Article, the average number of the employees shall be determined on the basis of the data available on the day of the entry into force of a court order to institute bankruptcy proceedings or the date of adoption of the decision by the meeting of creditors to implement out-of-court bankruptcy proceedings,

3. Before taking the decision to either terminate an employment contract or initiate termination of an employment contract, the employer must communicate this to the work council, or, in the absence thereof, the employer-level trade union, and hold consultations therewith on the measures for mitigating the consequences of the forthcoming collective redundancy (re-training, transfer to other positions, changes to the working time arrangements, higher severance pay than provided for in this Code, extension of notice periods, provision of free time for job search, etc.). During the consultations, the parties must strive to reach an agreement regarding real mitigation of the potentially negative consequences.

4. Upon conclusion of consultations with the work council or the employer-level trade union and not later than 30 days before the termination of employment relations, but not later than at the moment of giving notice of dismissal to the employees of the group, the employer must, under the procedure set out by the Minister of Social Security and Labour of the Republic of Lithuania, notify the Employment Services under the Ministry of Social Security and Labour of the Republic of Lithuania (hereinafter: the ‘Lithuanian Employment Services’) in writing about the planned collective redundancy. The employer shall submit a copy of this notification, and, in the case of the employer’s bankruptcy, a notification on the planned collective redundancy, to the work council or the employer-level trade union, which may, in turn, submit its observations and proposals to the Lithuanian Employment Service. Collective redundancy due to the bankruptcy of the employer must be communicated to the Employment Service and to the work council or the employer-level trade union not later than at the time of giving notice of dismissal to the employees of the group.

5. An employment contract may not be terminated upon breach of the obligation to notify the Lithuanian Employment Service, the work council, or the employer-level trade union about the planned collective redundancy or upon breach of the obligation to hold consultations with the work council or the employer-level trade union.

6. In the event of the employer's bankruptcy, the provisions of paragraphs 3, 4 and 5 of this Article concerning consultations with the work council or the employer-level trade union shall not apply.

Article 64. Notice of termination of an employment contract

1. If this Code or other laws establish the duty of the employer to give an employee notice of termination of an employment contract, this notice must be given in writing.

2. The notice of termination of an employment contract must indicate the reason for termination of the employment contract and the legal provision in which the basis for the termination of the employment contract is specified, as well as the date of termination of the employment relations.

3. The notice of termination of the employment contract must be given to the employee forthwith. If the employee contests the legitimacy of the dismissal, the employer shall bear the burden of proof of service of the notice.

4. If, at the end of the term of the notice given, the employee is temporarily incapable of work or is on leave, the end of the term of notice shall be postponed until the end of the temporary incapacity for work or leave.

5. With the consent of the employee, the employer has the right to take a decision, at any time before the end of the notice period, to terminate the employment contract by moving the day of termination of the employment relations to the last day of the notice period, without allowing the employee to work during the notice period, but with paying the employee the remuneration due for the entire notice period.

6. During the notice period, the employees, at their request, must be provided with at least 10 per cent of the former standard working hours for looking for a new job with retaining the same remuneration. If the parties agree on more than a 10 per cent share of the former standard working hours, payment for this share of the working time shall be decided by mutual agreement of the parties.

7. An agreement on the termination of an employment contract or a party's agreement with a proposal to terminate an employment contract expressed in writing shall terminate the employment contract under the terms specified therein, and the employer must formalise termination of the employment contract not later than on the last working day.

Article 65. Formal requirements for termination of an employment contract

1. If there is a reason specified in this Code or other legislation that allows for the termination of an employment contract, the employer shall make a decision to terminate the employment contract or, upon the expiry of the term of the employment contract or the death of the employee, shall confirm the termination of the employment contract. Such a decision shall terminate the employment contract on the day specified therein, except for the cases specified in paragraph 6 of this Article.

2. When this Code establishes a time limit for making a decision on the termination of an employment contract and the employer fails to take the decision to terminate the employment contract within this time limit, the employment contract shall be deemed to have not been terminated. Thereafter, the employment contract may only be terminated on the general grounds and procedure.

3. An employer's decision to terminate an employment contract or to confirm the expiry of an employment contract must be made in writing. The decision shall specify the basis for termination of the employment contract, the legal provision in which the basis for the termination of the employment contract is specified, and the date of termination of the employment relations.

4. The decision must be given to the employee forthwith. If the employee contests the legitimacy of the dismissal under the established procedure, the employer shall bear the burden of proof of service of the decision.

5. The date of termination of the employment relations shall be the employee's last working day, except for the cases when the employment contract is terminated in the absence of the employee or when the employee is not permitted to work on that day.

6. If, on the day of termination of an employment contract (except for the termination by mutual agreement, on the initiative of the employee, upon expiry of the term of a fixed-term employment contract, or due to the cessation of the employer), the employee is has temporary incapacity for work or is on leave, the date of termination of the employment relations shall be postponed until the end of the temporary incapacity for work or end of leave, or, for employees with a child under the age of 16 suffering from a serious disease from the list of diseases approved by the Minister of Health of the Republic of Lithuania and the Minister of Social Security and Labour of the Republic of Lithuania, for two more months after the end of the temporary incapacity for work. In this case, the first working day after the end of the temporary incapacity for work or leave, or the first day after the two-month period following the end of the temporary incapacity for work, shall be deemed to be the date of termination of the employment relations, respectively.

7. After an employment contract is terminated, a record thereof shall be made in the employment contract. The employer must notify the territorial office of the State Social Insurance Fund Board of termination of the employment contract not later than the next working day after the date of termination of the employment relations.

8. If the employee so requests, the employer must, within 10 days, issue a certificate about the job function performed by the employee, the start and end thereof, as well as the remuneration received.

9. Upon the death of an employer who is a natural person, termination of the employment contract shall be documented under the procedure set out by the Minister of Social Security and Labour of the Republic of Lithuania.

CHAPTER VI
TYPES OF EMPLOYMENT CONTRACTS

Article 66. Types of employment contracts

1. Types of employment contracts:

1) open-ended employment contract;

2) fixed-term employment contract;

3) temporary agency employment contract;

4) apprenticeship employment contract;

5) project-based employment contract;

6) job share employment contract;

7) multiple-employer employment contract;

8) seasonal employment contract.

2. If the parties to an employment contract fail to agree on the type of employment contract, it shall be considered that an open-ended employment contract has been concluded.

SECTION ONE
FIXED-TERM EMPLOYMENT CONTRACT

Article 67. Definition and duration of a fixed-term employment contract

1. A fixed-term employment contract is an employment contract that is concluded for a certain period of time or for the period needed to perform a certain job.

2. The duration of a fixed-term employment contract may be fixed until a specific calendar date; for a specific period of time expressed in days, weeks, months or years; until the completion of a specific task; or until the occurrence, change or cessation of certain circumstances.

3. A fixed-term employment contract shall become open-ended when, during the period of the employment relations, the circumstances which determined the duration of the employment contract cease to exist.

4. Fixed-term employment contracts for jobs of a permanent nature may not account for more than 20 per cent of the total number of employment contracts concluded by the employer.

Article 68. Maximum duration of a fixed-term employment contract and exceptions thereto

1. The maximum duration of a fixed-term employment contract as well as the maximum total duration of successive fixed-term employment contracts concluded with the same employee for the same job function is two years, except for the cases where the employee is hired to fill a temporarily vacant position. Employment contracts separated by not more than two months shall be deemed successive fixed-term employment contracts.

2. If the established or extended duration of a fixed-term employment contract is more than two years, or if the total duration of successive fixed-term employment contracts set out in paragraph 1 of this Article exceeds two years, except for the cases where the employee is recruited to fill a temporarily vacant position, the contract shall be deemed to be open-ended. In this case, the periods between fixed-term employment contracts shall be included in the length of the employee’s employment relations with the employer, but do not have to be paid for.

3. The total duration of successive fixed-term employment contracts concluded with the same employee for different job functions cannot exceed five years. Upon violating this requirement, the employment contract shall become open-ended, and the periods between fixed-term employment contracts shall be included in the length of the employee’s employment relations with the employer, but do not have to be paid for.

4. For the purpose of protection of the public interest, the possibility of concluding fixed-term employment contracts of a maximum duration of five years with elected or appointed employees, employees in creative professions, research fellows, employees appointed by elective collegial bodies, or other employees shall be set out in other laws. The said contracts may be concluded or extended on the basis set out in law, and other provisions of this Article shall not apply to them.

5. Exceptions to the application of this Article may also be set out in other provisions of this Code.

Article 69. Termination of a fixed-term employment contract

1. A fixed-term employment contract shall terminate upon the expiry of its term, except for the case specified in paragraph 2 of this Article.

2. A fixed-term employment contract shall become an open-ended one if the employment relations continue in practice for more than one working day of the employer's administration after the expiry of the term, except for the case specified in Article 67(3) of this Code.

3. If employment relations under a fixed-term employment contract continue for more than a year, the employer must give the employee at least five working days' written notice of termination of the employment contract upon the expiry of its term. If the employment relations under a fixed-term employment contract continue for more than three years, the notice period shall be at least 10 working days. An employer who breaches this obligation must pay the employee remuneration for each day of the breach, up to a maximum of five or 10 working days.

4. If employment relations under a fixed-term employment contract continue for more than two years, an employee is entitled to severance pay equal to one month's average remuneration at the end of the employment contract.

5. The provisions of paragraphs 2 and 3 of this Article shall not apply to the employees specified in Article 68(3) of this Code.

Article 70. Prohibition of discrimination

1. Employees working under fixed-term employment contracts may not be provided with less favourable terms of employment, including payment for work, than employees working under open-ended employment contracts and performing the same or similar job function in terms of qualification or abilities.

2. In setting the employment terms, remuneration, terms of improvement of qualifications and incentives, an employer is prohibited from taking into account the difference between the employee(s) working under a fixed-term employment contract and open-ended employment contract in terms of the duration of employment relations with the employer.

3. The fact that an employee works under a fixed-term employment contract shall not release the employer from the duty to ensure staff training, development of qualifications, professional development, and career opportunities for the said employee.

Article 71. Hiring staff under an open-ended employment contract

1. If there is a job vacancy to which an employee will be hired under an open-ended employment contract, the employer must offer this job vacancy to an employee who meets the

established qualification requirements and who is doing the same or similar job under a fixed-term employment contract. If there are several such employees, the offer must be made to the employee who has the longest employment relations with the employer.

2. The employer must inform employees working under fixed-term employment contracts about the job vacancies that will be filled under open-ended employment contracts and ensure that they have the same opportunities to be hired for a permanent job as other persons. This information must be published in the ways that are customary at the workplace.

3. Employers must, at least once per year, upon the request of the work council or, in the absence thereof, upon the request of the employer-level trade union, provide information about the fixed-term employment contract situation at the enterprise, institution or organisation, indicating the number of employees working under fixed-term contracts and the positions held thereby, as well as the average remuneration by occupational group and gender, provided that there are more than two employees in the occupational group.

SECTION TWO
TEMPORARY AGENCY EMPLOYMENT CONTRACTS

Article 72. Definition and types of temporary agency employment contracts

1. A temporary agency employment contract is an agreement between an employee (hereinafter: ‘temporary worker’) and an employer (hereinafter: ‘temporary agency’) under which the temporary worker undertakes to perform work activities for a certain period of time for the benefit and under the subordination of the person (hereinafter: ‘user enterprise’) specified by the temporary agency, and the temporary agency undertakes to pay for that work.

2. Only a temporary agency that meets the criteria set out in Article 72^1 of this Code may be party to a temporary agency employment contract as an employer, given the agency is listed in the list of temporary agencies drawn up by the Government of the Republic of Lithuania and published on its website.

3. A temporary agency employment contract may be either fixed-term or open-ended.

4. A fixed-term temporary agency employment contract may be concluded for a single assignment with the user enterprise, but the term of the contract may also be fixed until a specific calendar date, for a certain period calculated in days, weeks, months or years, or until the execution of a certain task or the emergence, change or cessation of certain circumstances.

5. By way of derogation from the rules on the maximum duration of an employment contract (Article 68 of this Code), the maximum duration of a fixed-term temporary agency employment contract as well as the maximum total duration of successive employment contracts

concluded with the same employee for the same job is three years. Successive fixed-term temporary agency employment contracts are employment contracts that are separated by a period of not more than two weeks.

6. The provisions of this Section shall not apply to ship crews that are subject to the Republic of Lithuania Law on Merchant Shipping.

Article 72[1]. Criteria applicable to temporary agencies. Entry on the list of temporary agencies

1. Criteria to be met by a temporary agency as an employer and as a party to the temporary employment contract (hereinafter" 'the Criteria'):

1) the agency activities are not suspended or restricted;

2) the agency has not been the subject to bankruptcy proceedings, is not in liquidation or in bankruptcy, and has not been the subject of a resolution of the meeting of creditors to conduct out-of-court bankruptcy proceedings;

3) not more than one fine (if at all) has been imposed on the agency for illegal work, undeclared work and established violations of the procedure for the employment of foreigners under the Law on Employment of the Republic of Lithuania over the past year; the agency has complied with all the obligations (if any) imposed under this Law;

4) within the past year, the head of the employer or another person responsible has met the following criteria:

a) has not been imposed an administrative penalty under the Code of Administrative Offences of the Republic of Lithuania for illegal employment;

b) has been imposed not more than one (if any) administrative penalty under the Code of Administrative Offences of the Republic of Lithuania for breaches of labour law, legal acts on occupational safety and health, concealment of accidents at work, breaches of the procedure for reporting and investigation, breaches of the terms of employment of temporary workers, and breaches of the procedure for commercial or economic activity;

c) has been imposed not more than two administrative penalties (if any) for violations of the procedure for the calculation and payment of remuneration and of the procedure for keeping working time records;

5) the head of the employer or a person authorised thereby has not been convicted of offences such as violation of occupational health and safety requirements, human trafficking, exploitation for forced labour or services, or use of a person's forced labour or services, and has no non-expunged or non-revoked criminal record. The head of the employer or a person authorised thereby has not been convicted of criminal offences such as violation of occupational health and

safety requirements, exploitation for forced labour or services, or use of a person's forced labour or services, and less than three years have elapsed from the date on which the judgment of conviction became final;

6) the agency has no outstanding debts to the State Budget of the Republic of Lithuania or to the budget of the State Social Insurance Fund which have not been paid within one month from the date on which the temporary employment agency's debts to the State Budget of the Republic of Lithuania or to the budget of the State Social Insurance Fund became apparent, and has no arrears of remuneration payments to employees;

7) the agency has, under the established procedure, submitted to the State Labour Inspectorate the information specified in Article 79(6) of this Code;

8) the agency has had temporary workers for at least three consecutive calendar months.

2. An employer intending to engage in temporary employment activities shall submit an application to the State Labour Inspectorate for confirmation that the employer meets the Criteria specified in paragraphs 1 to 6 of this Article. The State Labour Inspectorate shall take one of the following decisions within 10 working days from the date of receipt of the application and shall notify the employer thereof not later than within two working days from the date of making the decision:

1) the employer meets the Criteria specified in paragraphs 1to 6 of this Article and will be listed on the list of temporary agencies;

2) the employer fails to meet the Criteria specified in paragraph 1to 6 of this Article and will not be listed on the list of temporary agencies.

3. If the State Labour Inspectorate fails to receive, under the procedure set out in Article 79(6) of this Code, the information on employment through temporary agencies and on the number of temporary workers from an employer listed on the list of temporary agencies, the State Labour Inspectorate shall impose on the employer a time limit of 3 working days for the provision of this information, calculated from the date of receipt of the notification on the provision of information. If the employer fails to provide the information within this deadline, the State Labour Inspectorate shall, after the expiry of the deadline, and within 5 working days, take a decision that the employer fails to meet the Criterion referred to in paragraph 1(7) of this Article and shall remove the employer from the list of temporary agencies. If an employer, in compliance with the requirements set out in Article 79(6) of this Code, indicates to the State Labour Inspectorate that the employer has not had any temporary workers for more than three consecutive calendar months, the State Labour Inspectorate shall, within five working days, make a decision that the employer fails to meet the Criterion referred to in point 8 of paragraph 1 of this Article and shall remove the employer from the list of temporary agencies.

4. The State Labour Inspectorate shall determine the employer's compliance with the Criteria, enter the employer on the list of temporary agencies and remove the employer from the said list under the procedure set out by the Government of the Republic of Lithuania.

***Note from the Register of Legal Acts*.** *The provision of Article 72[1](3) of the Labour Code, as set out in Law No XIV-1189, regarding the removal of an employer from the list of temporary agencies shall apply in the event that the information has not been submitted under Article 79(6) of the Labour Code for August 2022 and subsequent months. The period for which having temporary workers is required, as set out in Articles 72[1](1)(8) and 72[1] (3) of the Labour Code laid down in Law XIV-1189, shall be calculated from 1 August 2022.*

Article 73. Content of a temporary agency employment contract

In addition to the statutory employment contract terms set out in this Code, a temporary agency employment contract must include the following details:

1) the formalities and procedure for assigning temporary workers to and recalling them from work for a user enterprise without violating the requirements of Article 74 of this Code;

2) the formalities and procedure for getting consent of the temporary worker to work by assignment for a user enterprise;

3) the size and procedure for payment of remuneration for work done for a user enterprise and remuneration that may be paid for the periods between assignments to work for a user enterprise;

4) standard working hours.

Article 74. Assignment of a temporary worker to a user enterprise

1. An assignment to work for a user enterprise must be given to the temporary worker at least two working days in advance, unless the temporary worker agrees to start work earlier in the case of a specific assignment.

2. When assigning a temporary worker to work for a user enterprise, the temporary worker must be informed on the content and scope of the job function as well as the beginning and end of work. Not later than before the commencement of work, the temporary worker must be given an explanation of the working time arrangements, the procedure for accessing the workplace of the user enterprise, and the contact person of the user enterprise who is to provide all information about the work for the user enterprise.

3. A temporary worker has the right to refuse to work for a user enterprise by notifying the temporary agency within one working day of the day of receipt of the information referred to in paragraph 1 of this Article. Such a refusal shall not be deemed a breach of work duties.

Article 75. Application of the principle of non-discrimination

1. During the period of work for a user enterprise, the user enterprise must ensure that the temporary worker is subject to the same provisions of the laws, collective agreements and other labour law provisions that are applied at the workplace and are valid for the user enterprise's employees with respect to the following:

1) the protection of employees who are pregnant, have recently given birth, are breastfeeding, are raising a child under the age of three, and employees under the age of 18;

2) the prohibition of discrimination on the basis of gender, race, nationality, citizenship, language, origin, social status, faith, convictions or views, age, sexual orientation, disability, ethnic affiliation, religion, health status, marital and family status, intention of having a child, political affiliation, trade union membership, association membership, or age;

3) the length of maximum working time and minimum rest time, overtime, night work breaks, leave and public holidays.

2. A temporary agency must ensure that a temporary worker's remuneration for work performed for a user enterprise is at least equal to the remuneration that would have been paid if the user enterprise had hired the temporary worker under an employment contract at the same workplace. This rule shall not apply in cases where temporary workers with open-ended temporary agency employment contracts are paid by the temporary agency between postings at the same rate as they are paid during the postings. The user enterprise shall bear subsidiary responsibility for fulfilling the duty to pay the temporary worker for the work performed for the user enterprise at least the remuneration that would be paid if the user enterprise had hired the temporary worker under an employment contract at the same workplace. In fulfilling this duty, the user enterprise must, on the request of the temporary agency, provide information about the remuneration paid to the corresponding category of workers employed by the user enterprise.

3. Temporary workers shall be entitled to use the infrastructure of the user enterprise to satisfy their work needs, rest needs, and interests (rest areas, dining room, childcare and transportation services, etc.) under the same conditions as the employees of the user enterprise, except for the cases where the application of different conditions is justified by objective reasons.

Article 76. Periods between postings

For a temporary worker employed under an open-ended temporary agency employment contract or a temporary worker whose fixed-term temporary agency employment contract does not expire after completion of work for a specific user enterprise, periods of up to five successive working days between postings can be unpaid not more than once per month. For other days

between postings, a temporary worker must be paid not less than the minimum monthly salary approved by the Government of the Republic of Lithuania, unless the temporary worker refuses to work for a specific user enterprise specified by the employer.

Article 77. Compensation for damage caused by a temporary worker

In the event of damage caused by a temporary worker to the user enterprise, the temporary worker shall be liable to the temporary agency by way of recourse, provided that the temporary worker's fault and the extent of the damage caused are proven.

Article 78. Rights and obligations of the temporary worker and the user enterprise

1. Before the commencement of work, the user enterprise must familiarise the temporary worker in writing with the terms of employment, work regulations, and other legal acts regulating the work for the user enterprise, and take all measures to protect the health and life of the temporary worker under the provisions of the Republic of Lithuania Law on Safety and Health at Work.

2. A user enterprise must inform temporary workers about vacant positions that are available, specifying the job function and the requirements therefor. Information about vacant positions may be published on public information boards on the premises of the user enterprise or in other ways that are customary at the workplace.

3. The user enterprise shall bear liability for damage caused by the user enterprise to a temporary worker.

Article 79. Obligations of the temporary agency and the user enterprise

1. Any agreement between a temporary agency and a user enterprise or between a temporary agency and a temporary worker which prohibits or restricts the conclusion of an employment contract between the temporary worker and the user enterprise shall be void. This provision shall not prevent a temporary agency and a user enterprise from agreeing on payment for services rendered to the user enterprise related to the posting, recruitment and training of temporary workers.

2. Temporary agencies may not engage in the following activities:

1) require a temporary worker to reimburse or cover any expenses incurred in connection with the conclusion, performance or termination of a temporary agency employment contract, or in connection with the conclusion of an employment contract with a user enterprise at the end of temporary work for the user enterprise;

2) process data of temporary workers for other purposes that bear no connection with the obligations, qualifications, professional experience or other important information concerning the

workers set out in the temporary agency employment contract, or in violation of their right to privacy;

3) process data received from a user enterprise for other purposes unrelated to the obligations set out in the temporary agency employment contract, or in violation of the interests of the user enterprise.

3. User enterprises are prohibited to perform the following actions:

1) charge a temporary worker to perform the job functions of employees of the user enterprise who are on strike;

2) conclude temporary employment contracts in order to replace dismissed employees of the user enterprise;

3) limit opportunities of professional training and qualifications development for temporary workers;

4) restrict the possibilities for temporary workers to be hired on a permanent basis;

5) refuse to provide the temporary agency with information about measures ensuring safety and health at work and the terms of employment that would have been applied if the user enterprise had hired the temporary worker under an employment contract at the same workplace.

4. Once per year, the user enterprise must, upon the request of the work council of its enterprise, institution or organisation, or, in the absence thereof, upon the request of the employer-level trade union, provide information about the temporary agency employment situation at the enterprise, institution or organisation, indicating the number of temporary workers who worked or are working during the year and the positions held thereby, as well as the average remuneration by occupational group and gender, provided that there are more than two employees in the occupational group.

5. The duties of the temporary agency and the user enterprise in ensuring safety and health at work for a temporary worker are set out in Law of the Republic of Lithuania on Safety and Health at Work.

6. Once per month, temporary agencies must, under the procedure set out by the Government of the Republic of Lithuania or institution authorised thereby, provide the State Labour Inspectorate with information on recruitment through temporary agencies and on the number of temporary workers.

Article 80. Termination of a temporary agency employment contract

1. During work for the user enterprise, a temporary worker may terminate the employment contract with the temporary agency on the grounds and in the procedure set out in this Code. Upon

termination of the employment relations with the temporary agency, the temporary worker's obligation to perform a job function for the user enterprise shall expire.

2. During the period between postings, a temporary worker has the right to terminate the temporary agency employment contract by written letter of resignation after giving the temporary agency at least five working days' notice thereof. The collective agreement concluded between a temporary agency and its employees may provide for a different period of notice, which may not exceed 14 calendar days.

3. A temporary agency may terminate an employment contract with a temporary worker on the grounds and in the procedure set out in this Code.

SECTION THREE
APPRENTICESHIP EMPLOYMENT CONTRACT

Article 81. Definition and types of apprenticeship employment contracts

1. An apprenticeship employment contract is concluded by hiring a person who wishes to acquire particular competences or a qualification necessary for a profession at a workplace in the form of apprenticeship training (hereinafter: 'the apprentice').

2. Types of apprenticeship employment contracts:

1) an apprenticeship employment contract without concluding a training contract;

2) an apprenticeship employment contract concluded with a legally regulated training contract on formal or non-formal training.

Article 82. General provisions of apprenticeship employment contracts

1. An apprenticeship employment contract shall be fixed-term and its maximum duration shall be six months, except for an apprenticeship employment contract concluded with a legally regulated training contract on formal or non-formal training in which a longer duration of training is set.

2. If the training is carried out under an apprenticeship employment contract concluded with a legally regulated training contract on formal or non-formal training, the employer must ensure the achievement of the outcome provided for in the formal or non-formal training programme or create all the conditions for the outcome to be achieved.

3. A certificate shall be issued to the apprentice upon completion of the formal or non-formal training programme.

Article 83. Apprenticeship employment contract without concluding a training contract

1. Upon concluding an apprenticeship employment contract, the employer must prepare a non-formal training programme for the entire period of validity of the apprenticeship employment contract. The competences acquired by the apprentice by participating in this training programme and the methods of acquiring them, as well as the training subjects, the training period, the outcome and other essential provisions shall be included in the apprenticeship employment contract. During the period of validity of the apprenticeship employment contract, the training programme may only be changed by mutual agreement.

2. An employer has the right to conclude this type of employment contracts with the same person no sooner than three years after the termination of the previous apprenticeship employment contract. Upon violating these requirements, it shall be considered that an open-ended employment contract has been concluded.

3. The number of apprenticeship employment contracts valid at the same time and concluded by one employer may not exceed one-tenth of the total number of the employer's current employment contracts. If the employer employs less than ten employees, the employer may only conclude one apprenticeship employment contract.

4. When concluding an apprenticeship employment contract, the parties to the employment contract may agree on reimbursement of the training expenses incurred by the employer. Such an agreement must specify what the employer's training expenses are and what their value (services, materials, etc.) is. Not more than 20 per cent of the apprentice's monthly remuneration can be allocated to reimburse the said expenses. The reimbursement of training expenses shall be distributed evenly over the entire period of validity of the apprenticeship employment contract. If the employment relations end before the term of the apprenticeship employment contract expires, the employer shall not be entitled to require reimbursement of the training expenses after the termination of the employment relations.

5. In addition to the grounds for the termination of an employment contract provided for in this Code, an apprenticeship employment contract may also be terminated prematurely by written resignation of the apprentice upon giving the employer five working days' notice, or on the initiative of the employer upon giving the apprentice 10 working days' notice.

6. The employer must appoint a competent employee as the training programme supervisor who shall be in charge of the training process, supervise the performance of the job function, and provide advice and consultation to the apprentice.

Article 84. Apprenticeship employment contract concluded with a legally regulated training contract on formal or non-formal training

1. An apprenticeship employment contract may be concluded in order to implement the following legally regulated documents:

1) a training contract on formal (initial or continuing) training between an apprentice, on the one hand, and a training service provider or employer holding a formal vocational training licence, on the other hand;

2) a training contract on non-formal training between an apprentice, on the one hand, and an employer authorised to provide non-formal training or a training service provider who has concluded an agreement with the employer, on the other hand.

2. The training contract shall be attached to the apprenticeship employment contract and shall be an integral part thereof. The implementation of an apprenticeship employment contract must be organised by the employer in such a way that the objectives of the training programme specified in the training contract and other conditions of the training contract are achieved.

3. An apprenticeship employment contract must specify the duration of the working time and other training time. The apprentice's total working time for the employer and other training time may not exceed 48 hours per week, except for an apprentice under the age of 18, for whom the duration of working time is set out in the Law of the Republic of Lithuania on Safety and Health at Work. Training may take place at both the workplace and the training establishment.

4. For time that was actually worked, an apprentice shall be paid the remuneration provided for in the apprenticeship employment contract, which may not be lower than the minimum monthly salary or minimum hourly pay (wage) approved by the Government of the Republic of Lithuania. The time spent at the workplace to acquire theoretical knowledge and the time allocated for on-the-job training are counted as time that was actually worked if they exceed 20 per cent of the time actually worked.

5. Time spent at the training institution shall not be counted as working time and the employer shall not be required to pay a remuneration for that time. The said time should not account for more than 30 per cent of the duration of the apprenticeship employment contract.

6. The apprenticeship employment contract shall be terminated upon expiry of the training contract on formal or non-formal training. It may also be terminated prematurely by written resignation of the apprentice upon giving the employer notice thereof five working days in advance, or on the initiative of the employer upon giving the apprentice notice thereof five working days in advance.

7. The employer shall appoint an employee(s) responsible for organisation of the apprentice's work activities and practical training and an employee responsible for the

coordination of the work activities and practical training (a vocational expert). The head of the vocational training establishment shall appoint a vocational teacher to be in charge of the apprenticeship's on-the-job training.

SECTION FOUR. *No longer effective from 1 July 2017*

SECTION FIVE
PROJECT-BASED EMPLOYMENT CONTRACT

Article 89. Definition and content of a project-based employment contract

1. A project-based employment contract is a fixed-term employment contract by which employees undertake to perform their job function to achieve a specific project outcome while working under self-prescribed working time arrangements at the workplace or outside the workplace, and the employer undertakes to pay them the agreed remuneration for this.

2. When concluding a project-based employment contract, the parties to the project-based employment contract shall define the specific project outcome and establish its completion or the conditions for determining whether it is completed.

3. A project-based employment contract may be agreed upon in the following cases:

1) when concluding a project-based employment contract for up to two years with a newly hired person, except for projects with a longer timeframe of up to a maximum of five years;

2) temporarily, for up to five years, when replacing a valid employment contract of a different type;

3) when concluding an agreement for up to two years on project work while an employment contract of a different type is valid, except for projects with a longer timeframe of up to a maximum of five years. An agreement on project-based work while an employment contract of a different type is valid shall be subject to the provisions of this Section *mutatis mutandis*.

Article 90. Standard working hours and working time arrangements. Terms of employment

1. A project-based employment contract must specify the standard working hours, i.e. the average number of working hours that the employee will work per week.

2. The employees shall allocate working time at their own discretion, provided they meet the maximum working time and minimum rest time requirements.

3. Safety and health at work requirements shall apply to the employee to the extent that they relate to the direct performance of the agreed job function by the employee, the employee's

presence at the workplace, or to the employee's use of the material or installations/equipment transferred to the employee by the employer. If the employee may be exposed to conditions dangerous to life or health in performing the job function, the employer must inform the employee in good time and create the conditions for safe work.

Article 91. Payment for work

1. An employee working under a project-based employment contract must be paid at least the minimum hourly rate under the standard working hours set out in Article 90(1) of this Code. In addition, a project-based employment contract may provide for time-based or results-based payment, or a combination of the two.

2. The conditions for bonuses and remuneration for outcome achieved shall be set in the project-based employment contract.

3. Remuneration must be paid to the employee on a regular basis and at least once per month.

Article 92. Termination of a project-based employment contract

1. A project-based employment contract shall be terminated on the grounds and in the procedure set out in this Code.

2. The provisions of this Code regulating the maximum duration of a fixed-term employment contract (Article 68 of this Code) and the consequences of the termination of the fixed-term employment contract (Article 69(2–5) of this Code) shall not apply to project-based employment contracts.

SECTION SIX
JOB SHARE EMPLOYMENT CONTRACT

Article 93. Definition of a job share employment contract

1. Two employees may agree with an employer to share a single job, without exceeding the maximum standard working hours set for one employee.

2. The employment contracts of both employees must specify the type of such an employment contract, the identity and contact details of the other employee, and the employee's standard working hours (number of working hours per week). It shall be assumed that the standard working hours are the same for both employees, unless the contracts state otherwise.

3. A job share employment contract may be agreed upon either by concluding a new employment contract or by temporarily replacing a valid employment contract of a different type

by a job share employment contract. The employer must consider and, if there are no organisational and production obstacles, satisfy the request of an employee with a child under the age of seven to temporarily replace a valid employment contract of another type with a job share employment contract until the child reaches the age of seven. Such an employee is entitled to be reinstated under the type of employment contract that was in effect prior to the job share employment contract by giving two weeks' written notice to the employer, unless the employer agrees to waive this term.

Article 94. Working time arrangements

1. Employees may individually choose their own working time by agreeing that with other individual employees. In any case, the maximum working time and minimum rest time requirements must be met.

2. If the employer so requests, the employer must be informed of the distribution of the working time between the employees over a day, week, or a longer period of time under the time and procedure specified in the contracts.

3. The working time arrangements may be changed by mutual agreement between the employees and, if it is so provided for in the job share employment contracts, by informing the employer.

4. Employee agreements and the execution thereof may in no way affect the duty of the employees to work for the employer under the working time arrangements agreed upon with the employer. In all cases, the employees must replace each other at work in such a way that the performance of the job function is not affected.

5. The temporary incapacity for work or leave of one of the employees shall not affect the working time arrangements of the other employee, unless established otherwise in the job share employment contracts. The employer may temporarily replace such an employee with another employee, with whom the employee working under the job share employment contract must cooperate to perform the job function.

Article 95. Termination of a job share employment contract

1. Upon termination of a job share employment contract with one employee, the job share employment contract of the other employee shall remain in effect for a month, until a job share employment contract is concluded with another employee. If such a contract is not concluded within the aforementioned period, the employer must offer the employee full employment, and, if the employee refuses, the employer shall have the right to dismiss the employee with three working days' notice and pay a severance pay equal to half of the employee's average remuneration, except

for employees with a child under seven years of age, who, as specified in Article 93(3) of this Code, shall remain to work under part-time terms of employment.

2. The parties to the job share employment contract may agree that, upon termination of the job share employment contract, they shall conclude a part-time employment contract or replace the employment contract in another way.

SECTION SEVEN
MULTIPLE-EMPLOYER EMPLOYMENT CONTRACT

Article 96. Definition of a multiple-employer employment contract

1. An employment contract concluded with an employee for the performance of the same job function may designate two or more employers instead of one.

2. Each employer, taking into account the employee's allocated time, shall have the right to exercise employer's rights in respect of the employee and must fulfil the employer's duties and ensure the application of this Code and other provisions of the labour law.

3. A multiple-employer employment contract may provide that the employee's working time is not allocated to each employer separately if the employee performs the tasks of several employers at the same time; however, the part of the standard working hours to be paid by each employer shall be determined.

Article 97. Standard working hours and working time arrangements

1. If it is agreed that the employee's working time will be allocated to each employer separately, the standard working hours of the employee due to each employer shall be specified either in the employment contract or in the work schedule communicated to the employee at least five working days in advance.

2. Working time arrangements and work schedules must be drawn up in such a way that the maximum working times and minimum rest times are respected.

Article 98. Primary and other employers

1. By agreement of the employers, the multiple-employer employment contract must specify the primary employer who will perform all of the employer functions related to work scheduling, taxation of the employee's income, payment of social insurance and other contributions for the employee, and provision of information about the employee.

2. The other employers must compensate the primary employer for the incurred expenses under the agreement concluded by them, taking into account the working time worked for them

by the employee. The compensation for these expenses shall not be considered as income of the primary employer and the expenses of all employers shall be treated as labour costs.

3. All of the employers shall be jointly and severally liable for the fulfilment of their obligations towards the employee and their duties relating to the taxation of the employee's income and the payment of social insurance contributions and other contributions for the employee.

4. The employee has the right to demand that any one of the employers fulfil the duties of the employer under the employment contract.

5. The primary employer shall represent all of the employers in labour disputes with the employee.

Article 99. Termination of a multiple-employer employment contract

1. The employee has the right to terminate a multiple-employer employment contract on the grounds and in the procedure set out in this Code. The notice of termination of a multiple-employer employment contract shall be submitted to the primary employer.

2. Any one of the employers has the right to initiate termination of a multiple-employer employment contract on the grounds and in the procedure set out in this Code by giving notice thereof to all of the parties to the multiple-employer employment contract. The decision to terminate a multiple-employer employment contract or to propose to the employee that the employment contract be changed shall be taken by all of the employers jointly; the primary employer shall represent them in the relations with the employee. The amounts to be paid to an employee being dismissed shall be divided in proportion to the share of the employee's standard working hours paid by each employer.

3. If the multiple-employer employment contract is not replaced, the employee's employment relations shall end with all of the employers upon termination of the multiple-employer employment contract.

SECTION EIGHT
SEASONAL EMPLOYMENT CONTRACT

Article 100. Seasonal employment contract

1. A seasonal employment contract is concluded for the performance of seasonal work. 'Seasonal work' means work which, because of natural or climatic conditions, is not carried out throughout the year, but rather, during certain periods or seasons not exceeding eight months over a period of 12 consecutive months, and which is included in the list of seasonal work.

2. The Government of the Republic of Lithuania shall determine, in accordance with this Code, the list of seasonal work and the details of entering into, amending and terminating a seasonal employment contract, as well as the working time, rest time and remuneration for work.

CHAPTER VII
LABOUR RELATIONS

SECTION ONE
LABOUR RELATIONS WITH MANAGERIAL STAFF

Article 101. Head of a legal entity, members of management and supervisory bodies and other managerial staff

1. An employment contract must be concluded with a single-person management body of a legal entity who is a natural person working on a remuneration basis (hereinafter: 'the head of the legal entity'), with the exception of the heads of small partnerships and sole proprietorships. Such a contract may also be concluded for part-time work, in which case Article 40 of this Code shall apply *mutatis mutandis.*

2. Employment contracts are not concluded with natural persons who are members of the collegial management or supervisory bodies of a legal entity. This rule does not apply for employment contracts concluded for the performance of other job functions for remuneration, while coordinating them with their duties as members.

3. Employment contracts are concluded with the heads of divisions (branches and representative offices) of a legal entity. The specifics of labour relations specified in this Section shall apply to them *mutatis mutandis.*

4. Employment contracts shall be concluded with a legal entity's managerial staff not specified in paragraphs 1, 2, and 3 of this Article, i.e. employees entitled to give binding instructions to subordinate employees, and the provisions of this Section shall not apply to them.

Article 102. Concluding an employment contract with the head of a legal entity

An employment contract with the head of a legal entity shall be signed on behalf of the legal entity by the person authorised by the competent management body of the legal entity specified in the legal entity's formation documents or laws.

Article 103. Implementation of the employment contract

1. Heads of legal entities shall manage their own working time, without violating the maximum working time and minimum rest time requirements set out in labour law provisions.

2. Heads of legal entities shall be liable under labour law provisions and the terms of the employment contract for the damage they cause to the legal entity as employees.

3. The head of a legal entity shall be liable under the provisions of civil law for damage caused to the legal entity due to non-fulfilment or improper fulfilment of civil rights and obligations.

Article 104. Termination of the employment contract

1. In addition to the grounds for the termination of an employment contract set out in this Code and other laws, an employment contract with the head of a legal entity shall end upon removal of the head of the legal entity under the procedure set out in the formation documents or laws.

2. If the employment relations with the heads of a legal entity have lasted for more than two years and the heads of the legal entity are dismissed under the procedure set out in paragraph 1 of this Article, the heads of the legal entity shall be paid severance pay in the amount of their average monthly remuneration, unless the dismissal is due to their culpable actions.

3. The provisions set out in Articles 69(2) and 69(3) of this Code and regulating the consequences of termination of fixed-term employment contracts shall not apply to the employment contracts concluded with heads of legal entities.

Article 105. Disputes between the head of a legal entity and the legal entity

1. Labour disputes between a legal entity and the head thereof shall be settled in the procedure set out for settling labour disputes on rights.

2. Disputes on refusal to conclude an employment contract, on the legality of the termination of an employment contract, and on non-fulfilment/improper fulfilment of civil rights and obligations on the part of the head of a legal entity shall be settled in court.

Article 106. Election or appointment of an employee to head of a public legal entity

Employees of a public legal entity elected or appointed as heads of the public legal entity, upon termination of their employment relations as heads of the legal entity, except in the case when the employment contract is terminated on the grounds set out in Article 58 of this Code, have the right to be reinstated in their former positions under the same terms of employment, in view of all of the changes made to the terms of employment for other employees performing the same or

similar work. The said employees must notify the employer of their will to be reinstated in their former positions within three working days of the termination of the contract.

SECTION TWO
LABOUR RELATIONS WITH POSTED WORKERS

Article 107. Definition of posting of workers

1. The posting of workers is the performance of job duties at a place other than the permanent place of work.

2. During posting, the employees shall retain their remuneration. If the employee incurs extra costs (transport, travel, accommodation and other expenses) during the posting, the employer shall reimburse them.

3. If an employee's posting lasts for more than one working day/shift or if the employee is assigned abroad, the employee must be paid a daily allowance, the maximum amount and payment procedure of which shall be determined by the Government of the Republic of Lithuania or an institution authorised thereby.

4. The time clocked on posting includes the time spent travelling by the employee to and from the workplace specified by the employer. If the trip takes place after working hours or on a day off or a public holiday, the employee shall be entitled to the same amount of rest time on the first working day after the trip. Alternatively, the rest time can be added to the annual leave entitlement and the employee will still be paid the remuneration for this rest time.

5. During a posting, the employee must work under the usual working time arrangements, unless employer sets other obligations for the employee.

6. Prior to being posted abroad for a period exceeding 28 days, an employee must be provided with the documents specified in paragraphs 1 and 2 of Article 44 of this Code, which shall additionally specify the following details:

1) the country name(s) and the duration of the posting;

2) the currency in which the remuneration shall be paid during the posting;

3) payments in cash and in kind that are allocated for work in another country, where applicable;

4) the conditions for relocation to the country of the permanent workplace, where applicable.

7. Where, in the case provided for in paragraph 6 of this Article, an employee is temporarily posted in another Member State(s) of the European Union or another state(s) of the European Economic Area (hereinafter: 'a State') under a contract concluded between the employer and a

client operating in another State for the provision of services or for the performance of work; for work in a branch, representative office, or group enterprise of the employer as a legal entity; or for work as a temporary employee in another workplace; the documents to be served upon the employee under paragraph 6 of this Article prior to the posting shall additionally contain the following data:

1) the size of the remuneration to which the employee is entitled under the law of the State of posting;

2) the size of the daily subsistence allowance and benefits to cover the actual travel, accommodation and meal expenses incurred in connection with the posting, if applicable;

3) a link to the official national website of the Host State containing information on posted workers.

Note from the Register of Legal Acts. *The information on posted workers, including country name(s), size of remuneration, daily subsistence allowance and benefits, and official national website of the Host State, referred to in Articles 107(6)(1) and 107(7) of the Labour Code, as set out in Law No XIV-1189, shall, at the request of the employee, be made available to employees employed before 31 July 2022.*

Article 108. Posting of workers of a foreign employer to the territory of the Republic of Lithuania for the provision of services

1. With the exception of merchant ship crew members, an employee of an employer who is under the jurisdiction of a foreign country may be posted to work temporarily on the territory of the Republic of Lithuania under the following conditions:

1) under a contract for the provision of services or for the performance of work concluded by the employer with a customer operating in the Republic of Lithuania;

2) to work at a branch, representative office, group enterprise or other workplace of the employer as a legal entity;

3) to work as a temporary worker.

2. An employee specified in paragraph 1 of this Article, irrespective of the law applicable to the employment contract or employment relations, except for the case provided for in paragraph 8 of this Article, shall be subject to the provisions of this Code and other legal acts pertaining to the labour law of the Republic of Lithuania regulating labour relations, including national (cross-sectoral) collective agreements, territorial collective agreements and sectoral (industry, services, professional) collective agreements, or individual provisions thereof, the applicability of which has been expanded, establishing the following:

1) maximum working time and minimum rest time;

2) the duration of minimum paid annual leave;

3) remuneration for work, including extra pay for overtime, night work, and work on days off and public holidays;

4) the terms of employment for temporary workers;

5) safety and health at work;

6) safety at work for persons under the age of 18 and employees who are pregnant, have recently given birth, or are breastfeeding;

7) prohibition of discrimination at work;

8) the conditions of accommodation for employees when it is provided by the employer for employees working outside their permanent workplace;

9) reimbursement of additional travel costs (transport, travel and other expenses) incurred by employees travelling to and from their main place of performance of the job functions on the territory of the Republic of Lithuania, and reimbursement of additional costs (transport, travel, accommodation and other expenses) incurred by posted employees travelling to and from their main place of performance of job function on the territory of the Republic of Lithuania and abroad (in the case of travel outside the cases referred to in paragraph 1 of this Article);

10) the provisions specified in Article 107(6) of this Code.

3. With the exception of payments allocated for the reimbursement of actual travel, accommodation and meal expenses related to the posting, the daily allowance and other posting-related payments that are specified in paragraph 1 of this Article and payable to an employee shall be considered as part of the remuneration, provided the daily subsistence allowances and other benefits relating to the posting are separated from the actual cost of travel, accommodation and meal expenses under the labour law of the state whose law is applicable to the contract or labour relations of the said employee. If the daily subsistence allowance and other benefits relating to the posting are not separated from the actual cost of travel, accommodation and meal expenses, then the daily subsistence allowance and other benefits relating to the posting paid to the employee shall be deemed to be intended for covering the actual cost of travel, accommodation and meal expenses relating to the posting.

4. Where the actual duration of a posting exceeds 12 months, irrespective of the law applicable to the contract of employment or the labour relations, the employee referred to in paragraph 1 of this Article shall abide by the terms and conditions referred to in paragraph 2 of this Article as well as all other provisions of this Code and other normative legal acts of the Republic of Lithuania regulating labour relations, including national (cross-sectoral), territorial and branch (industry, services, professional) collective agreements and individual provisions thereof, the applicability of which has been expanded, except for the provisions on the terms and

conditions of concluding and terminating the contract of employment and on the terms and conditions of non-compete agreements.

Note from the Register of Legal Acts. *If the posting began before the entry into force of Law No XIII-2888 of 30 July 2020, the duration of the posting, as provided for in Article 108(4) of the Labour Code, as amended by this Law, shall be calculated as from the entry into force of this Law. The periods of posting prior to the entry into force of this Law shall be excluded from the total duration of the actual posting.*

5. If an employer under the jurisdiction of a foreign state submits to the State Labour Inspectorate, under the procedure set out by the Minister of Social Security and Labour of the Republic of Lithuania, a reasoned notification on the extension of the period provided for in paragraph 4 of this Article, this period shall be extended as long as the actual duration of the posting does not exceed 12 months, yet the extended period may not exceed 18 months of the actual length of the posting.

6. The provisions of Article 75 of this Code ensuring the application of the principle of non-discrimination to temporary staff shall apply to the employee referred to in Article 108(1)(3) of this Article irrespective of the actual duration of the posting. The user enterprise shall inform the temporary agency of the terms of employment and remuneration applied by the user enterprise insofar as those conditions are covered by Article 75 of this Code.

7. If, at the time of posting to the user enterprise in the cases provided for in paragraph 1 of this Article, a temporary worker is posted to work temporarily for the benefit of the user enterprise outside the territory of the Republic of Lithuania, the user enterprise shall be deemed to have posted the temporary worker to the territory of another state. The user enterprise must inform the temporary agency of the temporary worker’s work on the territory of another state before the commencement of the planned work on the territory of another state.

8. Where the labour law of the state whose law is applicable to the contract of employment or to the labour relations provides for more favourable terms of employment for the employee referred to in paragraph 1 of this Article than the provisions referred to in paragraphs 2 and 4 of this Article, the labour law of the state whose law is applicable to the contract of employment or labour relations shall apply.

9. If an employee is posted to the territory of the Republic of Lithuania by an employer of a country that is not a member of the European Union or the European Free Trade Association, the said employee must obtain a permit under the procedure set out in the laws of the Republic of Lithuania.

10. In the cases set out in points 1 and 2 of paragraph 1 of this Article, the provisions related to remuneration for work, including extra pay for overtime, night work, and work on days off and public holidays shall not be applicable if the duration of the posting does not exceed 30 days.

11. The provisions of points 2 and 3 of paragraph 2 of this Article related to the minimum length of annual leave, remuneration, and payment for overtime shall not be applicable if the initial assembly and/or initial installation of the product is done by qualified employees and/or specialists of the enterprise supplying the product when this is set out in the contract for the supply of goods and is necessary in order to use the product provided, and when the duration of their posting does not exceed eight days. This exception shall not apply when the posted worker is performing, on the territory of the Republic of Lithuania, construction work specified in the Law of the Republic of Lithuania on Construction.

12. The posting duration shall be calculated by adding together all of the calendar days of the posting(s) within a period of one year from the beginning of the first posting. Where a posted employee is replaced by another posted employee performing the same work at the same place of performance of the job function, the actual duration of the posting shall be calculated under paragraphs 4 and 5 of this Article on the basis of the aggregate duration of the periods of posting of the individual posted employees concerned. In assessing whether the requirement concerning the same work at the same place of performance of the job function is met, account shall be taken of the nature of the service to be provided, the job function, the address(es) of the place of performance of the job function, and any other circumstances relevant to the performance of the job function.

13. Where the employer is a subcontractor, the provisions of Article 139(5) and (6) of this Code shall apply to the contractor with regard to the payment of remuneration, including increased remuneration for overtime, night work and work on days off and public holidays, to the employee referred to in paragraph 1 of this Article when the employee is engaged in the work set out in Law of the Republic of Lithuania on Construction.

14. No longer effective from 1 November 2021.

15. The terms of employment of drivers of road vehicles who transport goods and/or passengers on international road routes and who meet the conditions listed in paragraph 1 of this Article shall be determined by the laws governing road transport relations.

Article 109. Ensuring terms of employment for workers of a foreign employer

1. An employer under the jurisdiction of a foreign country who posts a worker to work temporarily on the territory of the Republic of Lithuania for a period exceeding 30 days or to perform construction work set out in the Law of the Republic of Lithuania on Construction shall,

under the procedure set out by the Minister of Social Security and Labour of the Republic of Lithuania, give an advance notice thereof to the State Labour Inspectorate no later than by the commencement of the work of the employee concerned on the territory of the Republic of Lithuania.

2. Employers must have the documents related to the posted worker at the place where the job function of the posted worker is being performed during the entire period of the posting and must provide them without delay to the competent authorities at the request thereof.

3. The State Labour Inspectorate shall provide information immediately and free of charge to, or otherwise cooperate with, the competent authorities of other Member States of the European Union regarding the application of the terms set out in this Code to posted workers as well as violations of posted worker guarantees. The State Labour Inspectorate shall ensure that information on the provisions of the regulatory acts of the Republic of Lithuania, including national (cross-sectoral), territorial and sectoral (industry, services, professional) collective agreements or individual provisions thereof whose application has been extended, provisions concerning the conditions applicable to a posted worker, including components of the remuneration and additional terms of the employment contract applicable for posting exceeding the period of 12 or 18 months, where the period provided for in Article 108(4) of this Code has been extended, is available to foreign employers and their employees under the jurisdiction of foreign states free of charge, updated in a timely manner, and provided in a clear, transparent and comprehensive manner, remotely and electronically, in internet access format and standards, while ensuring accessibility to people with disabilities.

4. Workers posted to the territory of the Republic of Lithuania may defend their violated rights under the procedure for the settlement of labour disputes on rights.

SECTION THREE
LABOUR RELATIONS IN SMALL-SIZED ENTERPRISES

Article 110. Labour relations for employers employing less than 10 employees

Employers with an average number of employees of less than 10 shall not be subject to the provisions of this Code regarding the following matters:

1) the duty to provide the employee trustee with information about the remote work situation (Article 52 of this Code), the fixed-term employment contract situation (Article 71(3) of this Code), and the temporary agency employment situation (Article 79(4) of this Code) at the enterprise, institution or organisation;

2) the duty to change, at the request of an employee, the working time in the case of part-time work (Article 40(3) and 40(4) of this Code);

3) the duty to approve the selection criteria for redundancy and to form a selection committee when dismissing employees on the initiative of the employer through no fault of the employees (Article 57(3) of this Code);

4) the duty to provide employees with information on work shift schedules at least seven working days in advance. Such employers must provide employees with information on work shift schedules at least three working days in advance, unless different terms of notice are agreed upon with the employees (Article 115(2) of this Code);

5) the rules for establishing the sequence of granting annual leaves (Article 128(4) of this Code). Annual leave shall be granted by agreement of the parties;

6) paid educational leave (Article 135(3) of this Code). Paid educational leave shall be established by agreement of the parties;

7) the right of the employees to take their entire annual leave or part thereof. For employment relations of less than one year, these employers may refrain from granting an employee annual leave, but must pay a compensation for unused annual leave (Article 127 of this Code).

CHAPTER VIII
WORKING TIME AND REST TIME

SECTION ONE
WORKING TIME

Article 111. Definition of working time

1. Working time is any time during which the employee is at the employer’s disposal or is carrying out duties under an employment contract.

2. In all cases, the following periods shall be included in the working time:

1) preparation for work at the workplace;

2) physiological breaks and special breaks;

3) travel time from the workplace to the place of temporary performance of a job function as specified by the employer;

4) on-call time under the procedure set out in this Code;

5) time spent on qualification development under the instruction of the employer;

6) time spent for mandatory employee health screenings;

7) idle time;

8) the time of suspension from work, provided the suspended employee is required to comply with the established procedures at the workplace;

9) other periods set out in labour law provisions.

Article 112. Standard working time

1. Standard working time, i.e. the average duration of time that the employee must work for the employer over a certain period in order to fulfil the assigned duties under the employment contract (excluding additional work and overtime), must be set out in the employment contract.

2. Standard working time is expressed in working hours per week, per day or per other reference period without infringing upon the maximum working time and minimum rest time requirements set out in this Code or other labour law provisions.

3. An employee's standard working time shall be 40 hours per week unless labour law provisions establish shorter standard working time for the employee or the parties agree on part-time work.

4. The Government of the Republic of Lithuania shall establish shortened standard working time and a corresponding payment procedure for persons whose work entails greater mental and emotional strain; draw up the list of these jobs, professions and positions; and set a shorter standard working time for employees working in a work environment where a risk assessment has identified health risks which exceed the levels permitted by safety and health at work legislation and which cannot be reduced to safe levels in the work environment by technical or other means.

5. Employees employed at state and municipal institutions funded from the state or municipal budget, the budget of the State Social Insurance Fund or other funds established by the state; employees of state and municipal enterprises, public institutions owned by the state or municipality; and employees of the Bank of Lithuania with children under the age of three years shall be entitled to a shortened working time of thirty-two hours per week, with a fixed remuneration for the part of the time spent off work within the standard working time. This reduced working time shall apply to one of the parents/adoptive parents or guardians at their choice until the child reaches the age of three.

6. On the eve of public holidays, the length of the working day shall be shortened by one hour, except for the employees subject to shortened standard working time.

Article 113. Working time arrangements

1. 'Working time arrangements' means the distribution of standard working hours over the working day, shift, week, month or other reference period that may not exceed three consecutive

months. Provided compliance with the employee's request does not involve excessive costs for the employer owing to the industrial necessity or the particularities of the organisation of work, an employer must satisfy the employee's request for desirable working time arrangement where the request stems from an employee who is pregnant, has recently given birth, is breastfeeding, is raising a child under the age of eight; is a single parent with a child under the age of 14 or with a disabled child under the age of 18; and an employee who submits the request, as documented in the conclusion of a healthcare institution, on the basis of the employee's health condition, disability, or the need to nurse or care for a family member or a person residing with the employee.

2. If labour law provisions or the employment contract do not establish otherwise, the working time arrangements for one or several employees (group of employees), or for all of the employees at the workplace shall be determined by the employer, by selecting one of the following types of working time arrangements:

1) fixed duration of working days/shifts and a fixed number of working days per week;

2) annualised hours, when the standard working time for the entire reference period is completed during the reference period;

3) a flexible working arrangement where an employee is required to be present at the workplace for certain hours of the working day/shift and may do the rest of the hours of the working day/shift before or after the required hours;

4) split shift working time arrangements, when work is done on the same day/shift with a break to rest and eat that is longer than the established maximum length of breaks to rest and eat;

5) individualised working time arrangements.

3. Unless established otherwise, it shall be considered that the standard working hours are fulfilled within a one-week reference period, working five days a week with the same number of hours per working day each week.

4. Employees must work at the times set out in their work/shift schedules, which specify the start and end times of work and the working days.

5. The working time arrangements for employees at state and municipal enterprises, institutions and organisations shall be set by the Government of the Republic of Lithuania in line with the provisions of this Chapter.

Article 114. Maximum working time requirements

If the provisions of this Code do not establish otherwise, the working time arrangements may not violate the following maximum working time requirements:

1) the average working time, including overtime but excluding work done under an agreement on additional work, may not exceed 48 hours over each period of seven days;

2) working time, including overtime and work done under an agreement on additional work, may not exceed 12 hours, excluding lunch breaks, per working day/shift and 60 hours over each period of seven days;

3) the special rules on working time arrangements for night workers (Article 117 of this Code), employees who are pregnant, have recently given birth, are breastfeeding, and persons under the age of 18, as set out in the Republic of Lithuania Law on Safety and Health at Work, must be adhered to;

4) not more than six days can be worked in seven consecutive days;

5) *no longer effective.*

Article 115. Working time arrangements with annualised hours

1. Annualised hours shall be introduced where necessary, having carried out the information and consultation procedure with the work council and taking the opinion of the employer-level trade union into account. Where annualised hours have been introduced, work is carried out at the time specified in the work/shift schedules in line with the maximum working time requirements.

2. Work/shift schedules shall be communicated to employees at least seven days before they come into effect. They may only be changed in cases beyond the employer's control by notifying the employee two employee's working days in advance. The work/shift schedules shall be approved by the administration under the procedure for the coordination of work/shift schedules agreed with the work council or, in the absence thereof, with the employer-level trade union, or under the procedure set out in the collective agreement.

3. Work/shift schedules must be drawn up in such a way that the maximum working time of 52 hours per each seven-day period is not exceeded, without applying this rule to on-call time and work performed under an additional work agreement. The employer must ensure the smooth running of the shift changing process. A person with a child under the age of three shall have the right to choose a shift within two working days of being posted, and a person with a child under the age of seven shall have the right to choose a shift whenever possible.

4. The employer must draw up work/shift schedules in such a way that the employee's working time is distributed as evenly as possible over the reference period. It is prohibited to assign an employee to work two consecutive shifts.

5. If, at the end of the reference period, an employee has not worked the total standard working time for the entire reference period because of the working time arrangements made for the employee, the employee shall be paid half the remuneration due for the remaining standard working time.

6. If, at the end of the reference period, an employee has worked more hours than the total standard working time for the whole reference period, the employee shall be paid for the hours in excess of the standard working time the same as for overtime or, at the request of the employee, the hours in excess of the standard working time may be multiplied by 1.5 and added to the employee's annual leave.

7. In the case of annualised hours, remuneration shall be paid for the actual time worked, except for the cases set out in paragraphs 5 and 6 of this Article. The employer shall have the right to pay a fixed remuneration during each month of the reference period, regardless of the standard working hours actually worked, and then to make a final settlement for the work during the reference period by paying for the work according to the actual data during the last month of the reference period.

Article 116. Flexible working time arrangements

1. Where a flexible work schedule is in place (for all or just a few days of the working week), the beginning and/or end of the working day/shift shall be set by the employee under the rules set out in paragraph 2 of this Article.

2. The employer shall establish the fixed hours of the working day/shift during which the employee must work at the workplace. This working time may only be changed upon notifying the employee at least two employee's working days in advance. The unfixed hours of the working day/shift are worked at the discretion of the employee, before and/or after the fixed hours of the working day/shift.

3. With the employer's consent, any unfixed hours of the working day/shift that were not worked may be transferred to another working day, as long as the maximum working time and minimum rest time requirements are met.

Article 117. Working time arrangements for night work

1. The night is a calendar period from 10 pm to 6 am.

2. A night worker is an employee who meets the following conditions:

1) works at night at least three hours per working day/shift; or

2) works at night for at least 25 per cent of the total annual working time.

3. The working time of a night worker must not exceed an average of eight hours per working day/shift over a reference period of three months, unless agreed otherwise agreed in collective agreements at higher than employer level.

4. The working time per working day/shift of night workers, whose work involves special hazards or greater physical and mental strain (Article 112(4) of this Code), with the exception of

the workers referred to in Article 118 of this Code, may not exceed eight working hours in any period of 24 hours during which they perform night work.

Article 118. Working time arrangements for on call work

1. When an employee performs the job function by being on call (active on-call duty), the length of the working day/shift may not exceed 24 hours, but may not exceed the employee's standard working time over a maximum reference period of three months.

2. When an employee is required to be present at a place specified by the employer and to be ready to perform the assigned functions as necessary (passive on-call duty), the length of the working day/shift may be up to 24 hours, but may not exceed the employee's standard working time over a maximum reference period of two months. In this case, the employee must be given the opportunity to rest and eat at the workplace.

3. Both for active and passive on-call duty, conditions must be created for the employee to rest and eat. The working time arrangements and record-keeping for these employees shall be subject to the rules of annualisation.

4. The time spent by an employee outside of the workplace in a state of preparedness to perform certain actions or go to the workplace if the need arises during normal rest time (passive on-call duty at home) shall not be considered working time except for the time actually taken for action. This type of on-call duty may not last longer than a continuous one-week period over four weeks. Passive on-call duty at home must be agreed upon in the employment contract and the employees must be paid an allowance of at least 20 per cent of their average monthly remuneration for each week on call outside of the workplace. Actions actually taken shall be paid for as actual time worked, but not in excess of 60 hours per week. Nobody may be assigned to passive on-call duty at home on a day they have already worked continuously for at least 11 consecutive hours.

5. Persons under the age of 18 may not be assigned to passive on-call duty or passive on-call duty at home. Employees who are pregnant, who have recently given birth, who are breastfeeding, who have a child under the age of 14 or a disabled child under the age of 18, who are caring for a disabled person, and disabled persons who are not prohibited from such duty by the conclusion of the Disability and Working Capacity Assessment Service under the Ministry of Social Security and Labour, may be assigned to on-call duty or passive on-call duty at home only with their consent.

Article 119. Overtime

1. ‘Overtime’ means the time actually worked by an employee in excess of the total working time set by the working time arrangements for the employee’s working day/shift or reference period.

2. The employer may only instruct an employee to perform overtime work with the employee’s consent, except for the following exceptional cases:

1) unplanned work critical to society must be performed; or action must be taken to prevent or eliminate the consequences of calamities, dangers, accidents or natural disasters;

2) it is necessary to complete a task or rectify a technical fault that would otherwise require a large number of workers to stop working or would cause damage to materials, products or equipment;

3) this is provided for in the collective agreement.

3. Not more than eight hours of overtime can be worked over a period of seven consecutive calendar days unless the employee gives written consent to work up to 12 hours of overtime per week. In such cases, the maximum average working time of 48 hours per week calculated over the reference period must be met. The maximum amount of overtime per year is 180 hours. Higher maximum overtime limits may be agreed upon in the collective agreement.

4. The maximum working time and minimum rest time requirements must be met while working overtime.

Article 120. Working time record-keeping

1. The employer must keep records of the working time of the employees, except for the employees who work under working time arrangements with fixed-term working days/shifts and a fixed number of working days per week.

2. In working time records, the employer must include the actual time worked by the employee:

1) as overtime;

2) on public holidays;

3) on days off where the working time was not scheduled;

4) at night;

5) under an agreement on additional work.

3. Working time records shall be kept in time sheets in the form approved by the employer, which may be completed and stored electronically.

4. Where employees manage their entire working time or part thereof at their own discretion or are required to keep records of their working time themselves, the employer may establish the rules for working time record-keeping.

5. Employees shall have the right to become acquainted with their working time records and to demand that they be given an excerpt of the time sheet free of charge.

Article 121. Working time arrangements for specific fields of economic activities

The maximum working time requirements and minimum rest time requirements and the rules for working time arrangements and work records at transport, postal, agricultural and energy enterprises, medical treatment and social care institutions, sea and river transport and other fields of economic activities may differ from the standards set out in this Code. The working time and rest time details in these fields of activities shall be set out by the Government of the Republic of Lithuania or collective agreements.

SECTION TWO
REST TIME

Article 122. Minimum rest time requirements

1. Rest time is any period off work.

2. Unless the provisions of this Code set out otherwise, working time arrangements must meet the following minimum rest time requirements:

1) during a working day/shift, the employee must be given physiological breaks according to the employee's needs, and special breaks when working under outdoor conditions (outside or in unheated premises), occupational risk conditions, or when performing work that demands heavy physical or mental strain;

2) after not more than five hours of work, employees must be given a lunch break in order to rest and eat. This break may not be shorter than 30 minutes or longer than two hours, unless the parties agree on split shift working time arrangements. During the lunch break, the employee may leave the workplace;

3) the length of daily uninterrupted rest between working days/shifts may not be shorter than 11 hours in a row, and an employee must be given at least 35 hours of uninterrupted rest over a period of seven consecutive days. If the length of an employee's working day/shift is more than 12 hours but not more than 24 hours, the length of uninterrupted rest between working days/shifts shall not be less than 24 hours;

4) if on-call duty lasts for 24 hours, the rest time shall last at least 24 hours.

3. The length of breaks as well as when they begin and end and other conditions shall be set out in labour law provisions and working day/shift schedules. Employees performing work

that, due to production conditions, does not allow for breaks to rest and eat must be given the opportunity to eat during working time.

4. The length of the special breaks referred to in point 1 of paragraph 2 of this Article during a working day/shift and the conditions for the establishment thereof shall be determined by the Government of the Republic of Lithuania.

Article 123. Public holidays

1. Normally, the following public holidays shall be days off:

1) 1 January – New Year's Day;

2) 16 February – Day of Restoration of the State of Lithuania;

3) 11 March – Day of Restoration of the Independence of Lithuania;

4) Easter Sunday and Easter Monday (in Western Christian tradition);

5) 1 May – International Labour Day;

6) First Sunday of May – Mother's Day;

7) First Sunday of June – Father's Day;

8) 24 June – Day of Dew and St. John's Day;

9) 6 July – Statehood (Coronation of King Mindaugas of Lithuania) and National Song Day;

10) 15 August – Assumption Day (the Feast of the Assumption of the Blessed Virgin Mary);

11) 1 November – All Saints' Day;

12) 2 November – Commemoration of All the Faithful Departed (All Souls' Day),

13) 24 December – Christmas Eve;

14) 25 and 26 December – Christmas.

2. A public holiday can only be a working day with the consent of the employee, except for the case of annualised working hours and the cases specified in the collective agreement.

Article 124. Days off

1. A day off is a day when the employee does not work under the working time arrangements. The general day off is Sunday.

2. Work on a day off may only be assigned with the consent of the employee, except for the cases of annualised working hours and the cases specified in the collective agreement.

Article 125. Types of leave

1. Types of leave:

1) annual leave;

2) special leave;

3) extended or additional leave.

2. During the leave period, the employees shall keep their job /position.

3. Where, under labour law provisions or the employment contract, remuneration is left to the employee, it is paid under the terms and procedure for the payment of remuneration, with the exception of the holiday pay paid to the employee for annual leave.

Article 126. Definition and duration of annual leave

1. Annual leave is the time off from work granted to employees to rest and renew their capacity for work while paying them holiday pay.

2. Employees, except for the employees set out in Article 126(3) of this Code, are entitled to at least 20 working days (for those who work five days per week) or at least 24 working days (for those who work six days per week) of annual leave. If the number of working days per week is less or different, the employee must be granted leave of not less than four weeks.

3. Employees under the age of eighteen, employees who are single parents with a child under the age of fourteen or with a disabled child under the age of eighteen, and disabled employees shall be granted annual leave of 25 working days (for those who work five days per week) or 30 working days (for those who work six days per week). Where the number of working days per week is even less or different, the employees referred to in this paragraph shall be granted five weeks' leave.

4. Leave duration shall be calculated in working days. Public holidays shall be excluded from the duration of leave.

5. Longer leave may be provided for in employment contracts, collective agreements or labour law provisions.

Article 127. Annual leave entitlement

1. No longer effective.

2. The right to take part of annual leave (or to receive monetary compensation for it in the case set out in this Code) shall arise when the employee becomes entitled to at least one working day's leave.

3. The year of employment for which annual leave is granted shall begin on the day the employee starts work under the employment contract.

4. The number of working days in the year of employment for which annual leave is granted shall encompass the following:

1) actual working days worked and the working time specified in Article 111(2) of this Code;

2) working days spent in posting;

3) working days that were not worked due to the employee's temporary incapacity for work, care for diseased family members, annual, extended or additional leave, pregnancy and childbirth leave, paternity leave, or/and educational leave;

4) unpaid leave of up to 10 working days per year granted at the employee's request with the employer's consent, as well as other unpaid leave for the duration specified in Article 137(1) of this Code;

5) sabbatical leave, if this is agreed on by the parties or if this is provided for in labour law provisions;

6) duration of a legal strike;

7) forced absence;

8) time spent for the performance of state, civic or other duties;

9) additional rest time for employees with children;

10) time spent for the performance of duties of persons carrying out employee representation functions and time spent for their training and education (Article 168(1) and Article 168(2) of this Code);

11) other periods set out in law.

5. The right to take all or part of annual leave or to receive monetary compensation for it in the provided for in this Code shall be lost three years after the end of the calendar year in which the right to full annual leave was acquired, unless the employee was actually unable to take it.

6. It is prohibited to replace annual leave with monetary compensation, except on termination of employment relations, when the employee receives compensation for all or part of the unused annual leave, subject to the limitations set out in paragraph 5 of this Article.

Article 128. Granting annual leave

1. Annual leave must be granted at least once per year of employment. At least one part of the annual leave must be at least 10 working days or at least 12 working days (for those who work six days per week), and where the number of working days per week is less or different, the part of the leave must be at least two weeks.

2. For the first year of employment, full annual leave shall normally be granted after the employee has worked at least half of the number of working days for the year of employment. Before six months of uninterrupted work, annual leave shall be granted, at the employee's request, to the following persons and under the following conditions:

1) to pregnant employees before or after pregnancy and childbirth leave;

2) to employees during the pregnancy and childbirth leave taken by the mother of their child, or before or after paternity leave;

3) during the summer break applied at the workplace;

4) teachers shall be entitled to annual leave during the summer holidays in their first year of employment, regardless of when they start work at the school;

5) in other cases set out in labour law provisions.

3. Annual leave for the second and subsequent years of employment shall be granted at any time during the year of employment according to the annual leave schedule at the workplace. This schedule shall be drawn up for the period from 1 June to 31 May of the following year under the procedure set out in the collective agreement, an employer-work council arrangement, or other labour law provisions, unless otherwise specified therein.

4. The annual leave schedule shall be drawn up at the workplace taking into account the preferences of the following employees, in order of priority:

1) pregnant employees and employees with at least one child under the age of three;

2) employees with at least one child under the age of 14 or with a disabled child under the age of 18;

3) employees raising two or more children;

4) employees who have taken less than 10 working days of leave during the previous calendar year;

5) employees who have unused annual leave from the previous year of employment.

5. The employer must satisfy the request for annual leave from the following employees:

1) pregnant employees requesting for leave before or after pregnancy and childbirth leave;

2) employees requesting for leave during the pregnancy and childbirth leave taken by the mother of their child, or before or after paternity leave;

3) employees who are studying without interrupting their work and who coordinate their annual leave with their examinations, tests, writing their bachelor’s or master’s thesis, laboratory work, and consultations;

4) employees who are nursing diseased family members and disabled persons; employees with chronic diseases with exacerbations dependent on atmospheric conditions, upon provision of documented recommendation from a healthcare institution; and employees whose request is based on the conclusion from a healthcare institution on their health status.

6. Annual leave shall be documented under the procedure determined by the employer.

Article 129. Transfer and extension of annual leave

1. If an employee is unable to use annual leave as intended, either because of temporary incapacity for work, due to having exercised the right to special leave as specified in Articles 132, 133 and 134 of this Code, or due to having been granted an unpaid leave under Article 137(1) of this Code, the annual leave already granted for that period shall be carried over to another period.

2. If the circumstances set out in paragraph 1 of this Article emerged prior to the commencement of annual leave, the commencement date for the annual leave shall be postponed to a date not later than the end of the annual leave that has been granted. If the circumstances emerged while being on annual leave, the unused annual leave shall be granted to the employee at another time agreed upon by the parties, but during the same year of employment. At the employee's request, part of the extended annual leave may be carried over and added to the annual leave of the next year of employment.

Article 130. Holiday pay

1. During annual leave, the employees shall retain their average remuneration (holiday pay).

2. Holiday pay must be paid out no later than the last working day before the start of annual leave. Holiday pay for the part of leave exceeding 20 working days (for those who work five days per week), 24 working days (for those who work six days per week) or four weeks (if the number of working days per week is less or different) shall be paid to the employee during leave according to the terms and procedure for the payment of remuneration.

3. At the employee's separate request, holiday pay shall be paid, upon granting annual leave, under the usual procedure for the payment of remuneration.

4. If the employer is late in paying for annual leave, the period of late payment shall be added to the next annual leave, provided the employee has made a request for this within the first three working days after the annual leave.

Article 131. Special leave

1. Types of special leave:

1) pregnancy and childbirth leave;

2) paternity leave;

3) parental leave;

4) educational leave;

5) sabbatical leave;

6) unpaid leave.

2. The employer shall ensure the employee's right to return to the same or an equivalent workplace/position after the period of special leave on terms of employment, including remuneration, which are no less favourable than those applicable before the period of special leave, and to benefit from any improved conditions, including the right to increased remuneration, to which the employee would have been entitled had the employee been working.

Article 132. Pregnancy and childbirth leave

1. Eligible employees are entitled to pregnancy and childbirth leave of 70 calendar days before childbirth and 56 calendar days after childbirth, or 70 calendar days if the childbirth is complicated or if more than one child is born. This leave shall be calculated cumulatively and shall be granted to the employee in full, regardless of the number of days actually taken prior to childbirth. If an eligible employee does not take pregnancy and childbirth leave, the employer must provide 14 days of this leave immediately after childbirth, regardless of the employee's request.

2. Employees who have been appointed as guardians of newborns shall be granted leave for the period from the date on which guardianship is established until the baby reaches 70 days of age.

3. For the period of leave provided for in paragraphs 1 and 2 of this Article, a benefit set out in the Law of the Republic of Lithuania on Sickness and Maternity Social Insurance shall be paid.

Article 133. Paternity leave

1. After the birth of a child, employees shall be granted 30 calendar days of paternity leave, which may be divided into a maximum of two periods. This leave can be taken at any time after the birth of the child until the child is one year old.

2. Within one month from the date of entry into force of the adoption decision made by the court, or, in the case of urgent enforcement, within one month from the date of commencement of the enforcement of the decision, employees shall be granted paternity leave of 30 calendar days, which may be divided into a maximum of two periods. The leave referred to in this paragraph shall not be granted where the child of a spouse is adopted or where the adoptive parent has already been granted paternity leave for the same child.

3. For the period of leave provided for in paragraphs 1 and 2 of this Article, a benefit shall be paid under the terms and conditions set out in the Law of the Republic of Lithuania on Sickness and Maternity Social Insurance.

Article 134. Parental leave

1. At the choice of the family, the parent/adoptive parent, grandparent or other relative who is actually raising the child, as well as an employee appointed as the child's guardian, shall be granted parental leave which may be taken in full, in parts, or in turns until the child reaches the age of three, except for the part of the parental leave referred to in paragraph 3 of this Article.

2. The adoptive parent selected at the choice of the family shall be granted 24 months of parental leave within three months from the date of entry into force of the adoption decision of the court, or, in the case of urgent enforcement, within one month from the date of commencement of the enforcement of the court decision, except for the part of the parental leave referred to in paragraph 3 of this Article and except for the cases where the child of a spouse is adopted or where the adoptive parent has already been granted parental leave for the same child under paragraph 1 of this Article. Employees who, for the care of the same child at the same time, are eligible to parental leave under both paragraph 1 of this Article and this paragraph shall be granted the leave of their choosing. Employees entitled to this leave may take it in turns.

3. When taking parental leave, each parent/adoptive parent/guardian is first of all entitled to a non-transferrable two-month period of parental leave at any time before the child reaches the age of 18 months or 24 months. Each parent/adoptive parent/guardian may take the non-transferrable two-month period of parental leave either in full all at once or in turns by alternating with the other parent/adoptive parent/guardian. The non-transferable two-month period of parental leave cannot be taken by both parents/ adoptive parents/guardians at the same time.

4. An employee who intends to take parental leave under paragraph 1 or 3 of this Article or to return to work before this leave is over must give the employer a written notice thereof at least 14 calendar days in advance. An employee who intends to take parental leave under paragraph 2 of this Article or to return to work before this leave is over must give the employer a written notice thereof at least three working days in advance. A longer notice period may be set out in the collective agreement. An employee who intends to take parental leave shall indicate the date of commencement and end of the leave in the request for parental leave.

5. Parental leave benefit shall be paid under the terms and conditions set out in the Law of the Republic of Lithuania on Sickness and Maternity Social Insurance.

Article 135. Educational leave

1. Employees enrolled in formal education programmes shall be granted educational leave for the following purposes on the basis of certificates from the education providers providing these programmes:

1) three calendar days for each examination to prepare for and sit ordinary examinations;

2) two calendar days for each test to prepare for and take tests;

3) as many days as are established in the study plans and schedules to perform laboratory work and participate in consultations;

4) 30 calendar days to complete and defend a thesis (bachelor's or master's), a doctoral dissertation or an art project;

5) six calendar days for each examination to prepare for and take state (final) examinations.

2. Employees attending non-formal adult education programmes or using self-learning opportunities shall be granted up to five working days of educational leave per year to attend non-formal adult education programmes or engage in self-learning. This leave shall be granted if the employer is notified thereof not later than 20 working days in advance.

3. For employees who have had employment relations with the employer for more than five years, at least half of the employee's average remuneration shall be paid for the educational leave specified in paragraphs 1 and 2 of this Article of up to 10 working days per year of employment provided the participation in the non-formal adult education programme is related to the employee's professional development, with the exception of self-learning.

4. Self-learning leave shall be unpaid unless otherwise agreed in collective agreements or by agreement between the parties.

Article 136. Sabbatical leave

1. In the cases set out in this Code and labour law provisions, or by agreement between the employee and the employer, an employee may be granted up to 12 months of sabbatical leave to pursue creative or scientific endeavours.

2. The payment of remuneration and the counting of the duration of the sabbatical leave towards the annual leave entitlement shall be set out in labour law provisions and agreements between the parties.

Article 137. Unpaid leave and unpaid time off

1. If the request is submitted by the following persons, the employer must satisfy an employee's request to grant unpaid leave of a duration not less than requested by the employee and provide the employee with a leave of the following duration:

1) a leave of up to 14 calendar days for an employee raising a child under the age of 14;

2) a leave of up to 30 calendar days for a disabled employee, an employee raising a disabled child under the age of 18, or an employee caring for a disabled person with a documented proof of need for permanent nursing care;

3) a leave with a total duration not exceeding three months, for a father, at his request, during the pregnancy leave and parental leave taken by the mother of his child; and for a mother during parental leave taken by the father;

4) a leave for the period recommended by the healthcare institution for an employee nursing an ill family member or a person residing with the employee, and an employee with a medical condition supported by a documented conclusion from a healthcare institution;

5) a leave of up to three calendar days for an employee getting married;

6) a leave of up to five calendar days for an employee participating in the funeral of a family member;

7) a leave of the duration set out in the collective agreement for an employee in the cases and procedure set out in the collective agreement.

2. Unpaid leave of one full working day/shift and more may be granted at the employee's request, if the employer consents to such leave.

3. During the working day/shift, unpaid time off for the employee's personal needs shall be granted at the employee's request, subject to the employer's consent. The employer must grant unpaid time off to the employee if the employee' request is related to a family emergency in the event of illness or an accident, where the employee must be directly involved. The parties to an employment contract may agree to move working time to another working day/shift, as long as the maximum working time and minimum rest time requirements are met.

4. Where necessary for the performance of public, civic or other duties, employees shall be exempted from the obligation to work under the procedure set out by law and shall still retain their job.

Article 138. Extended leave, additional leave and other benefits

1. Employees whose work involves greater nervous, emotional or mental strain and occupational risk, as well those who have specific working conditions, shall be granted up to 41 working days (for those who work five days per week), or up to 50 working days (for those who work six days per week), or up to eight weeks (if the number of working days per week is less or different) of extended leave. The Government of the Republic of Lithuania shall approve the list of categories of employees entitled to the extended leave and shall establish the specific duration of extended leave for each category of employees.

2. Employees shall be entitled to additional leave for long-term uninterrupted employment with the same employer, for work with deviations from normal working conditions that cannot be eliminated, and for work of a special nature. The procedure, conditions for granting, and duration of additional leave shall be set out by the Government of the Republic of Lithuania.

3. Employees with a child under 12 years of age are entitled to one additional day off per three months or working time reduced by eight hours within three months. Employees with a disabled child under the age of 18 or two children under the age of 12 shall be entitled to one additional day off per month or to working hours per week reduced by two hours, and those with three or more children under the age of 12, or those with two children under the age of 12 where one of the children or both are disabled shall be entitled to two additional days off per month (or to the reduction by four hours of the number of working hours per week) and to payment of their average remuneration. At the request of an employee who works shifts of more than eight working hours, this additional rest time may be aggregated over a period of several months until an additional day off is accrued, which shall be granted not later than on the last cumulative month.

4. Employees who are not entitled to the additional days off set out in paragraph 3 of this Article and who are raising a child under the age of 14 enrolled in a pre-primary, primary or basic education programme shall be granted at least half of the employee's working day off per year on the first day of school, paying them their average remuneration.

5. Labour law provisions or employment contracts may provide for longer or different types of leave, additional rights to choose the timing of annual leave, or higher payments for annual and special leave than those set out in this Code.

CHAPTER IX
REMUNERATION

Article 139. Definition of remuneration

1. 'Remuneration' means payment for work performed by an employee under an employment contract.

2. An employee's remuneration shall consists of the following components:

1) basic (rate) remuneration (hourly rate or monthly salary, or fixed part of the basic salary);

2) additional part of remuneration set out by mutual agreement or paid under labour law provisions or under the system of remuneration applicable at the workplace;

3) bonuses for qualifications acquired;

4) allowances for additional work or the execution of additional duties or tasks;

5) bonus payments for work performed, set by mutual agreement or paid under labour law provisions or under the system of remuneration applicable at the workplace;

6) bonus payments allocated on the initiative of the employer to incentivise an employee for work well done or for the activities or performance results of an employee, an enterprise, a department, or a group of employees.

3. Remuneration must be paid in monetary form. Items or services provided by the employer or other persons may not be considered remuneration except for the cases specified in Article 140(6) of this Code. Remuneration, daily subsistence allowances, reimbursement of business trip expenses, and other benefits related to labour relations must be paid by bank transfer to the employee's account specified by the employee, with the exception of seafarers, who are subject to the remuneration payment procedure set out in the Law on Merchant Shipping of the Republic of Lithuania, and with the exception of foreigners and asylum seekers entitled to gainful employment as set out in Article 71 and Article 1408 of the Law of the Republic of Lithuania on the Legal Status of Foreigners.

4. If, under this Code, other provisions of labour law, or an employment contract, an employee is to be paid an average salary (or a part thereof) which is a part of his/her previously received salary, the calculation of such a salary under the procedure set out by the Government of the Republic of Lithuania shall be based on the components of remuneration set out in paragraph (2)(1–5) of this Article.

5. If the employer is a subcontractor, the contractor shall be held subsidiarily liable for the payment of remuneration, including increased pay for overtime, night work, work on days off and public holidays, and payment to the employee for the performance of work specified in the Law on Construction of the Republic of Lithuania.

6. The subsidiary liability of the contractor set out in paragraph 5 of this Article for cases where the employer is a subcontractor shall be limited to the employee's right to remuneration, including increased pay for overtime, night work, work on days off and public holidays, given the said right is acquired during the performance of the job functions as part of the implementation of a construction contract concluded between the contractor and the subcontractor.

Article 140. Determination of remuneration

1. Each employment contract must determine either the size of remuneration per month (monthly salary) or the size of remuneration per hour (hourly rate), except for the cases where this remuneration is set out in labour law provisions. In the latter cases, the employment contract must contain a reference to the relevant labour law provisions.

2. The amount of remuneration may not be less than set out in the laws governing labour relations, collective agreements, other labour law provisions, or the remuneration system approved at the workplace.

3. The remuneration system at the workplace or at the enterprise, institution or organisation of the employer shall be set out in the collective agreement. In the absence of a collective agreement providing for this, remuneration systems at workplaces with an average number of employees of 20 or more must be approved by the employer and be made available for all employees to become acquainted with. Before approving or revising the remuneration system, information and consultation procedures must be performed in accordance with the procedure set out in this Code. The remuneration system shall specify the employee categories based on position and qualification as well as the remuneration range (minimum and maximum) and forms of payment for each of them, the grounds and procedures for allocating additional payment (bonuses and allowances), and the procedure for salary indexation.

4. The conditions for remuneration of employees of the Bank of Lithuania as well as enterprises, institutions and organisations funded from the budgets of the state, municipalities or the State Social Insurance Fund or from other funds established by the state, shall be set out under the procedure set out in legal acts.

5. The remuneration system must be designed to avoid any form of gender or other discrimination in its application. Men and women shall receive equal remuneration for the same or equal work. 'The same work' means the performance of a work activity which, based on objective criteria, is the same as, or similar to, another work activity to the extent that both employees can be interchanged without significant cost for the employer. 'Equal work' means a job that, based on objective criteria, is not less qualified and not less important to the employer's pursuit of operational objectives than another comparative job.

6. For the purposes of implementing the principles of gender equality and non-discrimination on other grounds, 'pay without discrimination' means non-discriminatory remuneration and any additional earnings, in cash or in kind, which the employee receives, directly or indirectly, from the employer for the work done.

Article 141. Minimum remuneration

1. An employee's monthly remuneration may not be less than the minimum remuneration set under the procedure set out in this Article.

2. Minimum remuneration (minimum hourly pay (wage) or minimum monthly salary) is the lowest permissible remuneration that can be paid to an employee for unqualified work per hour or for full-time standard working hours of a calendar month, respectively. Unqualified work shall consist of work that does not require any specific qualification (skills) or professional expertise.

3. The minimum hourly pay (wage) and the minimum monthly salary shall be approved by the Government of the Republic of Lithuania upon recommendation of the Tripartite Council of

the Republic of Lithuania and taking the indicators and trends of development of the national economy into account. The Tripartite Council of the Republic of Lithuania shall present its conclusion to the Government of the Republic of Lithuania on an annual basis, by 15 June or other date as requested by the Government of the Republic of Lithuania.

4. Collective agreements may establish minimum hourly rates and minimum monthly salaries that are higher than those set out in paragraph 3 of this Article.

Article 142. Awarding of bonuses to employees

1. Employees may be awarded bonuses for the following purposes:

1) to reward an employee for work under an employment contract in the cases, amounts and procedure set out in the employment contract, the remuneration system, or other labour law provisions;

2) on the initiative of the employer to incentivise an employee for performance results, activities or work well done.

2. A bonus payment provided for in point 2 of paragraph 1 of this Article may be withheld if, over the past six months, the employee infringed upon the duties set out in labour law provisions or the employment contract.

3. If a bonus is provided for under point 1 of paragraph 1 of this Article, termination of the employment relations shall not release the employer from the obligation to pay the bonus payment in proportion to the working time during the period for which the bonus payment is being allocated, unless a different period is set by the parties.

Article 143. Standard workload

1. If the scope of duties at work (hereinafter: ‘workload’) is established for an employee or group of employees, the employer must provide the working conditions necessary for the employee or group of employees to meet the workload requirements.

2. A substantiated request submitted by an employee regarding inappropriate workload shall be examined by the relevant labour dispute resolution bodies. The employer must prove that the workload requirements are set in accordance with the occupational risks, the working time involved, and the circumstances of the job function.

3. Where employees fail to meet the workload requirements through no fault of the employees, they shall be paid for the work actually performed. In this case, the monthly remuneration shall consist of not less than two-thirds of the employee’s average remuneration and shall at least be equal to the minimum remuneration.

4. If the workload requirements are not fulfilled through the fault of the employee, payment shall be made for the work actually performed.

Article 144. Payment for work on days off and public holidays, for overtime, for work involving deviations from normal working conditions and for increased workload

1. For work on a day off not scheduled as part of the work/shift schedule, at least double the employee's remuneration shall be paid.

2. For work on a public holiday, at least double the employee's remuneration shall be paid.

3. For work at night, an amount of at least 1.5 times the employee's remuneration shall be paid.

4. For overtime work, an amount of at least 1.5 times the employee's remuneration shall be paid. For overtime work on a day off not scheduled as part of the work/shift schedule or for overtime work at night, at least double the employee's remuneration shall be paid, and for overtime work on a public holiday at least 2.5 times the employee's remuneration shall be paid.

5. At the employee's request, working time on days off, public holidays or during overtime, multiplied by the corresponding rate established in paragraphs 1–4 of this Article, may be added to annual leave time.

6. Work performed on days off and public holidays, at night or during overtime by a single-person management body of a legal entity shall be recorded but shall not be paid for unless the parties agree otherwise in the employment contract. Work performed on days off and public holidays, at night or during overtime by the managerial staff of a legal entity (Article 101(3) and Article 101(4) of this Code) shall be recorded and shall be paid at the same rate as work done under the usual working time arrangements unless the parties agree otherwise in the employment contract. The number of such managerial staff of a legal entity in an enterprise, institution or organisation may not account for more than 20 per cent of the employer's average number of employees. The list of these employees shall be set out in labour law provisions.

7. For work with deviations from normal working conditions and for increased workload an increased remuneration as specified in Article 139(4) of this Code shall be paid, if compared to the remuneration for work under normal working conditions. The specific payment rates shall be set out in collective agreements and employment contracts.

8. *No longer effective from 1 June 2023.*

Article 145. Payment of average remuneration

1. The payments paid to an employee in the cases specified in this Code and other labour law provisions are calculated on the basis of the employee's average remuneration.

2. The Government of the Republic of Lithuania shall approve the Description of the Procedure for the Calculation of the Average Remuneration of Employees.

Article 146. Terms, place and procedure of payment of remuneration

1. Remuneration shall be paid to an employee at least twice a month or, at the employee's request, once a month. In any case, remuneration for work performed during a calendar month should be made at the latest within 10 working days after the end of the month, unless labour law provisions or the employment contract do not establish otherwise.

2. Upon termination of an employment contract, all employment-related payments due to the employee shall be paid out when the employment contract is terminated with the employee, but not later than by the end of the employment relations, unless the parties agree that the employee will be paid within 10 working days at the latest. In all cases, the part of remuneration or remuneration-related payments not exceeding the employee's average remuneration for one month must be paid not later than on the date of termination of the employment relations, unless agreed otherwise at the time of dismissal.

Article 147. Late payment of remuneration and other employment-related payments

1. If, before the end of employment relations, the remuneration or other employment-related payments are not paid out on time through the fault of the employer, the employee bound by the employment relations shall also be paid late fees in the amount approved by the Minister of Social Security and Labour of the Republic of Lithuania, unless labour law provisions establish higher late fees. The size of late fees shall be approved by the Minister of Social Security and Labour of the Republic of Lithuania by the 1 February each year, taking into account the consumer price index published by Statistics Lithuania for the previous calendar year (comparing last December with December of the previous year). Upon bankruptcy proceedings being instituted against the employer or out-of-court bankruptcy proceedings being implemented, the calculation of late fees shall cease upon entry into force of the court ruling to institute bankruptcy proceedings or from the day of the meeting of creditors during which the creditors resolved to implement out-of-court bankruptcy proceedings.

2. If, upon termination of employment relations, the employer is late in paying the employee through no fault of the employee (Article 146(2) of this Code), the employer must pay a forfeiture in the amount of the employee's average remuneration for one month multiplied by the number of months of arrears, up to a maximum of six. If the amount of arrears is less than the employee's average remuneration for one month, the amount of the forfeiture shall be equal to the amount of arrears multiplied by the number of months of arrears, up to a maximum of six. If the

period of delay is less than one month, the amount of forfeiture shall be the amount of the employee's average remuneration, calculated in proportion to the period of delay.

Article 148. Provision of information about the remuneration and work performed

1. At least once a month, the employer must provide the employee with information, in writing or by electronic means, on the amounts calculated, paid out and deducted for the employee and on the duration of the working time worked, listing overtime separately.

2. Information on the remuneration of an individual employee may only be disclosed or published in the cases set out in law or with the consent of the employee.

3. At the employee's request, the employer must issue a certificate about the employee's work at the enterprise, specifying the employee's job function or duties, the duration of the employee's work there, the amount of remuneration, and the amount of taxes and state social insurance contributions that have been paid.

Article 149. Defending employee claims in the event of employer insolvency

1. The employer shall be deemed insolvent upon becoming subject to bankruptcy proceedings or in other cases set out in law.

2. Employee claims related to employment relations shall be settled under the procedure set out in the Law of the Republic of Lithuania on Insolvency of Legal Persons or the Law of the Republic of Lithuania on Personal Bankruptcy.

3. Employees who are required to take part in the bankruptcy proceedings, except for the employees who are involved in the economic/commercial activity that is being continued, shall be paid their remuneration for work during this time from the funds allotted for administrative expenses.

4. In cases of employer insolvency in the procedure and conditions set out in law, employee claims related to employment relations shall be satisfied under the procedure set out in the Law of the Republic of Lithuania on Guarantees for Employees in the Event of Employer Insolvency and Long-term Employment Benefits.

Article 150. Deductions

1. Deductions from an employee's remuneration may only be made in the cases set out in this Code or other laws.

2. Deductions may be made in the following cases:

1) to return employer funds transferred to the employee and not used for their intended purpose;

2) to return amounts that were overpaid due to calculation errors;

3) to compensate for damage caused to the employer by the employee due to the fault thereof;

4) to recover holiday pay for leave that was granted in excess of the acquired entitlement to full or partial annual leave upon the employment contract being terminated on the initiative of the employee without a justifiable reason (Article 55 of this Code) or on the initiative of the employer due to the fault of the employee (Article 58 of this Code).

3. The employer shall have the right to order that the deduction be made within one month from the day that the employer found out or could have found out about the emergence of the grounds for the deduction.

4. The amount of deductions taken from the remuneration for work shall by set out in the Code of Civil Procedure of the Republic of Lithuania.

5. *No longer effective from 1 September 2018.*

6. *No longer effective from 1 September 2018.*

CHAPTER X
COMPENSATION FOR DAMAGE

Article 151. Compensation for damage

Each party to an employment contract must compensate the other party for material and non-material damage caused to it by a breach of work duties for which the former is responsible.

Article 152. Determination of the amount of material damage to be compensated

1. The amount of compensation for material damage shall consist of direct losses and lost income.

2. In establishing the amount of compensation for material damage, the following shall be taken into account:

1) the value of the property which was lost or which lost value minus depreciation, natural loss and costs incurred (direct losses);

2) the degree of fault of the party to the employment contract that incurred the damage and the actions taken thereby to avoid the occurrence of damage;

3) the degree of fault of the party to the employment contract that caused the damage and the actions taken thereby to avoid the occurrence of damage;

4) the extent to which the occurrence of the damage incurred was influenced by the nature of the employer’s activities and the commercial and industrial risks involved.

3. The body resolving the labour dispute on rights may reduce the amount of compensation for material damage by taking into account the financial and economic circumstances of the party to the employment contract that caused the damage, except for the cases where damage is done intentionally. If the amount of compensation for material damage payable to a particular employee is reduced, this may not be used as grounds for increasing the amount of compensation for material damage payable to other persons who have jointly caused the damage.

Article 153. Limitation of compensation for material damage caused by an employee

1. Except in the cases provided for in this Code and other laws, employees must compensate for all material damage caused, but pay not more than three times their average remuneration, or not more than six times their average remuneration for material damage caused due to gross negligence on their part.

2. A territorial or sectoral collective agreement may provide for other amounts of compensation for material damage, but these may not exceed 12 times the employee's average remuneration.

Article 154. Cases when the employee is liable for the full amount of damages

The employee shall be liable for the full amount of damages in the following circumstances:

1) where the damage is done intentionally;

2) where the damage is caused by an employee's act with elements of a criminal offence;

3) where the damage is caused by an employee under the influence of alcohol or narcotic, psychotropic or toxic substances;

4) where the damage is caused upon violating a non-compete agreement or the duty to protect confidential information;

5) where non-material damage is caused to the employer;

6) where full compensation of damage is provided for in the collective agreement.

Article 155. Compensation for damage and civil liability insurance

1. If the employer has insured the employee's civil liability (including with respect to third parties), the employer must apply directly to the insurer for the payment of indemnity.

2. If an employer is required to compensate an employee for damage related to the crippling or other personal injury of the employee, in the event of the employee's death, or due to the employee contracting an occupational disease, the employer must compensate the employee for damage to the extent that is not covered by state social insurance benefits.

Article 156. Procedure for the recovery of damages

1. Damage caused by an employee that has not been compensated thereby in good faith by agreement of the parties in cash or in kind may be deducted from the remuneration due to the employee on the written instruction of the employer. The amount of the said deduction may not exceed the employee's average remuneration for one month, even if the damage is greater. The employer's order for the recovery of this damage may be issued no later than three months from the date of discovery of the damage.

2. Where the deduction exceeds the employee's average remuneration for one month or where the time limit for the deduction has passed, the employer must claim damages in the procedure set out for settling labour disputes on rights.

3. The damage caused to an employee by an employer shall be compensated for in the procedure set out for settling labour disputes on rights.

Article 157. Compensation for damage in the event of reorganisation or dissolution of an employer

1. If an employer who is obligated to compensate the injured person for damage is reorganised, claims for damages shall pass to the successor of the employer.

2. Upon liquidation of a state or municipal enterprise, institution or organisation, the duty to compensate for damage shall pass to the state or the relevant municipality.

3. If an employer's enterprise is liquidated without compensating the injured persons for damage caused due to an accident at work or incidences of occupational disease, the amount of unpaid damages shall be accumulated and recovered under the procedure set out in the Civil Code of the Republic of Lithuania.

CHAPTER XI
SAFETY AND HEALTH AT WORK

Article 158. Organisation of safety and health at work

1. Every employee must be provided with the appropriate, safe and healthy working conditions as set out in the Republic of Lithuania Law on Safety and Health at Work. This law also sets out the rights and obligations of employees and employers, the institutional assurance system for health and safety at work, and special provisions for the protection of individual groups of employees, including employees who are pregnant, have recently given birth, are breastfeeding, are aged under 18, and are disabled.

2. The workplace and working environment of every employee must be safe, healthy, and equipped under the requirements of the regulatory acts on safety and health at work.

3. Work must be organised under the requirements of regulatory acts on safety and health at work.

4. Safety and health at work measures shall be funded by the employer.

Article 159. Right of employees to work safety

1. Employees shall have the right to refuse to work if there is a risk to their safety or health, to perform work for which they have not been trained to perform safely, to perform work for which there are no collective protective measures in place, or to perform work for which they have not been provided with the necessary personal protective equipment.

2. An employee's substantiated refusal to work shall not be deemed to be a breach of work duties.

Article 160. Compensation for damage

The transfer of an employer's duties or responsibilities to other persons shall not eliminate the employer's obligation to compensate for damage to the employee's health resulting from the employee's crippling or other bodily injury, the employee's death, or the employee's contracting an occupational disease.

PART III
COLLECTIVE EMPLOYMENT RELATIONS

CHAPTER I
GENERAL PROVISIONS

Article 161. The purpose and principles of social partnership in labour relations

1. The parties to an employment contract and their representatives shall coordinate and realise their interests through forms of social partnership.

2. In implementing social partnership, the principles of equality of arms, goodwill and respect for legitimate mutual interests, voluntary and independent acceptance of the obligations that bind the parties, and the real fulfilment of obligations, as well as other principles set out in labour law provisions, treaties of the Republic of Lithuania, and human rights standards, must be adhered to.

Article 162. Parties to social partnership

1. The parties to a social partnership (hereinafter: social partners) shall be employee representatives and employer representatives and their organisations, while the social partners at the level of the employer (or, where appropriate, the workplace) shall be the employer on the one hand and employee representatives on the other.

2. The Government of the Republic of Lithuania or institutions authorised thereby and municipal institutions shall be considered to be social partners when they act as employers or their representatives, as well as in other cases set out in this Code or other laws.

3. In the cases set out in this Code or other labour law provisions, employees may directly participate in the social partnership.

Article 163. Levels of social partnership

Social partnership may take place at the following levels:

1) national;

2) sectoral (industry, services, professional);

3) territorial (municipal or county);

4) employer (natural person or legal entity, or, in the case set out in Article 21(4) of this Code, the division of the employer (branch, representative office));

5) workplace, provided this is set out in this Code, labour law provisions or social partner agreements.

Article 164. Forms of social partnership

Social partnership shall be implemented in the following ways:

1) by forming bipartite or tripartite councils, participating in their activities and concluding agreements on labour, social and economic matters;

2) by initiating and conducting collective bargaining and concluding collective agreements;

3) through information and consultation procedures and participation in the management of an employer who is a legal entity.

CHAPTER II
PARTIES TO SOCIAL PARTNERSHIP

SECTION ONE
EMPLOYEE REPRESENTATIVES

Article 165. Employee representation system

1. ‘Employee representation’ means the protection of the rights and interests of employees and their representation in relations with other social partners and in institutions for the settlement of labour disputes and institutions of social partnership, as well as the establishment and amendment of their rights and obligations or other participation in the establishment of labour, social and economic rights and obligations of employees under the procedure set out in labour law provisions.

2. Trade unions, work councils and employee trustees are considered to be employee representatives.

3. In the cases set out in this Code and other laws, trade unions shall collectively represent their members – employees and persons working on the basis of legal relations deemed the equivalent to employment relations as specified in the Law of the Republic of Lithuania on Employment – in collective labour relations. Trade unions may, in the procedure set out in law, also represent third country nationals in judicial or administrative proceedings. Trade unions shall also defend their members on an individual basis and represent them in individual employment relations. Collective bargaining, the conclusion of collective agreements and the initiation of collective labour disputes on interests shall be the exclusive right of trade unions.

4. The work council and the employee trustee shall be independent bodies of employee representation that, in the cases and procedure set out in this Code, shall represent all employees at the employer level or, if so set out in this Code or social partner agreements, at the workplace level as well, in information, consultation and other participatory procedures by which the employees and their representatives are included in the employer’s decision-making process. Employee representatives at the level of the employer shall be considered to be employee representatives at the level of the workplace level, unless labour law provisions and social partner agreements establish otherwise.

5. The activities of employee representatives must be organised and implemented through cooperation and in such a way that the general interests and rights of the employees are protected as effectively as possible. The work council may not perform the functions of employee representation that are considered to be the exclusive right of trade unions under this Code.

Article 166. Independence guarantees of employee representatives

1. Employee representatives shall act freely and independently of other social partners. It is forbidden for an employer or other social partners to influence the decisions of employee representatives or otherwise interfere in the activities of employee representatives. It is forbidden for an employer, its legal representative, or its authorised person to make the recruitment or

continued employment of a person conditional on the employee not joining or leaving a trade union. It is prohibited for an employer, its legal representative or its authorised person to organise or finance organisations that seek to interrupt, terminate or control trade union activities. State and municipal institutions must refrain from interfering in the activities of employee representatives, unless required to do so by law due to violation of law.

2. Employee representatives shall have the right to apply to labour dispute resolution bodies and other competent authorities concerning illegitimate interference with their activities, asking that an obligation be imposed to terminate these actions, perform certain actions or compensate for damage.

3. An employer or another party to a social partnership shall have the right to apply to court requesting the termination of actions of employee representatives that violate their rights, the Constitution of the Republic of Lithuania, this Code, other laws, or agreements between the parties.

4. The activities of employee representatives may only be suspended or terminated by a court judgment. If an employee representative violates the Constitution of the Republic of Lithuania or this Code, the prosecutor shall have the right to apply to court for the suspension of employee representative activities for a period of up to three months. If the specified violation is not eliminated during this time, the activities of the employee representatives may, on proposal of the prosecutor, be terminated by a court judgment. On this basis, the mandate of the trade union, work council or employee trustee shall be deemed terminated.

Article 167. Guarantees for employee representative activities

1. The employer shall, free of charge, allot a room and allow the use of work equipment for the performance of the functions of the employee trustee, the members of the work council and the members of the management bodies of trade unions operating at an employer level. Other conditions of material/technical provision shall be set out in social partner agreements.

2. Under the procedure set out in laws, labour law provisions, and agreements between social partners, funds of other social partners may be allocated to the activities of employee representatives. Such an allocation cannot be used as a precondition for requiring a breach of the guarantees of the independence of the representatives.

3. In the procedure set out in laws, employee representatives shall be entitled to apply to labour dispute resolution bodies and other competent authorities concerning violations of their rights and legitimate interests. Persons who have caused damage to employee representatives through unlawful actions must compensate for the said damage under the procedure set out in law.

Article 168. Guarantees and protection from discrimination of persons representing employees at employer level

1. The members of employer-level trade union management bodies and work councils as well as employee trustees (hereinafter: 'persons representing the employees') shall normally carry out their duties during working hours. For this purpose, persons representing employees shall be released from work for at least 60 working hours per year for the performance of their duties. For this time, the employees shall continue to receive their average remuneration.

2. The employer shall create the conditions for the training and education of employees representing employees. They must be granted at least five working days per year for this purpose, at a time coordinated with the employer. For this time, employees shall continue to receive their average remuneration for at least two working days unless labour law provisions and social partner agreements establish otherwise. The period set out in paragraph 1 of this Article for the performance of representation functions may also be used for training and education.

3. For the period for which persons representing employees are elected and six months after the end of their term, they may not be dismissed on the initiative of the employer or at the will of the employer, and their statutory employment contract terms may not be made less favourable than their previous statutory employment contract terms or than the statutory employment contract terms of other employees of the same category, without the permission of the head of the territorial office of the State Labour Inspectorate in charge of the territory where the employer's workplace is located, as authorised by the Chief State Labour Inspector of the Republic of Lithuania. The head of the territorial office of the State Labour Inspectorate must examine an employer's substantiated request for termination of an employment contract or for changing the statutory employment contract terms and reply within 20 working days of receipt of the request. Employees or their representatives are entitled to submit their opinion on their own initiative or upon the request of the head of the territorial office of the State Labour Inspectorate. The head of the territorial office of the State Labour Inspectorate shall grant permission to the termination of an employment contract or to the change of the statutory employment contract terms provided the employer submits data confirming that the termination of the employment contract or the changes to the statutory employment contract terms bear no link to the employee representation activities being carried out by the employee and that the employee is not being discriminated against due to employee representation activities or trade union membership. Upon receiving an employer's substantiated request, the head of the territorial office of the State Labour Inspectorate shall inform thereof the body representing the employee and the employee concerned, and shall set a term of at least five working days for the employee representatives and the employee concerned to submit their opinion. The decision of the head of the territorial office of the State

Labour Inspectorate may be appealed in the procedure set out in the Law of the Republic of Lithuania on Administrative Proceedings. The employment contracts with persons representing employees may not be terminated until the labour dispute is settled. Within ten working days of the entry into force of the Labour Code, employer-level trade unions shall provide the employer with written lists of the management body members to whom the guarantees of this paragraph apply, while newly established trade unions shall do so within ten days from their date of establishment.

4. The employer may, within 30 days and in the procedure set out in the Republic of Lithuania Law on Administrative Proceedings, appeal the refusal of the head of the territorial office of the State Labour Inspectorate to grant permission for the termination of an employment contract. The entry into force of a judgment of the court on the refusal of the head of the territorial office of the State Labour Inspectorate to grant permission for the termination of an employment contract shall give the employer the right to initiate, within one month, the employment contract termination process under the procedure set out in this Code. The entry into force of a judgment of the court on the refusal of the head of the territorial office of the State Labour Inspectorate to grant permission shall not automatically establish the lawfulness of the termination of the employment contract.

5. The guarantees set out in paragraphs 1, 2 and 3 of this Article shall be applicable to the same number of management body members of each employer-level trade union that there would be/are work council members as set out in Article 170(1) of this Code, taking the employer's average number of employees into account.

6. Other guarantees may be set out in labour law provisions or agreements between social partners.

7. An employee's membership in a trade union or participation in the activities of a trade union or in bodies of employee representation may not be considered a violation of the employee's job duties.

SECTION TWO
WORK COUNCIL

Article 169. Preconditions for setting up work councils and the electoral initiative

1. The work council must be set up on the initiative of the employer when the employer's average number of employees is 20 or more, except for the case specified in paragraph 4 of this Article.

2. In the case of a domestic enterprise and/or in the case of an enterprise with active structural organisational units (branches, representative offices or other structural units of production or trade) of the employer with an average number of employees of twenty or more, except for the case set out in paragraph 4 of this Article, a work council may be elected at the level of the workplace for the structural organisational unit and a joint work council may be set up at the level of the employer.

3. The work council shall be set up for a term of three years. The term of the work council shall be calculated from commencement of the work council's mandate.

4. If there is an in-house employer-level trade union with more than one third of all employees as members, no work council shall be set up; in this case, the trade union shall assume the work council's entire mandate and shall perform all the functions assigned to the work council under this Code. If more than one third of the employees at a workplace belong to in-house trade unions, the functions of the work council shall be performed by trade union elected by the trade union members or by a joint representation of trade unions.

Article 170. Work council composition

1. Based on the average number of employees, the work council shall be made up of at least three and not more than 11 members, in the following proportions:

1) where the number of employees is less than 100, three members shall sit on the work council;

2) where the number of employees ranges from 100 to 300, five members shall sit on the work council;

3) where the number of employees ranges from 301 to 500, seven members shall sit on the work council;

4) where the number of employees ranges from 501 to 700, nine members shall sit on the work council;

5) where the number of employees is 701 or more, 11 members shall sit on the work council.

2. All employees who are at least 18 years of age and who have been in employment relations with the employer for at least six months are eligible for election as members of the work council. Employees who have been employed for less than six months may only be elected as members of the work council in the event that all of the employees have been employed for less than six months.

3. The employer and any persons representing the employer under law, power of attorney or formation documents may not be members of the work council.

Article 171. Work council elections

1. The work council shall be elected by secret ballot in direct elections, on the basis of universal and equal suffrage. With the exception of the persons referred to in Article 170(3) of this Code, all employees of an employer who have had employment relations with the employer for at least three uninterrupted months have the right to vote and may participate in work council elections.

2. An election commission set up by order of the employer shall hold the elections of the work council. Upon emergence of the preconditions set out in this Code, the employer shall form, within two weeks, a work council election commission of at least three and no more than seven members. No more than one third of the members of this commission may be officers from the employer's administration.

3. The election commission must convene its first meeting and begin organisation of the work council elections within seven days from the date of its formation. At the first meeting, the election commission shall elect a chairperson from among its members and shall perform the following actions:

1) set the date of the work council elections. This date must not be later than two months after the date of the formation of the election commission;

2) announce the registration of candidates for the work council, establish the deadline for nominations, register candidates, and draw up the final list of candidates;

3) organise the preparation and printing of ballot papers. Candidates for the work council shall be listed on the ballot papers in alphabetical order, by surname. Each ballot paper must include an example of how to vote and the number of members to be elected to the work council. The number of ballot papers must correspond to the number of employees entitled to vote. Each ballot paper must be signed by the chairperson of the election commission;

4) on the basis of the data received from the employer, draw up a list of employees entitled to participate in the work council elections;

5) organise and hold the work council elections;

6) count the election results and publish them within three days from the date of elections;

7) carry out other functions necessary for organising and holding work council elections.

4. During the mandate of the election commission, employees appointed to the election commission may not be dismissed from work on the initiative of the employer. They shall be paid their average remuneration for the time spent organising and holding the work council elections. The mandate of the election commission shall expire at the first meeting of the work council.

5. Employees eligible to vote may nominate candidates for the work council. Only

employees eligible to vote may be nominated as candidates, with the exception of the members of the election commission. Each employee may nominate one candidate by writing to the election commission and submitting the candidate's written consent to be elected to the work council. Employer-level trade unions shall be entitled to nominate at least three employees eligible to vote as candidates for the work council, and the candidate who receives the most employee votes shall be considered to be elected. The full list of candidates must be drawn up at least 14 days before the date of the work council elections. If the number of nominated candidates is equal to or less than the number of work council members to be elected, the election commission shall establish an additional period during which additional candidates may be nominated. In this case, candidates may also be repeatedly nominated by employees who have already nominated their own candidates. If not enough candidates are nominated to the work council elections during the additional period, the election commission shall draw up and publish a protocol deeming the work council elections as void. In this case, but no sooner than six months after the adoption of the decision of the election commission deeming the work council elections as void, new work council elections shall be held under the procedure set out in this Code.

6. Work council elections shall be held at an enterprise, institution or organisation during the working hours. The employer must create the conditions for the employees to participate in the elections and shall pay them their average remuneration for this period of time. The election commission and the employer must create the conditions for employees working outside the workplace to participate in the elections of the work council.

7. Ballot papers shall be issued under signature. Each employee participating in elections shall have the same number of votes as the number of work council members to be elected. Only one vote may be cast for each candidate listed on the ballot paper, by marking the candidate on the ballot paper.

8. Once the time established for the elections by the election commission is up, the election commission shall count the votes and draw up the record of the work council elections. The said record must specify the following details:

1) the time and place of the work council elections;

2) the composition of the work council election commission;

3) the list of candidates for the work council and the number of work council members to be elected;

4) the number of employees entitled to participate in the work council elections;

5) the number of employees who have voted in the work council elections, the number of ballot papers issued, and the number of ballot papers left unused;

6) the number of valid ballot papers and the number of invalid ballot papers (ballot papers where more candidates are marked than the set number of work council members to be elected, or where it is impossible to determine the will of the voter);

7) the number of votes received by each candidate (by providing the full list of candidates set out in descending order of the number of votes received in the elections);

8) the list of candidates elected to the work council;

9) the list of candidates who received at least one vote in the elections but were not elected to the work council (in descending order of the number of votes they received), which shall be used for drawing up the reserve list of work council members.

9. The election protocol shall be signed by the members of the election commission. The work council election results must be made public not later than within three days of establishing them, and a copy of the protocol must be delivered to the employer.

10. Work council elections shall be considered to have taken place if more than half of the employees entitled to vote have taken part. If a work council election is deemed void due to insufficient employee participation, a repeat election must be held within the next seven days. The repeat election will be considered to have taken place if one fourth of the employees entitled to vote employed in the enterprise, institution or organisation have taken part.

11. The candidates who receive the majority of votes shall be considered to be elected members of the work council. If two or more candidates receive the same number of votes, the candidate with the longest service at the enterprise, institution or organisation shall be considered to be elected. Persons on the reserve list of work council members may, in consecutive order, become work council members when vacant seats appear on the work council.

12. The ballot papers as well as all documents related to the formation of the election commission and the organisation and holding of elections shall be handed over to the work council at its first meeting. The work council shall ensure the safekeeping of the said documents until the formation of a new work council.

13. The employer shall provide the material and technical resources needed for the work council elections.

14. An employee(s), employer or employer representative may, within five days of the date of the announcement of the election results, submit a written request to the election commission for the rectification of any violations of this Code that they believe were committed during the elections. The election commission must examine the request and make it public within three days. The decision of the election commission may be appealed in court within five days of the public announcement thereof. The court may decide to prohibit the convening of the elected work council until it has examined the appeal that was filed. If the court finds that the provisions of this Code

have been grossly violated or that the election documents have been forged, and that this has had substantial influence on the determination of the results of the elections, the court shall annul the results of the work council elections. A repeat election must be held under the procedure and conditions set out in this Code not later than one month after the day of the court judgment taking effect.

15. If the average number of employees of the employer, calculated under the procedure set out in this Code, increases by 20 per cent or more, resulting in an increase in the number of work council members to be elected under the provisions of this Code, the chairperson of the work council shall initiate, under the procedure set out in this Code, election of a new member(s), with a mandate until the expiry of the term of office of the current work council. The work council election commission shall hold the elections of the new member(s) under the provisions of this Article *mutatis mutandis*.

16. By common agreement between the election commission and the employer, electronic voting may be used for election of the work council, provided that it is possible to ensure the secrecy of the ballot and that the true will of the employees is expressed.

Article 172. Work council membership

1. An employee elected to the work council shall be considered to be a member of the work council from the moment of announcement of the results of the work council elections. Employees on the reserve list of the work council members shall become work council members and shall replace the employees completing their work council membership as of adoption of the decision of the work council confirming their mandate as new members of the work council.

2. Membership on the work council shall be terminated in the following cases:

1) resignation from the work council;

2) termination of the employment relations;

3) death of a work council member;

4) entry into force of a court judgment ruling the election of a work council member as unlawful;

5) expiry of the term of office of the work council;

6) resignation from the work council owing to written request of at least one third of the employer’s or the workplace’s employees entitled to vote. Upon receiving the said written request from the employees, the work council must, no later than within three weeks, hold a secret employee ballot which shall be lawful if more than half of the employer’s or the workplace’s employees entitled to vote participate therein. The work council member shall be removed if more than two thirds of the employees participating in the ballot vote in favour of the removal;

7) becoming an employer or a person representing an employer by virtue of law, power of attorney or articles of association.

Article 173. Organisation of work council activities

1. The work council shall receive its mandate and begin performing the functions set out in this Code upon assembling for its first meeting. The first meeting of the work council must be convened by the chairperson of the election commission no earlier than five days and not later than 10 days after the election results are announced.

2. At the first meeting of the work council, the work council members shall elect the work council chairperson and secretary from among their members by majority vote of all of the members of the work council.

3. The work council chairperson shall perform the following duties:

1) convene and chair meetings of the work council;

2) represent the work council in its relations with the employees, the employer, trade unions and third parties;

3) draft the annual report on work council activities for the employees of the enterprise, institution or organisation and submit the report approved by the work council to the employees of the enterprise, institution or organisation;

4) possess the rights set out in this Code and other laws, as well as in the rules of procedure of the work council approved at its first meeting.

4. The secretary of the work council shall manage and keep work council documentation; inform the members of the work council of the date, time, place and agenda of meetings of the work council to be convened; inform the employer of the date, time and place of meetings of the work council; take minutes of work council meetings; and carry out other assignments of the chairperson of the work council. Should a secretary of the work council be temporarily unable to perform the assigned duties, a work council member appointed by the chairperson of the work council shall fill in.

5. The work council shall carry out its activities in the form of meetings. The employer, employer representatives and representatives of the in-house trade unions or sectoral trade unions shall be entitled to attend meetings of the work council at the invitation or subject to approval of the work council, where approval is granted by the majority of the members of the work council. Where necessary, the work council may invite experts from the relevant field to its meetings. Organisational matters of the work council shall be governed by the rules of procedure of the work council approved by the work council for its term of office by majority vote of all of its members.

6. No later than within one month of commencement of the work council's mandate, the chairperson of the work council shall give written notification to the territorial branch of the State Labour Inspectorate according to the location of the registered office of the employer about the formation and governing bodies of the work council, and the name of the employer's enterprise, institution or organisation where the work council was set up.

Article 174. Rights and obligations of the work council

1. The work council shall have the following rights:

1) right to participate in information, consultation and other participatory procedures by which the employees and their representatives are included in the employer's decision-making process;

2) right to receive, in the cases and in the terms set out in this Code and other laws, the information from the employer and from state and municipal institutions and establishments necessary for the performance of the functions of the work council;

3) right to submit proposals to the employer on economic, social and labour issues, on decisions of the employer that are relevant to the employees, and on the implementation of labour law provisions;

4) right to initiate a collective labour dispute on rights if the employer fails to fulfil the requirements of labour law provisions or fails to honour the arrangements between the work council and the employer;

5) right to discuss, where necessary, economic, social and labour issues of importance to the employees and convene a general meeting/conference of the employees of the employer or of the workplace, upon coordinating the date, time and place of the meeting/conference with the employer;

6) right to perform other actions that are not in conflict with this Code or other labour law provisions, as well as actions set out in labour law provisions or arrangements between the work council and the employer.

2. The work council must do the following:

1) perform its functions under the requirements of this Code, other laws and labour law provisions, as well as arrangements between the work council and the employer;

2) in carrying out its functions, take the rights and interests of all of the employer's employees into account and not discriminate against individual employees, groups of employees, or employees in particular workplaces;

3) inform the employees about its activities on a yearly basis by publicly providing the employees of the enterprise, institution or organisation with an annual report on work council activities or by another method established in the rules of procedure of the work council;

4) inform the employer and the employer-level trade union in writing about the authorised members of the work council;

5) if there are one or more trade unions operating at the employer level, cooperate with all of the trade unions on the basis of mutual trust.

Article 175. Arrangements between the employer and the work council

1. The employer and the work council may enter into a written arrangement covering the exercise of the work council's powers, the organisation and funding of the activities of the work council, the provision of additional guarantees for work council members for the duration of their activities, and other related matters that promote cooperation between the work council and the employer.

2. Terms of employment, remuneration, working time, rest time of employees and other matters regulated by the collective agreement applicable to the employer's employees may not be negotiated in an employer-work council arrangement.

3. An employer-work council arrangement shall be made for a fixed term. Its duration shall not exceed one year from the end of the term of office of the work council that concluded it.

4. Either party may terminate the employer-work council arrangement by notifying the other party thereof in writing at least three months in advance. This provision shall also apply in the case when a new work council is elected and the arrangement between the employer and the previous work council is still in effect.

Article 176. Termination of work council activities

1. The activities of a work council shall be terminated under the following conditions:

1) when the employer's operations cease in the absence of an assignee or the activities of the workplace are terminated without transferring the employees thereof to another workplace of the employer;

2) when the term of office of the work council expires;

3) when less than three members remain on the work council and there are no candidates on the reserve list of work council members who are entitled to become work council members;

4) by decision of the work council, adopted by more than a two-third majority vote of the members of the work council;

5) when the employer is merged with or incorporated into another enterprise, institution or organisation, or the employer's business, in full or in part, is transferred to another employer and the work council operating therein agrees with the work council of the business transferee on election of a new work council. In the absence of such agreement, the acting work council shall retain its mandate to represent the employees of the employer or the business or part thereof until the end of its term of office or until the formation of a new work council at the enterprise, institution or organisation of the business transferor, whichever comes first.

2. The procedure for the election of a new work council shall begin at least three months before the end of the term of office of the acting work council or within one month of emergence of the circumstances set out in points 3, 4 and 5 of paragraph 1 of this Article. The election of a new work council must be initiated by the acting work council by proposing that the employer form an election commission under the procedure set out in this Code.

3. If a new work council is not set up within six months, the employer shall give written notification thereof to the territorial office of the State Labour Inspectorate assigned according to the location of the registered office of the employer about the termination of the work council's activities on the basis of paragraph 1(1) of this Article or on the grounds set out in paragraphs 1(2) and 1(3) of this Article.

SECTION THREE
EMPLOYEE TRUSTEE

Article 177. Competence of the employee trustee

1. If the employer's average number of employees is less than 20, employee representation rights may be exercised by an employee trustee elected thereby at a general meeting of the employees of the employer for a term of three years.

2. Unless established otherwise, all provisions of this Code and other laws and labour law provisions establishing the rights, obligations and guarantees of the work council and its members shall apply to the employee trustee *mutatis mutandis*.

Article 178. Election of the employee trustee

The employee trustee shall be elected by secret ballot at a general meeting of the employees of the employer. The general meeting of the employees of the employer shall be legitimate if at least two-thirds of the enterprise's employees participate therein. The employee trustee shall be deemed to be elected from the day the results of the election are announced.

SECTION FOUR
TRADE UNIONS

Article 179. Trade unions

1. In protecting the labour, professional, economic and social rights and interests of employees, trade unions shall act in accordance with the laws governing trade union activities, this Code, and their statutes.

2. In order to establish a trade union operating at the level of the employer (a natural person, enterprise, institution or organisation, or, in the case set out in Article 21(4) of this Code, at the level of a division (branch, representative office)), the trade union must have 20 founders or at least one tenth, but no less than three, of all of the employer's employees as founders. Organizations of trade unions operating at national, sectoral or territorial level shall be entitled, under the procedure set out in their statutes, to establish their own divisions. Such divisions shall be considered as trade unions operating at the level of the employer (a natural person, enterprise, institution or organisation or, in the case referred to in Article 21(4) of this Code, at the level of a division (branch, representative office)) and shall have all the rights and obligations of the employees' representatives provided for in this Code and other legal acts, if at the time of establishment they have at least 20 employees of the employer as members or at least one tenth, but no less than three, of all of the employer's employees as members.

3. Trade unions shall also have the right to establish and join trade union organisations operating at the sectoral or territorial level, provided these organisations consist of at least five employer-level trade unions.

4. Trade union organisations operating at the sectoral or territorial level may unite into national-level trade union organisations. National-level trade union organisations must meet the following criteria:

1) have a status of a legal entity;

2) have operated continuously as a trade union organisation for at least three years;

3) have an independent organisational structure;

4) have at least five employees working under employment contracts;

5) incorporate at least seven different sectoral and/or territorial level trade union organisations, with branches in at least two thirds of the territory of the counties of the Republic of Lithuania;

6) have no valid court convictions;

7) be not the subject of any bankruptcy proceedings or out-of-court bankruptcy proceedings, compulsory liquidation proceedings or any arrangement with creditors;

8) have no tax arrears to the State Budget of the Republic of Lithuania, municipal budgets, or funds for which taxes are administered by the State Tax Inspectorate (except for cases where the payment of taxes, late fees or fines has been deferred or a tax dispute is pending regarding unpaid taxes, late fees or fines), and have no debts with the budget of the State Social Insurance Fund;

9) incorporate at least 15 per cent of the total number of members of Lithuanian trade unions;

10) belong to organisations of the European Union (hereinafter: the 'EU') or the European Economic Area, or other international organisations where more than half of the members are EU Member States or where more than half of the EU Member States belong to an international organisation, and where a membership fee is paid.

SECTION FIVE
EMPLOYER REPRESENTATIVES

Article 180. Employer representation at employer level in the social partnership

1. An employer who is a natural person shall participate in the social partnership and assume the rights and obligations personally.

2. An employer who is a legal entity shall be represented in the social partnership at employer level by the single-person management body of the legal entity or persons authorised thereby.

Article 181. Employer representation at sectoral, territorial or national level in the social partnership

1. Employers shall be represented in the social partnership at sectoral, territorial or national level by employers' organisations (associations, federations, confederations, unions, etc.).

2. In social partnerships at the sectoral or national level, the Government of the Republic of Lithuania or institution authorised thereby shall represent employers who are institutions or organisations funded from the state budget, the budgets of municipality or State Social Insurance Fund, or from other funds established by the state, and employers who are enterprises, institutions or organisations whose rights of ownership and obligations are assumed by the state or municipality.

3. In social partnerships at the territorial level, employers who are institutions or organisations funded from municipal budgets shall be represented by the relevant municipal council, and institutions or organisations funded from the budget of the State Social Insurance

Fund or from other funds established by the state shall be represented by the Government of the Republic of Lithuania or institution authorised thereby. Enterprises, institutions or organisations whose rights of ownership and obligations are assumed by a municipality shall also be represented by the relevant municipal council in social partnerships at the territorial level.

4. In the cases set out in paragraphs 2 and 3 of this Article, the legal provisions governing the rights and obligations of employers' organisations shall apply *mutatis mutandis* to the municipal council, the Government of the Republic of Lithuania, or the institution authorised thereby.

5. The provisions of this Article shall also apply in the cases where these enterprises, institutions or organisations participate in social partnerships with trade unions that represent persons working on the basis of legal relations deemed equivalent to employment relations as specified in the Republic of Lithuania Law on Employment.

Article 182. Definition and grounds for the activities of employers' organisations

1. An employers' organisation, as a public sector entity that has its own name and limited civil liability, is an association established under the Republic of Lithuania Law on Associations.

2. Employers shall have the right, without any restrictions, to establish and join employers' organisations whose activities are based on this Code, the Law of the Republic of Lithuania on Associations, and the statutes of the employers' organisations.

3. Associations established and operating under the Law of the Republic of Lithuania on Associations shall also be recognised as employers' organisations if, under their statutes, they represent the rights and interests of their members (employers) in the social partnership.

4. The provisions of the Law on of the Republic of Lithuania on Associations shall apply *mutatis mutandis* to the establishment, registration, content of statutes, reorganisation and liquidation of employers' organisations.

5. Employers' organisations shall have the right to join higher-level employers' organisations (associations, federations, confederations, unions, etc.).

Article 183. Competences of employers' organisations

1. Notwithstanding the competences defined in the association statutes, employers' organisations shall do the following:

1) initiate setting up of bipartite and tripartite labour and social affairs councils and participate in their activities;

2) participate in collective bargaining and conclude collective agreements;

3) represent the interests of employers' organisation and their members in relations with trade unions and state and municipal institutions and establishments;

4) have the right to receive, within the time limits set out by law, the information from state and municipal institutions and establishments on labour, economic and social matters necessary for the performance of the organisation's activities, and to submit proposals to state and municipal institutions, trade unions and their organisations regarding the adoption, amendment or repeal of legal acts on labour, economic and social matters;

5) have the right to receive the information from a trade union necessary for the implementation of the social partnership functions of the organisation. This information must be provided in writing free of charge, unless the parties have agreed otherwise. The provision of copies of documents shall be deemed equivalent to the provision of information in writing. Information may be provided by using any form of information technology;

6) develop the internal policy of the organisation, collect and analyse information about the organisation, and inform the public about current matters on the organisation's agenda;

7) keep the members (employers) informed about the state of labour, economic and social legislation;

8) arrange training for members on matters pertaining to social partnership and collective and individual employment relations;

9) consult members on social partnership and collective and individual employment relations;

10) have the right to participate in the settlement of labour disputes on rights under the procedure set out in legal acts;

11) perform other actions set out in labour law provisions and agreements with state and municipal institutions, trade unions and their organisations.

2. The procedure and conditions for exercise of the competence set out in paragraph 1 of this Article shall be set out in the statutes of the employers' organisation.

CHAPTER III
FORMS OF SOCIAL PARTNERSHIP

SECTION ONE
EMPLOYMENT AND SOCIAL COUNCILS

Article 184. Sectoral and territorial Employment and Social Councils

1. Based on agreements between social partners, bipartite and tripartite Employment and Social Councils may be established in order to examine and resolve employment, safety and health at work, and other labour and labour-related issues through equal social cooperation.

2. Bipartite and tripartite Employment and Social Councils may be set up at sectoral and territorial levels of social partnership. Depending on the level of social partnership at which the Employment and Social Council is set up, the parties thereto may be state and municipal institutions and employee and employers' organisations operating at the respective level.

3. The activities of bipartite and tripartite Employment and Social Councils shall be set out in their rules of procedure approved by the founders of the Employment and Social Councils.

Article 185. Tripartite Council of the Republic of Lithuania

1. The Tripartite Council of the Republic of Lithuania shall be set up for a term of four years and shall consist of 21 members, including seven representatives delegated by national-level trade unions, seven representatives delegated by national-level employers' organisations, and seven representatives delegated by the Government of the Republic of Lithuania. The composition of the Tripartite Council shall be formalised by resolution of the Government of the Republic of Lithuania.

2. Trade union organisations and employers' organisations seeking to delegate their representative to the Tripartite Council must meet the following criteria:

1) have the status of a legal entity;

2) have at least five employees working under employment contracts;

3) have operated continuously for at least three years;

4) be members of an international trade union or an international employers' organisation;

5) have no valid court convictions;

6) be not the subject of any bankruptcy proceedings or out-of-court bankruptcy proceedings, compulsory liquidation proceedings or any arrangement with creditors;

7) have no tax arrears to the State Budget of the Republic of Lithuania, municipal budgets, or funds for which taxes are administered by the State Tax Inspectorate (except for cases where the payment of taxes, late fees or fines has been deferred or a tax dispute is pending regarding unpaid taxes, late fees or fines), and have no debts with the budget of the State Social Insurance Fund;

8) as a trade union organisation, group at least 0.5 per cent of persons working on the territory of the Republic of Lithuania under employment contracts or on the basis of other legal relations deemed equivalent to employment relations as specified in the Law of the Republic of Lithuania on Employment; or, as an employers' organisation, have its members (employers)

employ at least three per cent of persons working on the territory of the Republic of Lithuania under employment contracts or on the basis of other legal relations deemed equivalent to employment relations as specified in the Law of the Republic of Lithuania on Employment;

9) have structural divisions that represent employees from different sectors of economic activities, or have members of the organisation who operate on the territory of at least two thirds of the counties of the Republic of Lithuania.

3. The Ministry of Social Security and Labour of the Republic of Lithuania shall assess whether the organisations meet the criteria set out in paragraph 2 of this Article. The organisations meeting the criteria set out in paragraph 2 of this Article shall be ranked according to the criterion set out in Article 2(8) of this Code, starting with the trade union organisations representing the largest number of employees or the employers' organisations representing employers with the greatest number of employees. The first seven organisations on the list of employers' organisations and the first seven organisations on the list of trade union organisations shall be invited by the Ministry of Social Security and Labour of the Republic of Lithuania to delegate one member and one alternate member each to the Tripartite Council. Any of the organisations, together with the organisations of its members, shall have the right to delegate one member and one alternate member each to the Tripartite Council. This rule shall not apply if there are less than seven organisations on the list that meet the criteria set out in paragraph 2 of this Article. In this case, the organisations on the list shall be entitled to delegate an additional member and an additional alternate member to the Tripartite Council, in consecutive order, until the number of members delegated by the organisations on the list reaches seven.

4. The Government of the Republic of Lithuania shall delegate its representatives to the Tripartite Council by resolution of the Government of the Republic of Lithuania.

5. Membership of the Tripartite Council shall not exceed two consecutive terms.

6. The term of office of a member of the Tripartite Council shall be terminated prematurely in the following cases:

1) upon the resignation thereof;

2) where member is convicted by court and the court's judgment of conviction takes effect;

3) upon removal by the Government of the Republic of Lithuania of its representative or by the organisation that had delegated the member;

4) upon the death of the member;

5) upon cessation, under the procedure set out in the Civil Code of the Republic of Lithuania, of the organisation that had delegated the member.

7. If, on the grounds provided for in paragraph 6 of this Article, the term of office of any member of the Tripartite Council is terminated before the term of the Tripartite Council expires, a

new Tripartite Council member and a new alternate member shall be nominated to the Ministry of Social Security and Labour of the Republic of Lithuania by decision of the organisation that had delegated the member; if the organisation ceases to exist, the said member and alternate member shall be nominated by the organisation next on the list referred to in paragraph 3 of this Article, namely, an organisation next on the list after the organisation which has already delegated a member to the Tripartite Council.

8. The chairperson of the Tripartite Council shall be appointed by agreement of the parties (the representatives of the trade union organisations, the employers' organisations and the Government of the Republic of Lithuania) from among the members of the Tripartite Council on a rotating basis for a term of six months.

9. The Tripartite Council shall discuss issues and present conclusions and proposals in the areas of labour, social and economic policy, as well as on matters that must be considered under Convention No 144 of the International Labour Organisation Concerning Tripartite Consultations to Promote the Implementation of International Labour Standards.

10. The functions and rights of the Tripartite Council as well as the procedure for organising its work shall be set out in the Regulations of the Tripartite Council. The said Regulations shall be approved and amended by the Tripartite Council.

11. The representatives of the organisations and the Government of the Republic of Lithuania must provide the Tripartite Council with the necessary information on the issues under consideration.

12. The Tripartite Council shall be entitled to adopt decisions, submit conclusions and recommendations to the parties, conclude tripartite agreements in the areas set out in paragraph 9 of this Article, receive the information necessary for the work of the Tripartite Council, invite representatives of the parties as well as experts to its meetings, and hear them cover matters within the competence of the Tripartite Council.

SECTION TWO
COLLECTIVE BARGAINING AND CONCLUSION OF COLLECTIVE AGREEMENTS

Article 186. Application of the legal provisions regulating collective bargaining and collective agreements

1. The provisions of this Section shall apply to employees and persons working on the basis of legal relations deemed equivalent to employment relations, as specified in the Republic of Lithuania Law on Employment.

2. Under the provisions of this Section, persons working on the basis of legal relations deemed equivalent to employment relations as specified in the Law of the Republic of Lithuania on Employment shall be considered employees, and the other participant in the relations (an enterprise, institution or organisation) shall be considered the employer.

3. The laws of the Republic of Lithuania may establish restrictions on, or special conditions for the exercise of, the right to collective bargaining and to the conclusion of collective agreements for persons working on the basis of legal relations deemed equivalent to employment relations as specified in the Law of the Republic of Lithuania on Employment.

Article 187. Collective bargaining and collective agreements

Employers, employers' organisations, trade unions and trade union organisations shall, under the procedure set out in this Code, have the right to initiate and participate in collective bargaining for the conclusion or amendment of collective agreements as well as to conclude collective agreements.

Article 188. Collective bargaining

1. Employees may only be represented in collective bargaining by trade unions.

2. *No longer effective from 1 August 2020*.

3. If there is no trade union operating at the employer level, the general meeting of the employees of the employer may authorise a sectoral trade union to negotiate an employer-level collective agreement.

4. The party initiating the collective bargaining process must submit a written introduction to the other party to the negotiations. The party seeking collective bargaining must present clearly formulated demands and proposals, and specify the representatives that it is delegating to the collective bargaining.

5. The party that has received the proposal must enter into collective bargaining within 14 days by sending a written reply to the party initiating the collective bargaining process, indicating the representatives it will delegate to the collective bargaining process.

6. Collective bargaining is considered to have commenced on the day following the date on which the party initiating the collective bargaining process receives the written reply from the other party. If the parties fail to agree on the opening of negotiations, negotiations must be convened within seven days of the first day of collective bargaining. Neither party may refuse to participate in the collective bargaining.

7. During the first meeting of the collective bargaining working group, the parties to collective bargaining shall agree on the course of the collective bargaining process, namely:

1) the commencement and estimated duration of the collective bargaining;

2) organisational issues and the procedure for collective bargaining;

3) the provision of information necessary for drafting the collective agreement, including its scope and submission deadlines;

4) other relevant issues.

8. Collective bargaining must be conducted in good faith and may not be protracted.

9. If the parties have not decided otherwise, collective bargaining shall be deemed to have ended when a collective agreement is signed or a disagreement protocol is drawn up, or when one of the parties gives the other party written notice of withdrawal from the collective bargaining.

Article 189. Rights and obligations of parties to collective bargaining

1. The parties to collective bargaining shall have the right to demand that they be given the information necessary to conclude a collective agreement.

2. The parties to collective bargaining shall have the right to engage experts, both for drafting the collective agreement and for participating in collective bargaining. The cost of expert services shall be borne by the party that invited them, unless otherwise agreed in the agreement on the course of the collective bargaining process.

3. All persons participating in collective bargaining must protect the confidential information that becomes known to them while participating in collective bargaining and drafting the collective agreement. Persons participating in collective bargaining who violate this obligation shall be liable under the procedure set out in laws.

Article 190. Collective agreement

The collective agreement is a written agreement concluded between trade unions, on the one hand, and employers and their organisations, on the other, which sets out labour law provisions and the mutual rights, obligations and responsibilities of the parties.

Article 191. Types of collective agreements

The following are the types of collective agreements that may be concluded:

1) national (cross-sectoral) collective agreements;

2) territorial collective agreements;

3) sectoral (industry, services, professional) collective agreements;

4) employer-level collective agreements;

5) workplace-level collective agreements, concluded in the cases set out in national, sectoral or employer-level collective agreements.

Article 192. Parties to collective agreements

1. The collective agreement shall be a bipartite agreement.

2. The parties to a national (cross-sectoral) collective agreement are one or more national trade union organisations, on one hand, and one or more national employers' organisations, on the other.

3. The parties to a territorial collective agreement are one or more trade union organisations operating in that territory, on one hand, and one or more employers' organisations, on the other.

4. The parties to a sectoral (industry, services, professional) collective agreement are one or more sectoral trade union organisations, on one hand, and one or more employers' organisations of the corresponding sector, on the other. A sectoral (industry, services, professional) collective agreement may be limited to a certain territory.

5. The parties to an employer- or workplace-level collective agreement are an employer-level trade union and the employer. Where there are several trade unions at the employer or workplace level, a collective agreement at the employer or workplace level may be concluded between a trade union and the employer or between a joint representation of trade unions and the employer.

6. *No longer effective from 1 August 2020.*

Article 193. Content of collective agreements

1. In a collective agreement, the parties shall set out the labour, social and economic conditions and guarantees for the employees, as well as the mutual rights, obligations and liability of the parties.

2. In setting out the content of the collective agreement, the parties to the agreement must adhere to the principles of justice, reason and good faith.

3. The labour law provisions set out in national, sectoral or territorial-level collective agreements, with the exception of the rules related to maximum working time and minimum rest time, the conclusion and termination of employment contracts, minimum remuneration, safety and health at work, and gender equality and non-discrimination on other grounds, may derogate from the mandatory rules set out in this Code or other labour law provisions, provided that the collective agreement achieves a balance between the interests of the employer and the employees. Disputes on the legitimacy of such provisions shall be settled in the procedure for settling labour disputes on rights. If it is established that a clause of a collective agreement conflicts with the mandatory rules set out in this Code or other labour law provisions, or that a collective agreement fails to achieve a balance between the interests of the employer and the employees, the collective

agreement may not be applied and the rule set out in this Code or labour law provisions shall apply instead. In any case, a collective agreement may provide for conditions that are more favourable to the employees than those set out in this Code or other labour law provisions.

4. In a national (cross-sectoral), territorial or sectoral (industry, services, professional) collective agreement, the parties may cover the following matters:

1) determination of remuneration, job standards and other remuneration-related matters covering one or more sectors or territories for employees of employers operating in one or more sectors or territories;

2) safety and health at work;

3) matters related to the employment, vocational training and re-training of employees;

4) social partnership support measures to help avoid collective labour disputes;

5) other labour, social and economic conditions of relevance to the parties;

6) the procedure for amending, supplementing and terminating the collective agreement, the period of validity and the system and procedure for enforcing the collective agreement, and other organisational matters relating to the conclusion and implementation of the collective agreement.

5. In an employer- or workplace-level collective agreement, the parties may cover the following matters:

1) terms for the conclusion, amendment and termination of employment contracts;

2) terms of remuneration;

3) terms of working and rest time;

4) measures for safety and health at work;

5) conditions for the mutual provision of information between the parties;

6) the procedure for implementing the rights to information, consultation and other types of participation of employee representative in the employer’s decision-making process, without prejudice to the powers of the work council set out in law;

7) other labour, economic and social matters of relevance to the parties;

8) the procedure for the fulfilment of the collective agreement;

9) the procedure for amending, supplementing and terminating the collective agreement, the period of validity and the system and procedure for enforcing the collective agreement, and other organisational matters relating to the conclusion and implementation of the collective agreement.

Article 194. Collective bargaining in the public sector

1. Upon receiving a proposal from a trade union organisation to begin collective bargaining at the national (cross-sectoral) or sectoral (industry, services, professional) level, or upon initiating the said itself, the Government of the Republic of Lithuania or institution authorised thereby shall represent employers that are institutions or organisations funded from the budgets of the state, municipality or State Social Insurance Fund or from other funds established by the state; in such cases the Government must invite private sector employers' organisations operating in the relevant sector (industry, services, professional) that can participate together in this collective bargaining. These provisions shall also apply, *mutatis mutandis,* when municipal institutions are involved in a social partnership at the territorial level.

2. The Government of the Republic of Lithuania may participate in collective bargaining directly as a party to a sectoral (industry, services, professional) collective agreement, or may authorise a ministry, another relevant institution of the Government of the Republic of Lithuania, or an institution under a ministry to participate in the collective bargaining.

3. Negotiations on a national (cross-sectoral) or sectoral (industry, services, professional) collective agreement must be completed before the Ministry of Finance of the Republic of Lithuania begins to draft the law on the approval of financial indicators of the state budget and municipal budgets for the corresponding year. A conclusion must be obtained from the Ministry of Finance of the Republic of Lithuania regarding a draft sectoral (industry, services, professional) collective agreement drawn up and agreed by the parties.

Article 195. Procedure for the conclusion and registration of collective agreements

1. Collective agreements shall be concluded through collective bargaining conducted under the procedure set out in this Code.

2. If a collective agreement has already been concluded, the parties must begin collective bargaining on its renewal at least two months before its expiration.

3. A collective agreement shall be concluded in writing in not less than duplicate, with at least one copy to be kept by each of the parties. All annexes, additions and amendments to a collective agreement shall be an integral part of the collective agreement and shall have the same legal effect as the collective agreement.

4. A collective agreement shall be signed by authorised representatives of the parties to the collective agreement.

5. Valid collective agreements must be registered and publicly announced under the procedure set out by the Minister of Social Security and Labour of the Republic of Lithuania. A collective agreement shall be submitted for registration within 20 days of the date of its signing by the trade union or trade union organisation that is a party to the collective agreement. If the trade

union or trade union organisation fails to register the collective agreement within this period, the employer or employers' organisation that is the other party to the collective agreement shall acquire the right to submit the collective agreement for registration.

Article 196. Validity of collective agreements

1. A collective agreement shall enter into force on the day it is signed, unless a later date is specified therein.

2. A collective agreement shall be valid for a maximum of four years, unless set out otherwise therein.

Article 197. Application of collective agreements

1. Collective agreements shall apply to employees who are members of the trade unions that concluded the collective agreements. If a trade union and an employer agree to apply an employer-level or workplace-level collective agreement to all employees, the collective agreement will be applied to all employees if this is approved by the general meeting (hereinafter: 'Conference') of the employer's employees. A 'Conference' means a meeting of employee representatives elected at the structural/organisational units of an enterprise, institution or organisation. If, in the absence of an employer-level trade union, a collective agreement is concluded between the employer and a sectoral trade union that was authorised, under the procedure set out in this Code, to negotiate an employer-level collective agreement, the said collective agreement shall be applied to all of the employer's employees if it is approved by the general meeting (Conference) of the employer's employees.

2. An employer- or workplace-level collective agreement must be applied by the employer as a party to the collective agreement.

3. Employers bound by employment relations with employees represented by trade unions or employees represented by trade unions of trade union organisations must apply a national (cross-sectoral), territorial or sectoral (industry, services, professional) collective agreement to the said employees provided the employers meet the following conditions:

1) are members of an employers' organisation that signed the collective agreement;

2) have joined an employers' organisation after the collective agreement was signed;

3) prior to ending their membership, were members of an employers' organisation that signed the collective agreement. In this case, they will be subject to mandatory application of the collective agreement for three months after termination of their membership of the employers' organisation, except for the cases when the collective agreement expires earlier;

4) are covered by a collective agreement the scope of which has been extended under the procedure set out in this Code.

4. If more than one collective agreement is applicable to an employee, the following rules shall apply:

1) a sectoral collective agreement shall apply over an employer-level collective agreement, unless the sectoral collective agreement permits for derogation from the terms established therein by the enterprise's collective agreement;

2) a territorial collective agreement shall apply over an employer-level collective agreement, unless the territorial collective agreement permits for derogation from the terms established therein by the employer-level collective agreement;

3) the provisions of the *lex specialis* of the collective agreement shall apply where both a sectoral and a territorial collective agreement is applicable to an employee.

Article 198. Extension of the scope of application of collective agreements

1. The application of individual provisions of a national (cross-sectoral), territorial or sectoral (industry, services, professional) collective agreement may be compulsorily extended by order of the Minister of Social Security and Labour of the Republic of Lithuania to include all employers covered by a national/cross-sectoral collective agreement, or to cover employers in a certain territory or sector, provided both parties to the collective agreement have proposed this solution in writing.

2. The solution proposed by the parties to the collective agreement referred to in paragraph 1 of this Article must specify the following details:

1) the name of the collective agreement whose scope of application is to be extended;

2) the provisions of the collective agreement that are to be extended;

3) the motives for extending the scope of application of the collective agreement;

4) the estimated number of employees to be covered by the collective agreement.

3. A proposal to extend the scope of application of a national (cross-sectoral), sectoral (industry, services, professional), and territorial collective agreement may be submitted to the Minister of Social Security and Labour of the Republic of Lithuania if there are at least six months left until the expiration of the agreement.

4. The Minister of Social Security and Labour of the Republic of Lithuania shall, not later than within 60 calendar days of receipt of the proposal referred to in paragraph 1 of this Article, decide on extension of the scope of application of the collective agreement.

5. The order of the Minister of Social Security and Labour of the Republic of Lithuania on the extension of the scope of application of individual provisions of the collective agreement shall

be published, together with the texts of the extended collective agreement or provisions thereof, in the Register of Legal Acts.

6. The decision to extend the scope of application of a collective agreement shall be valid insofar as the collective agreement itself is, unless otherwise specified in the order of the Minister of Social Security and Labour of the Republic of Lithuania. If such a collective agreement is supplemented or amended, application of the amendments or supplements shall not be considered to be compulsorily extended unless there is a separate order of the Minister of Social Security and Labour of the Republic of Lithuania on that extension.

Article 199. Amendments and supplements to collective agreements

The procedure for amending or supplementing a collective agreement shall be set out in the collective agreement. If this procedure is not set out, amendments and supplements to the collective agreement shall be made in the procedure applicable to concluding the collective agreement.

Article 200. Termination and the end of a collective agreement

1. A collective agreement may be terminated in the cases and procedure set out therein. Either party to the collective agreement must notify the other party about unilateral termination of the collective agreement at least three months in advance. It is prohibited to terminate a collective agreement earlier than six months after its entry into force.

2. In the event of the employer's bankruptcy, the provisions of paragraph 1 of this Article shall not apply. An employer- or workplace-level collective agreement shall end upon the termination of the employment contracts with all the employees. If the provisions of a collective agreement which make the terms of employment more favourable increase the losses of the creditors as a result of the bankruptcy, they shall not apply from the date of entry into force of the court order opening the employer's bankruptcy proceedings or the decision of the creditors' meeting to conduct out-of-court bankruptcy proceedings.

Article 201. Collective agreement enforcement and liability

1. Implementation of a collective agreement shall be controlled by the parties to the collective agreement or by their authorised representatives. The procedure, methods and terms of settlement shall be set out in the collective agreement.

2. In carrying out the controls referred to in paragraph 1 of this Article, the parties to the collective agreement must provide each other with the necessary information within one month of the date of receipt of the relevant request.

Article 202. Disputes on the enforcement of collective agreements

Disputes concerning the enforcement or improper enforcement of a collective agreement, including the application or improper application of a collective agreement to employees and employers falling within its scope, shall be settled under the procedure for settling labour disputes on rights.

SECTION THREE
PROVISON OF INFORMATION AND CONSULTATION

Article 203. Rights of employees and their representatives to provision of information and consultation

1. In the cases and procedure set out in this Code, collective agreements, employer-work council arrangements and other labour law provisions, employees shall have the right to be informed and to participate, through work councils, in consultations with employers and their representatives on matters related to the enforcement and protection of the labour, economic and social rights and interests of employees.

2. In the cases and procedure set out in this Code, the rights to information and consultation shall be exercised by employees directly.

3. The procedure for the provision of information and consultation at enterprises and corporate groups of the European Community, European enterprises and European cooperatives shall be set out in specific laws.

Article 204. Definition and principles of provision of information and consultation

1. ‘Provision of information’ means transmission of information (data) to employees or the work council in order to familiarise them with the substance of the matter related to labour, economic and social rights and interests of employees. ‘Consultation’ means the exchange of opinions and the establishment and development of a dialogue between work councils and the employer.

2. In the framework of provision of information, the employer must provide timely written information to the work council free of charge and shall assume responsibility for the accuracy of this information.

3. Work councils that have provided a written pledge of non-disclosure of commercial/industrial or professional secrets shall be entitled to access information which is considered a commercial/industrial or professional secret yet is necessary for the performance of

their duties. Irrespective of their whereabouts or termination of their employment relations or powers of representation, work council members shall not use for any purpose other than its intended purpose and from disclosing to employees or third parties any information that has become known to them and is considered to be a commercial/industrial or professional secret. Access to state and official secrets and liability for their disclosure or illegitimate use shall be regulated by specific laws.

4. At the request of the work council(s), the employer must begin the consultation process at least within five working days of receipt of the request. During the consultation process, the members of the work council shall be entitled to meet with the employer and its representatives and, if necessary, with other members of the management bodies of the enterprise, institution or organisation, and to submit the written proposals of the work council within 15 working days of the first day of consultation, unless another period has been agreed. If the work council submits a reasoned written request, during this period the employer may not take any actions for which the consultation process was initiated. Once this period is over, the employer may terminate the consultation process if the work council has not given an opinion. Consultations must be aimed at finding a mutually acceptable solution. The results of a consultation shall be formalised by a protocol or an agreement, or by adopting local regulatory acts.

5. The employer may refuse, in writing, to provide information that is considered a commercial/industrial or professional secret, or refuse to begin consultations with work councils if, on the basis of objective criteria, this information or consultation by its very nature would cause damage or risks causing severe damage to the enterprise, institution or organisation, or activities thereof. An employer's decision to refuse to provide information may be appealed under the procedure for settling labour disputes on rights. If the labour dispute resolution body establishes that the employer's refusal to provide information or begin consultations was unjustified, the employer shall be obligated to provide this information or to begin consultations within a reasonable period of time.

6. Consultations regarding the information (data) provided by the employer and the opinion submitted by the work council must be conducted in a timely manner, creating the opportunity for the work council to receive substantiated replies from the employer's decision-making representatives.

Article 205. Regular provision of information and consultation

1. At the work council's request, an employer employing an average of 20 employees or more must hold consultations with work councils and, at least once per calendar year but not later than 1 April, provide information to the work councils on the current and future activities of the

enterprise, institution or organisation (as well as of the workplace in the case of a social partnership at the workplace level), as well as on the economic situation and the status of labour relations.

2. The employer must provide information about the following details:

1) the employer's status and structure, potential changes in employment at the enterprise, institution or organisation and its divisions, especially where there is a threat to employment; information about the number and categories of employees, including temporary workers; and past and planned staff changes that may have a decisive impact on the terms of employment for the employees and affect redundancy;

2) past and potential changes in remuneration;

3) organisation of the working time, including information on the duration of and reasons for overtime work;

4) the results of implementing the measures for safety and health at work that help improve the working environment;

5) the current and potential development of activities and economic situation of the enterprise, institution or organisation or the divisions thereof, including information based on the financial statements and annual report of the enterprise, institution or organisation (if the enterprise is required to compile such documents under the requirements of legal acts);

6) other matters that crucially affect the economic and social status of the employees.

3. Within five working days of receipt of the information, the work council may demand that consultations be commenced. On the basis of the information provided, the employer's consultations with the work council shall begin within 15 working days of receipt of the information. The employer-level trade union must be informed by the work council about the course of consultations and shall be entitled to express its opinion to the work council and the employer.

4. If an enterprise, institution or organisation does not have a work council or an employee trustee implementing the functions thereof, the employer must provide the information to the employer-level trade union. The trade union shall be entitled to express its opinion on this information to the employer.

5. The employer must hold consultations for at least five working days from the first day of consultation unless the work council agrees to a different term.

Article 206. Provision of information and consultation in approving local regulatory acts

1. An employer employing an average of 20 employees or more must inform the work council and hold consultations with the work council in the process of adopting decisions on the approval or amendment of the following local regulatory acts:

1) the rules of procedure setting out the general rules at the enterprise;

2) job standards or the rules setting the job standards;

3) the remuneration system, in the absence of a collective agreement where such system is set;

4) the procedure for the introduction of new technological processes;

5) the procedure for the use of information and communication technologies and for the monitoring and control of the employees at the workplace;

6) determination of measures that may conflict with the protection of employee privacy;

7) formulation and implementation of the policy for the protection of personal data of employees;

8) measures to ensure the application of the principles of equal opportunities policy;

9) setting of measures to reduce stress at work;

10) other legal acts relevant to the social and economic status of employees.

2. The work council shall be informed about upcoming decisions on local regulatory acts of this type 10 working days before their planned approval.

3. Within three working days of receipt of the information, the work council may demand that consultations be commenced. On the basis of the information provided, the employer's consultations with the work council shall begin within three working days of receipt of the work council's request. The employer and the work councils may come to an arrangement regarding the decisions of the employer set out in paragraph 1 of this Article.

4. When an enterprise, institution or organisation does not have a work council or an employee trustee implementing the functions of the work council, the employer must provide the information to the employer-level trade union. The trade union shall be entitled to express its opinion to the employer on the employer's upcoming decisions.

5. The employer must hold consultations for at least five working days from the first day of consultation unless the employee representatives agree to a different term.

Article 207. Provision of information and consultation on collective redundancy

1. Before taking a decision, as established in this Code, on collective redundancy (as set out in Article 63 of this Code), the employer must inform and hold consultations with the work councils.

2. At least seven working days before the beginning of the planned consultations, the employer must provide the work councils with written information on the following details:

1) the reasons for the planned dismissal;

2) the total number of employees and the number of redundancies, by category;

3) the period during which the employment contracts will be terminated;

4) the selection criteria for redundancy;

5) the terms of employment contract termination and other relevant information.

3. When an enterprise, institution or organisation does not have a work council or an employee trustee implementing the functions of the work council, the employer must provide the information referred to in paragraph 2 of this Article, within the time limits set therein, to the employer-level trade union as well as to the employees, either directly or at a general meeting of the employees of the employer. The trade union shall be entitled to express its opinion to the employer concerning the employer's upcoming decisions.

4. On the basis of the information provided, consultations with the work councils shall begin within five days of receipt of the information, with the aim of agreeing on what methods and measures can be used to avoid the collective redundancy or reduce the number of redundancies, as well as on mitigating the consequences of the redundancy through additional social measures designed, inter alia, to re-train or re-employ the employees who are expected to be made redundant. Consultations must be aimed at coming to an employer-work council arrangement. The employer-level trade union must be informed by the work council about the course of consultations and shall be entitled to express its opinion to the work council and the employer.

5. The employer must hold consultations for at least 10 working days from the first day of consultation unless the work council agrees to a different term.

Article 208. Provision of information and consultation on reorganisation of an enterprise, restructuring of an enterprise, and transfer of a business or part thereof

1. Before taking a decision on the reorganisation or restructuring of an enterprise, transfer of a business or part thereof, or other decisions that could fundamentally impact the organisation of work at the enterprise and the legal status of the employees, the employer must inform and hold consultations with the work councils about the reasons for the decision and the legal, economic and social consequences for the employees, as well as the measures planned to avoid or mitigate the potential negative consequences.

2. At least five working days before the beginning of the planned consultation, the employer must provide the work councils with written information on the following details:

1) the estimated date of adoption of the decision referred to in paragraph 1 of this Article, the date of commencement and duration of implementation;

2) the legal basis for the decision referred to in paragraph 1 of this Article;

3) the legal, economic and social consequences of the implementation of the decision referred to in paragraph 1 of this Article for the employees;

4) methods and measures to avoid or mitigate the negative legal, economic and social consequences for the employees.

3. When an enterprise does not have a work council or an employee trustee implementing the functions of the work council, the employer must provide the information referred to in paragraph 2 of this Article, within the time limits set therein, to the employer-level trade union as well as to the employees, either directly or at a general meeting of the employees of the employer. The trade union shall be entitled to express its opinion to the employer concerning the employer's upcoming decisions.

4. On the basis of the information provided, consultations shall be held with the work councils with the aim of agreeing on what methods and measures can be used to avoid or mitigate the negative legal, economic and social consequences for employees of the reorganisation, restructuring, or transfer the business or part thereof. Consultations must be aimed at coming to an arrangement between the representatives of the employer and employees. The employer-level trade union must be informed by the work council about the course of consultations and shall be entitled to express its opinion to the work council and the employer.

5. The employer must hold consultations for at least five working days from the first day of consultation unless the work council agrees to a different term.

Article 209. Liability for non-fulfilment of the obligations to provide information and consultation

1. If an employer violates the obligations of provision of information and consultation, the work council or the trade union shall be entitled to initiate a labour dispute on rights within two months of finding out about the violation. If this Code does not establish otherwise, the relevant labour dispute resolution body shall have the right to reverse the employer's decisions and require that certain actions be taken, as well as to impose the liability set out in this Code or the Code of Administrative Offences of the Republic of Lithuania.

2. The State Labour Inspectorate shall monitor the fulfilment by employers of the obligation to provide information to and consultation with the employees.

3. Persons who have violated the obligation of informing and consulting employees or who have disclosed confidential information to third parties shall be liable under the procedure set out in law.

SECTION FOUR
PARTICIPATION IN LEGAL ENTITY MANAGEMENT

Article 210. Participation of employee representatives in legal entity management

1. In the cases and under the procedure set out in this Code and the Law of the Republic of Lithuania on State and Municipal Enterprises, employee representatives shall be entitled to appoint a part of the members of the legal entity's collegial management or supervisory body that is appointed or elected under the regulatory legal acts governing the activities of these legal entities or under the founding documents of these legal entities.

2. The rights of the members appointed by employee representatives shall be equal to the rights and obligations of the other members of the legal entity's collegial management or supervisory body.

3. Employee participation in the decision-making process at European enterprises, European cooperatives, and enterprises resulting from cross-border restructuring, merger or division of limited liability enterprises shall be set out in specific laws.

Article 211. Implementation of the right of employee representatives to appoint members to the collegial management or the supervisory body of a legal entity

1. Persons carrying out employee representation at the employer level shall have the right to appoint a part of the members of the collegial management or supervisory body of an enterprise, institution or organisation, as specified in Article 210 of this Code.

2. If the regulatory legal acts governing the activities of a legal entity or the founding documents of a legal entity provide for the right of employee representatives to appoint or select members to the legal entity's collegial management or supervisory body, the head of the legal entity must, at least 20 working days before the date of the setting up of the legal entity's collegial management or supervisory body, notify the employee representative referred to in paragraph 1 of this Article of the right of employee representatives to appoint members to the legal entity's collegial management or supervisory body for the new term of office of the body being set up.

3. If the employee representatives fail to appoint members to the collegial management or supervisory body of the said legal entity within the set term, the head of the legal entity shall repeatedly notify the employee representative referred to in paragraph 1 of this Article of the right

of employee representatives to appoint members to the legal entity's collegial management or supervisory body, and shall set a time limit of at least five working days for their appointment. If the employee representatives fail to appoint members to the legal entity's collegial management or supervisory body within the time limit of at least five working days, the places of the said members shall be filled under the same procedure as the one applied for other members of the legal entity's collegial management or supervisory body.

4. Members appointed by employee representatives may be removed before the end of their term by decision of the employee representative who had appointed them, provided that the employee representative immediately appoints new members to the legal entity's collegial management or supervisory body.

5. A member of a legal entity's collegial management or supervisory body appointed by employee representatives must be an employee of the said legal entity. The termination of the employment contract with that employee shall terminate the employee's membership of the legal entity's collegial management or supervisory body.

Article 212. Participation of employee representatives in other types of decision-making of the employer

1. In the cases and under the procedure set out in collective agreements or arrangements between the employer and persons carrying out employee representation, the opportunity may be provided for employee representatives to participate, as observers or in an advisory capacity, in meetings of the employer's collegial management or supervisory body held to discuss the matters related to the terms of employment for employees of the enterprise, institution or organisation.

2. During the meetings set out in paragraph 1 of this Article, the employee representatives must be given the right to express their opinions on the matters under discussion concerning the terms of employment of the employees.

PART IV
LABOUR DISPUTES

CHAPTER I
GENERAL PROVISIONS

Article 213. Definition and types of labour disputes

1. Labour disputes are disagreements between the parties to employment relations arising from the employment relations or the legal relations related to the employment relations.

2. Based on the object of dispute and the subjects involved in the labour dispute, labour disputes are divided into the following types:

1) labour disputes on rights (individual labour disputes on rights and collective labour disputes on rights);

2) collective labour disputes on interests.

3. An individual labour dispute on rights is a disagreement between the employee, or other participants in employment relations, on the one hand, and the employer, on the other, arising from the conclusion, amendment, fulfilment or termination of an employment contract or non-fulfilment or improper fulfilment of labour law provisions in the context of employment relations between the employee and the employer. Former employers, persons who expressed a desire to conclude an employment contract when such was refused, contractors, in the cases provided for in Article 139(5) and 139(6) of this Code, as well as persons entitled to an employee's remuneration or other employment-related benefits, may also be parties to a labour dispute.

4. A collective labour dispute on rights is a disagreement between employee representatives, on the one hand, and the employer or employers' organisations, on the other, regarding non-fulfilment or improper fulfilment of labour law provisions or mutual agreements.

5. A collective labour dispute on interests is a disagreement between employee representatives, on the one hand, and the employer or employers' organisations, on the other, arising from the regulation on mutual rights and obligations of the parties or the determination of the provisions of labour law.

6. In the cases set out in this Code and other laws, disputes between other parties in the employment relations shall also be considered labour disputes. In this case, the provisions of this Chapter shall apply to them *mutatis mutandis*.

Article 214. Principles of labour dispute resolution

1. Labour disputes shall be investigated in accordance with the principles of respect for the legitimate interests of the other party, cost-effectiveness, concentration, and cooperation of the parties in order to resolve the dispute as quickly as possible under the most acceptable conditions for both parties.

2. The principles of equality of arms and an adversarial process shall apply in labour disputes on rights insofar as they do not violate the legal presumptions set out in laws and labour law provisions.

3. Where an employee applies to a labour dispute resolution body regarding an individual dispute on rights, the employer must bear the burden of proving the essential circumstances relevant to the resolution of the dispute and provide evidence where it is available or more readily

accessible to the employer. In cases on unfair dismissal and unlawful refusal to provide employment, the employer must prove the legitimacy of the dismissal or the refusal to provide employment. Other cases may be specified by law where the burden of proof is distributed among the parties to a labour dispute differently.

Article 215. Labour dispute resolution under the procedure set out in this Code

1. Labour dispute resolution bodies may consider, under the procedure set out in this Code, all labour disputes arising from labour relations which have arisen or are performed on the territory of the Republic of Lithuania or where the employer is subject to the jurisdiction of the Republic of Lithuania, unless other laws, provisions of the labour legislation of the European Union or treaties of the Republic of Lithuania establish otherwise.

2. Jurisdiction in civil cases arising from labour disputes on rights shall be established under the rules of the Code of Civil Procedure of the Republic of Lithuania, unless the provisions of the labour legislation of the European Union labour law or treaties of the Republic of Lithuania establish otherwise.

3. If an employee's permanent place of residence is in another country, a labour dispute on rights initiated by the employer must be resolved in that other country, unless the parties, upon emergence of the dispute, agree to resolve the dispute under the procedure set out in this Code.

CHAPTER II
RESOLUTION OF LABOUR DISPUTES ON RIGHTS

Article 216. Bodies for the resolution of labour disputes on rights

1. Labour disputes on rights shall be resolved by the following bodies:

1) Labour Disputes Commissions;

2) the court.

2. Labour disputes on rights may be resolved by commercial arbitration in accordance with the Law of the Republic of Lithuania on Commercial Arbitration if the parties to the labour dispute agree on this form of resolution after the emergence of the dispute.

Article 217. Competence of the bodies for the resolution of labour disputes on rights

1. While resolving labour disputes on rights, a labour dispute resolution body shall have the following rights:

1) the right to obligate the other party to restore the rights violated due to non-fulfilment or improper fulfilment of labour law provisions or mutual agreements;

2) the right to order compensation of material or non-material damage and, in the cases set out in labour law provisions or agreements, to impose fines or late fees;

3) the right to terminate or change the legal relations;

4) the right to require that other actions set out in laws or labour law provisions be taken.

2. When resolving collective labour disputes on rights, a labour dispute resolution body shall have the right to impose a fine of up to EUR 3,000 on the party that has violated the provisions of labour law or mutual agreements, to be paid to the other party. The amount of the fine must be proportionate to the severity of the violation and must discourage future offences.

3. Labour disputes on rights shall be resolved by Labour Disputes Commissions free of charge. The litigation costs incurred by the parties to the dispute shall be non-recoverable.

Article 218. Decisions in cases on unlawful suspension or dismissal

1. If an employee is suspended from work in the absence of a legal basis, the labour dispute resolution body shall order that the employee be reinstated and paid an average remuneration for the period of forced absence and the material and non-material damage incurred.

2. If an employee is dismissed from work in the absence of a legal basis or in violation of the procedure set out in laws, the labour dispute resolution body shall decide to recognise the dismissal as being unlawful and to order that the employee be reinstated and paid an average remuneration for the period of forced absence, from the date of dismissal to the date of enforcement of the decision but not more than one year, and the material and non-material damage incurred.

3. The employee shall be reinstated not later than the next working day after the decision of the labour dispute resolution body on reinstatement becomes effective.

4. If the body resolving the labour dispute on rights establishes that the employee cannot be reinstated in the previous position due to economic, technological, organisational or similar reasons, due to employee's risk of being provided with unfavourable working conditions, or owing to a request from the employer that the employee not be reinstated, the labour dispute resolution body shall decide to recognise the dismissal as being unlawful and shall order that the employee be paid an average remuneration for the period of forced absence, from the date of dismissal to the date of enforcement of the judgment but not more than one year, and the material and non-material damage incurred. The employee shall also be awarded compensation equal to one average remuneration for every two years of the employment relations, but not more than six times the employee's average remuneration.

5. The remedy for violation of an employee's rights set out in paragraph 4 of this Article must also be applied at the request of an employer with an average of up to 10 employees if the labour dispute resolution body decides to recognise the dismissal of an employee as unlawful.

6. In the cases referred to in paragraphs 4 and 5 of this Article, the employment contract shall be considered terminated by the decision of the labour dispute resolution body on the day that the said decision takes effect.

Article 219. Decisions in cases on remuneration and payments related to labour relations

Unless established otherwise in this Code, labour dispute resolution bodies, when taking decisions on the award of overdue remuneration and other payments related to labour relations, shall award these amounts in full, in accordance with the restrictions set out in this Code and the rules on the status of limitations.

Article 220. Resolution of labour disputes on rights by a Labour Disputes Commission or court

1. If the parties to the employment relations believe that the other parties to the employment relations have violated their rights by failing to comply with, or by improperly complying with, the provisions of labour law or mutual agreements, they must, within three months, apply to a Labour Disputes Commission for resolution of the labour dispute on rights or, in the case of unlawful suspension, unlawful dismissal or breach of a collective agreement, within one month of finding out or of being reasonably expected to have found out about the violation of rights.

2. If the deadline for application is missed, it may be extended by a decision of a Labour Disputes Commission. In this case, an application specifying the reasons for missing the deadline must be submitted. The Labour Disputes Commission shall extend the missed application submission deadline upon recognising these reasons as being justifiable. If the Labour Disputes Commission fails to decide to extend the deadline, an application may be made to court within one month of the decision of the Labour Disputes Commission by bringing an action for the labour dispute on rights to be resolved in court.

3. A labour dispute on rights related to a strike or a lockout must be settled directly in court.

Article 221. Composition of the Labour Disputes Commission

1. Labour Disputes Commissions are permanent and operate under the territorial offices of the State Labour Inspectorate.

2. A Labour Disputes Commission shall be composed of three members, including the chairperson of the Labour Disputes Commission, a representative of the trade union, and a representative of the employers' organisation appointed by decision of the management bodies of

the trade unions and employers' organisations operating within the jurisdiction of the territorial office of the State Labour Inspectorate.

3. The chairperson of the Labour Disputes Commission shall be a civil servant of the State Labour Inspectorate with a university degree in law, who is appointed by the Chief State Labour Inspector of the Republic of Lithuania. The chairperson of the Labour Disputes Commission shall perform exclusively the duties of the chairperson of the Labour Disputes Commission.

4. The nominal list of members of Labour Disputes Commission who are trade union and employers' organisation representatives, as well as their alternates, setting out the position, name and surname of the person, and the assignment to the territorial Labour Disputes Commission, shall be approved and updated annually by the Chief State Labour Inspector of the Republic of Lithuania, upon receipt of submissions from trade unions and employers' organisations, which shall include the positions, names and surnames of the representatives of trade unions and employers' organisations and of the alternates.

5. The procedure for setting up a Labour Disputes Commission shall be set out in the Labour Disputes Commission Regulations approved by the Minister of Social Security and Labour of the Republic of Lithuania.

6. The rules of procedure of the Labour Disputes Commissions shall be approved by the Minister of Social Security and Labour of the Republic of Lithuania.

Article 222. Terms of employment of the Labour Disputes Commission

1. Members of the Labour Disputes Commission who are representatives of trade union and employers' organisations shall be released from the performance of their job duties during the period when they are involved in the work of the Labour Disputes Commission. Their work shall be paid under the procedure set out in the Law of the Republic of Lithuania on Remuneration of Employees of State and Municipal Agencies and Members of Commissions, and the amounts of their travel expenses and the procedure for their reimbursement shall be set out by the Minister of Social Security and Labour of the Republic of Lithuania.

2. The State Labour Inspectorate shall ensure the conditions for the operation of Labour Disputes Commissions. Labour Disputes Commission expenses related to labour dispute resolution shall be covered by the State Labour Inspectorate from state budget funds.

3. An employee or a civil servant of the State Labour Inspectorate appointed by the Chief State Labour Inspector of the Republic of Lithuania shall accept and register applications for the resolution of labour disputes on rights, and, on the instruction of the chairperson of the Labour Disputes Commission, shall demand and obtain the documents necessary for considering the applications to resolve labour disputes on rights from the relevant offices and persons; the said

employee shall also announce the date, time and place of the hearing and the composition of the Labour Disputes Commission, make an audio recording of the hearing of the Labour Disputes Commission, send decisions, forward the case to court, and carry out other assignments given by the chairperson of the Labour Disputes Commission.

Article 223. Request for the resolution of labour disputes on rights

1. A party to a labour dispute must submit a request for the resolution of the labour dispute on rights to the Labour Disputes Commission in writing or by digitally signed e-mail.

2. The request to resolve the labour dispute on rights must specify the following details:

1) name, surname, personal number or, in the absence thereof, date of birth, home address of the party initiating the dispute (the claimant), telephone number, and an e-mail address, if the party initiating the labour dispute (the claimant) requests to receive the documents by e-mail;

2) name, registration number of the legal entity and registered office address of the other party (the respondent) for legal entities; name, surname, personal number or, in the absence thereof, date of birth, address of the place of residence, and telephone number of the other party for natural persons;

3) the statement of claim;

4) the circumstances and evidence that give grounds to the claim;

5) a request for labour dispute resolution under written procedure;

6) a request for labour dispute resolution by means of information and electronic communication technologies;

7) a request to receive documents by e-mail;

8) a list of enclosed documents.

3. The request for the resolution of a labour dispute on rights shall be submitted to the Labour Disputes Commission of the State Labour Inspectorate’s territorial office whose jurisdiction covers the workplace of the employer.

4. A group of employees of the same employer may submit a single request for the resolution of a labour dispute on rights, provided that the labour dispute on rights has the same legal basis.

5. If the request for the resolution of the labour dispute on rights fails to meet the requirements set out in paragraphs 1 and 2 of this Article, the Labour Disputes Commission shall notify the claimant about it and shall set a term of five working days for remedying the deficiencies listed in the notification. This term shall run from the date of receipt of the notification of the deficiencies identified. If the deficiencies are not remedied within the term set, the request for the

resolution of the labour dispute on rights shall be deemed not to have been submitted and shall be returned to the applicant.

6. If, before the meeting of the Labour Disputes Commission, the claimant requests in writing or by an electronically signed e-mail that the claimant's request for the resolution of a labour dispute on rights should not be examined, the request for the resolution of the labour dispute on rights shall be deemed not to have been submitted and shall be returned to the claimant. The request for non-examination of the request for the resolution of the labour dispute on rights shall state the name, surname and personal number of the claimant or the date of birth of the claimant, if the claimant has no personal identification number. If the claimant fails to provide the data referred to in this paragraph in the request for non-examination of the request for the resolution of the labour dispute on rights, the Labour Disputes Commission shall inform the claimant of the deficiencies found in the request and the possibility of their elimination under the procedure set out in paragraph 5 of this Article.

Article 224. Refusal to examine a request and termination of dispute resolution

1. The Labour Disputes Commission shall decide to refuse to examine a request for the resolution of a labour dispute on rights under the following conditions:

1) the claim has already been examined by labour dispute resolution bodies and/or a final decision was adopted thereon or the case was terminated;

2) the claimant withdraws all claims before the hearing of the Labour Disputes Commission. If the claimant withdraws some of the claims, the Labour Disputes Commission shall terminate the examination of the claims that were withdrawn;

3) the examination of the claim is outside the competence of the Labour Disputes Commission;

4) the application was submitted after the deadline set out in Article 220(1) of this Code and the Labour Disputes Commission did not extend the deadline.

2. If the Labour Disputes Commission decides to refuse to examine a request for the resolution of a labour dispute on rights on the grounds set out in points 1(1–3) of this Article, the parties may not be summoned to the hearing of the Labour Disputes Commission.

3. The Labour Disputes Commission shall terminate its examination of a labour dispute on rights by passing the relevant decision in the following cases:

1) the claimant has withdrawn all claims during the hearing. If the claimant withdraws some of the claims, the Labour Disputes Commission shall terminate the examination of the claims that were withdrawn;

2) the parties have concluded a written settlement agreement on resolution of the labour dispute on rights and the agreement was approved by decision of the Labour Disputes Commission.

Article 225. Preparation for examining a request

1. The chairperson of the Labour Disputes Commission, in preparing to examine a request for the resolution of a labour dispute on rights and taking the circumstances of the case into account, shall request the relevant offices and persons to supply documents (or copies thereof) and other evidence necessary for the examination of a labour dispute, and shall call witnesses. The request for documents shall specify the name, surname and date of birth of the person for whom the request is made, the grounds for obtaining the data/documents requested, the purpose for which the data/documents shall be used, the manner in which they must be provided, and the scope of the data. The measures referred to in Article 226(4) of this Code may be used for collecting evidence.

2. Not later than within five working days of receipt of the request, the chairperson of the Labour Disputes Commission shall set the date and time of the hearing, as well as the deadline for the respondent to notify the Labour Disputes Commission in writing or by digitally signed e-mail of acknowledgement (if any) of the claimant's claims and submit the required documents and other evidence. The said time limit may not be less than five working days from the date of delivery of a copy of the claimant's application to the respondent.

Article 226. Dispute resolution

1. The labour dispute shall be heard in the presence of the claimant and the respondent and/or their representatives and witnesses, except for the cases set out in paragraphs 2 and 3 of this Article.

2. If a party(s) was/were duly informed about the hearing of the Labour Disputes Commission and yet fail to attend the hearing, the Labour Disputes Commission shall be entitled to resolve the dispute in the absence of the absent party(s).

3. If the respondent agrees with the claims of the claimant, the dispute may be resolved by written procedure, with prior notice to the parties. A labour dispute may also be resolved by written procedure at a hearing of a Labour Disputes Commission if the claimant requests for its resolution by written procedure, the respondent has no objections, and the members of the Labour Disputes Commission deem the evidence submitted by the parties to be sufficient for the resolution of the labour dispute.

4. If there is a written or electronically signed request from both parties for the resolution of the labour dispute by means of information and electronic communication technologies, the

participation of the parties in the hearings of the Labour Disputes Commission and the examination of witnesses in their whereabouts may be ensured by means of information and electronic communication technologies including videoconferencing, teleconferencing, and other ways.

5. At its hearing, the Labour Disputes Commission shall ensure reliable identification of the parties and witnesses and objective recording and presentation of data/evidence in keeping with the requirements for the protection of personal data. The said processes shall comply with the procedure set out by the Chief State Labour Inspector of the Republic of Lithuania. The rights of data subjects shall be implemented under the procedure set out in Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the General Data Protection Regulation) and under the procedure set out by the Chief State Labour Inspector of the Republic of Lithuania.

6. If a member of the Labour Disputes Commission is unable to participate in the hearing of the Labour Disputes Commission, the chairperson of the Labour Disputes Commission shall decide whether to postpone the hearing or examine the dispute on its merits. If a member of the Labour Disputes Commission fails to attend three consecutive hearings of the Labour Disputes Commission without a justifiable reason, the Chief State Labour Inspector of the Republic of Lithuania, based on the substantiated proposal of the chairperson of the Labour Disputes Commission, may remove the said member from the list of members of the Labour Disputes Commission.

7. The hearing of the Labour Disputes Commission shall be presided over by the chairperson of the Commission. During the hearing, the chairperson shall explain the substance of the dispute between the parties and shall propose that the parties come to an understanding and conclude a settlement agreement. If reconciling the parties is impossible, the chairperson of the hearing shall announce commencement of the resolution of the labour dispute on its merits.

8. Before the opening of the hearing of the Labour Disputes Commission and during the hearing, the chairperson and members of the Labour Disputes Commission must recuse themselves from dispute resolution if grounds for recusal, as set out in the Code of Civil Procedure of the Republic of Lithuania, exist. Recusal of the chairperson and/or a member(s) of the Labour Disputes Commission may also be requested by the parties to the labour dispute. Recusal of the chairperson of the Labour Disputes Commission shall be decided by the other members of the Commission. If both members of the Labour Disputes Commission agree that the chairperson of the Commission should be recused, the motion for recusal must be satisfied. The Chief State Labour Inspector of the Republic of Lithuania shall appoint a chairperson from another Disputes Resolution Commission to fill in for the recused chairperson of the Labour Disputes Commission for

resolution of the dispute. Recusal of members of the Labour Disputes Commission shall be decided by the chairperson of the Labour Disputes Commission. If the motion for recusal is satisfied, dispute resolution shall be postponed and another person shall be invited to participate in the work of the Labour Disputes Commission. The said person shall be proposed, under the Labour Disputes Commission Regulations, by the chairperson of the Labour Disputes Commission from the list of members of the Labour Disputes Commission. The motion for recusal must be made at the hearing of the Labour Disputes Commission before commencement of dispute resolution on its merits. Thereafter, motions for recusal shall only be allowed if the grounds for recusal become known after commencement of dispute resolution.

9. The parties to the dispute shall be entitled to submit additional claims and provide additional evidence at the hearing of the Labour Disputes Commission. If the Labour Disputes Commission establishes that these additional claims or evidence could have been submitted earlier, and that satisfying them would delay adoption of a decision, the Labour Disputes Commission may reject them by a reasoned protocol decision. Information and electronic communication technologies (videoconferencing, teleconferencing, etc.) may be used for the collection of evidence, provided the requirements referred to in paragraph 5 of this Article are met.

10. At the hearing of the Labour Disputes Commission, the parties and the witnesses shall testify and documents and other evidence shall be brought forward and evaluated.

11. The hearing of the Labour Disputes Commission shall end with the closing arguments of the parties on the merits of the labour dispute on rights being investigated. In their closing arguments, the parties may not cite new circumstances or evidence that was not evaluated previously.

12. The hearing of the Labour Disputes Commission shall be recorded in audio form.

Article 227. Submission of documents for dispute resolution through Labour Disputes Commissions

Documents may be submitted to the parties in the following manner:

1) directly;

2) by registered mail;

3) by information and electronic communication technologies. If the parties to the dispute have so indicated, documents shall only be sent to the e-mail addresses specified by the parties;

4) by publication. When the submission of documents is impossible (the respondent cannot be located or there is no address data in the relevant register), a notice shall be published on the website of the State Labour Inspectorate (www.vdi.lt) in which a deadline (of not less than five working days from publication of the notice) shall be set for the respondent to appear before the

territorial office of the State Labour Inspectorate for receiving the document. If the respondent fails to appear within the set time limit, the document shall be deemed to have been submitted on the date of its publication on the website.

Article 228. Adoption of the decision by the Labour Disputes Commission

1. The Labour Disputes Commission must examine an application within the maximum of one month of the day of receipt thereof. The time limit for examining an application may be extended by reasoned decision of the chairperson of the Labour Disputes Commission, but for not more than one month.

2. The Labour Disputes Commission shall adopt its decision during the hearing on the day of examination of the case. The decision shall be put down in writing and shall be signed by the chairperson of the Labour Disputes Commission within five working days.

3. Decision-making of the Labour Disputes Commission shall be limited to its members.

4. The decision of the Labour Disputes Commission shall be adopted by a majority vote. A member of the Commission who disagrees with the decision may express a dissenting opinion. When a member(s) of the Labour Disputes Commission fail(s) to attend a hearing and the chairperson of the Labour Disputes Commission decides to examine the application on its merits, the decision shall be adopted by the Labour Disputes Commission members investigating the case; when two members investigate the case and their opinions differ, or when chairperson is the only person to have investigated the case, the chairperson of the Labour Disputes Commission shall adopt the decision.

5. The decision shall be submitted to the parties to the labour dispute within 10 working days of its adoption.

Article 229. Entry into force of the decision of the Labour Disputes Commission

1. The decision of a Labour Disputes Commission shall enter into force upon expiry of the deadline for filing a claim with the court set out in Article 231 of this Code, provided neither party has filed a claim to the court before the deadline.

2. If a part of the decision of the Labour Disputes Commission is contested, the decision shall enter into force for the part not related to the contested part.

Article 230. Enforcement of the decision of the Labour Disputes Commission

1. The decision of the Labour Disputes Commission must be enforced once it has entered into force, except for cases when the decision or part thereof must be enforced urgently.

2. The decision of the Labour Disputes Commission is an enforceable document subject to execution under the procedure set out in the Code of Civil Procedure of the Republic of Lithuania.

3. A Labour Disputes Commission, following the provisions of the Code of Civil Procedure of the Republic of Lithuania *mutatis mutandis*, may order urgent enforcement of its decisions or part thereof.

Article 231. Labour dispute resolution in court

1. If a party to a labour dispute disagrees with the decision of the Labour Disputes Commission, or if the Labour Disputes Commission decides to refuse to extend a missed deadline for application to the Labour Disputes Commission with a request for the resolution of a labour dispute on rights, the party to the labour dispute shall have the right, within one month of the day of adoption of the decision of the Labour Disputes Commission, to file a claim for the labour dispute on rights to be resolved in court under the provisions of the Code of Civil Procedure of the Republic of Lithuania.

2. The deadline for filing a claim referred to in paragraph 1 of this Article may be extended by the court if the court recognises the reasons given for missing the deadline as being justifiable.

3. After the claim has been filed in court, the court shall hear the labour dispute on rights on the merits under the standards for labour dispute resolution set out in the Code of Civil Procedure of the Republic of Lithuania. The party to the labour dispute that has filed the claim shall be called the claimant, and the other party shall be called the respondent.

4. The decision of a Labour Disputes Commission shall not be subject to appeal or judicial review.

5. If the court deems it needed, the evidence collected by or submitted to the Labour Disputes Commission may be referenced in examining the labour dispute on rights in court. On the basis thereof, the Labour Disputes Commission shall submit the case file for the labour dispute on rights to the court within five working days of receipt of the court order.

6. If both parties file a claim regarding a labour dispute on rights, both claims must be considered together.

7. The decision of the Labour Disputes Commission shall become void when the judgment of the court on the labour law case enters into force.

Article 232. Consequences of non-compliance with the decisions of the Labour Disputes Commission and judgments of the court in labour cases

1. When an employer fails to comply with the decision of the Labour Disputes Commission, court order or court ruling, the Labour Disputes Commission shall, at the request of

the employee, decide to impose a fine of up to EUR 500 on the employer for each week of delay, from the day of adoption of the decision/order/ruling to the day of enforcement, but for not more than six months. The fine shall be awarded to the benefit of the employee.

2. The decision of the Labour Disputes Commission to impose a fine shall be an enforceable document subject to execution under the procedure set out in the Code of Civil Procedure of the Republic of Lithuania.

3. The decision of the Labour Disputes Commission regarding the size and validity of the fine may be appealed under the procedure set out in laws.

Article 233. Reversal of enforcement of a decision or order in labour cases

If a decision of the Labour Disputes Commission or court order or ruling that has already been enforced is reversed, reversal of enforcement of the decision, order or ruling shall be carried out under the provisions of the Code of Civil Procedure of the Republic of Lithuania. The provisions of the Code of Civil Procedure of the Republic of Lithuania regulating the reversal of enforcement of a judgment of a court of first instance shall be applied *mutatis mutandis* to the reversal of enforcement of decisions of the Labour Disputes Commission.

CHAPTER III
RESOLUTION OF COLLECTIVE LABOUR DISPUTES ON INTERESTS

Article 234. Application of legal provisions on collective labour disputes on interests

1. The provisions of this Chapter shall cover employees and other persons employed on the basis of legal relations deemed equivalent to employment relations as specified in the Law of the Republic of Lithuania on Employment, as well as trade unions that represent the said employees and persons, have the right to engage in collective bargaining and conclude collective agreements, and strive to resolve the arising collective labour disputes on interests.

2. Under the provisions of this Chapter, persons employed on the basis of legal relations deemed equivalent to employment relations as specified in the Republic of Lithuania Law on Employment shall be considered employees, and the other participant in the relations (an enterprise, institution or organisation) shall be considered the employer or employers' organisation, unless established otherwise.

3. Laws may establish restrictions on, or special conditions for the exercise of, the right of persons working on the basis of legal relations deemed equivalent to employment relations, as specified in the Law of the Republic of Lithuania on Employment, and their representatives to resolve collective labour disputes on interests under the provisions of this Chapter.

Article 235. Submission of demands in collective labour disputes on interests

1. Trade unions or trade union organisations seeking to conclude a collective agreement must apply to the employer/employers' organisation in writing and set out their demands. The demands must be precisely defined, reasoned, set out in writing and presented to the employer or employers' organisation.

2. The employer/employers' organisation must convene a meeting of the parties within 10 working days of receipt of the demand.

3. If the parties agree, negotiations may begin, the duration and conditions of which shall be set out in an agreement made between the parties.

4. In the absence of agreement between the parties, the trade union or trade union organisation may initiate an investigation of the demand of the collective labour dispute on interests under the procedure set out in this Chapter.

5. This Article shall also apply when collective bargaining is broken off or when the employer/employers' organisation fails to sign the agreed draft collective agreement within the set time.

Article 236. Procedure for preliminary examination of collective labour disputes on interests

1. A collective labour dispute on interests must first be examined by a collective labour dispute on interests committee (hereinafter: 'Dispute Committee') formed by both parties to the dispute.

2. The employee representatives shall initiate setting up of the Dispute Committee by appointing not more than five members to the Committee in writing. Within five working days of receipt of this offer, the employer/employers' organisation shall appoint not more than five members to the Committee. By agreement of the parties, there may also be a different number of members in the Dispute Committee.

3. The Dispute Committee shall, by common agreement, establish the procedure and conditions for the examination of the collective labour dispute on interests and the order for chairing the hearings. Members of the Committee may invite specialists (consultants, experts, etc.) to the Dispute Committee hearings. The employer must create suitable working conditions for the Dispute Committee, i.e. provide it with premises and the necessary information.

4. The Dispute Committee must examine the collective labour dispute on interests within 10 calendar days, unless the Dispute Committee has set a different term by common agreement.

5. The decision of the Dispute Committee must be formalised by a protocol signed by the persons authorised by each of the parties.

6. Upon completion of the work of the Dispute Committee, the Dispute Committee may adopt the following decisions by common agreement:

1) to deem the collective labour dispute on interests resolved if a collective agreement or other agreement on the subject of the collective labour dispute on interests has been concluded;

2) to deem the collective labour dispute on interests unresolved;

3) to use a mediator to resolve the collective labour dispute on interests;

4) to transfer the collective labour dispute on interests for resolution to a Labour Arbitration Committee.

7. If a decision set out in paragraph 6 of this Article is adopted, if at least one of the parties withdraws from the negotiations, if the employer/employers' organisation fails to delegate members to the Dispute Committee under the procedure set out in this Article, or if the Dispute Committee fails to adopt its decision within the time limit set out in paragraph 4 of this Article, preliminary examination of the collective labour dispute on interests shall be deemed to be completed.

Article 237. Definition and selection of mediators

1. A mediator is an impartial and independent expert who facilitates the parties to a collective labour dispute on interests in reconciling their interests and reaching a mutually satisfactory compromise agreement.

2. The list of mediators shall be drawn up, approved and updated by the Minister of Social Security and Labour of the Republic of Lithuania. Impartial natural persons with an impeccable reputation and specialized knowledge necessary for resolving collective labour disputes on interests may be put on the list of mediators for a four-year term.

3. The list of mediators shall be published on the website of the Ministry of Social Security and Labour of the Republic of Lithuania. The list of mediators shall specify each mediator's name, surname, education, work experience, and mediation experience (if any).

4. The mediator shall be selected by common agreement by the Dispute Committee. If a mediator is not agreed upon within 10 working days of the decision of the Dispute Committee, the mediation stage shall be considered complete.

5. The Government of the Republic of Lithuania or institution authorised thereby shall set the size of travel expenses and compensation for mediators as well as the procedure for its payment.

6. Mediators must protect the confidential information that they become aware of as part of their activities.

Article 238. Mediation

1. When facilitated by a mediator, a collective labour dispute on interests must be resolved within 10 days of the appointment/selection of the mediator. This time limit may be extended by agreement of the parties.

2. The parties to the collective labour dispute on interests must appoint competent persons authorised to make decisions at the mediation meetings held by the mediator. During mediation, the parties must exercise their rights in good faith and refrain from actions that could hinder resolution of the collective labour dispute on interests.

3. Unless otherwise agreed by the parties, the employer or employers' organisation must create the conditions for the mediator to hold mediation meetings.

Article 239. Mediation results

1. Upon completion of mediation, the mediator may adopt the following decisions:

1) deeming the collective labour dispute on interests unresolved;

2) deeming the collective labour dispute on interests unresolved if the parties agree to hand the collective labour dispute on interests over for examination to a Labour Arbitration Committee;

3) deeming the collective labour dispute on interests resolved ir the parties to the collective labour dispute on interests conclude a collective agreement or other agreement on the subject of the dispute as a result of mediation;

4) deeming the collective labour dispute on interests partially resolved if the parties conclude a collective agreement or other agreement on the subject of the dispute for part of the demands.

2. An agreement reached through mediation shall be delivered to the parties to the collective labour dispute on interests.

Article 240. Labour Arbitration Committee

1. The Labour Arbitration Committee is an *ad hoc* institution that resolves collective labour disputes on interests.

2. The Labour Arbitration Committee shall be set up under the State Labour Inspectorate's territorial office whose jurisdiction covers the registered office of the employer or employers' organisation.

3. The Labour Arbitration Committee shall be composed of three arbitrators.

4. The list of arbitrators shall be drawn up, approved and updated by the Minister of Social Security and Labour of the Republic of Lithuania. Impartial natural persons with an impeccable reputation and specialist knowledge necessary for resolving collective labour disputes on interests may be put on the list of arbitrators for a four-year term with the right to extend the term for another four years.

5. The list of arbitrators shall be published on the website of the Ministry of Social Security and Labour of the Republic of Lithuania. The list of arbitrators shall include each arbitrator's name, surname, education, work experience, and arbitration and mediation experience (if any). A person included on the list of mediators may also act as an arbitrator.

6. The arbitrators selected from the list of arbitrators by the parties to a collective labour dispute on interests shall be released from their job duties for the dispute resolution period. The remuneration of arbitrators shall be covered under the procedure set out in the Law of the Republic of Lithuania on Remuneration of Employees of State and Municipal Agencies and Members of Commissions. The amount and reimbursement of travel expenses for arbitrators shall be set by the Minister of Social Security and Labour of the Republic of Lithuania.

7. Arbitrators must protect the confidential information that they become aware of in their activities.

8. The procedure for setting up the Labour Arbitration Committee and resolution of collective labour disputes on interests shall be set out in the Labour Arbitration Regulations approved by the Minister of Social Security and Labour of the Republic of Lithuania.

Article 241. Initiation and resolution of collective labour disputes on interests through labour arbitration

1. Under the conditions set out in this Code, the labour arbitration process shall be initiated by mutual agreement of the parties by submitting to the territorial office of the State Labour Inspectorate the decision adopted by the Dispute Committee or the mediator concerning the resolution of the collective labour dispute on interests through labour arbitration.

2. A responsible civil servant or employee of the territorial office of the State Labour Inspectorate shall give the parties, in writing, five working days to agree on the three arbitrators; if they fail to agree within this time limit, the said civil servant shall appoint two arbitrators to the Labour Arbitration Committee, each of whom shall be proposed by each of the parties. In this case, the third arbitrator shall be chosen by mutual agreement of the appointed arbitrators.

3. The arbitrators shall elect the chairperson of the Labour Arbitration Committee. The information on the third arbitrator and the chairperson of the labour arbitration must be conveyed to the responsible civil servant or employee of the territorial office of the State Labour

Inspectorate, who shall verify the candidates and adopt the decision to approve the composition and the chairperson of the Labour Arbitration Committee.

4. Resolution of a collective labour dispute on interests through labour arbitration shall be considered to have commenced on the day that the Labour Arbitration Committee is set up.

5. The civil servant responsible or employee of the territorial office of the State Labour Inspectorate shall be appointed by the Chief State Labour Inspector of the Republic of Lithuania.

Article 242. Decisions of the Labour Arbitration Committee

1. A collective labour dispute on interests must be examined within 15 working days of the Labour Arbitration Committee being set up.

2. The decision of the Labour Arbitration Committee shall be adopted unanimously.

3. The decision shall be put down in writing and must be substantiated and reasoned. The decision shall be signed by the chairperson and all the arbitrators of the Labour Arbitration Committee.

4. The decision shall be submitted to the civil servant responsible or the employee of the territorial office of the State Labour Inspectorate, who shall forward it to the parties to the collective labour dispute on interests within five days.

5. The Labour Arbitration Committee may adopt the following decisions:

1) to recognise the demands put forward in the collective labour dispute on interests as unfounded and reject them;

2) to recognise the demands put forward in the collective labour dispute on interests as well-founded or partly well-founded and order that an arrangement or collective agreement be concluded on the terms specified in the decision.

6. The decision of the Labour Arbitration Committee may only be appealed insofar as it is in conflict with the public order set out in the laws and the Constitution of the Republic of Lithuania.

7. The decision of the Labour Arbitration Committee shall be binding on the parties to the collective labour dispute on interests. The decision may determine the consequences of non-compliance to the benefit of the other party to the dispute and may establish that if the decision is not complied with within the time limit set in the decision of the Labour Disputes Commission, the party that fails to comply with the time limit shall be obliged to pay to the other party to the dispute a fine of a maximum amount of EUR 500 for each week of delay, from the end of the time limit set in the decision to the day on which the decision is complied with, but not exceeding six months.

8. The decision of the Labour Arbitration Committee is an enforceable document subject to execution under the procedure set out in the Code of Civil Procedure of the Republic of Lithuania.

9. If the Labour Arbitration Committee rejects as unfounded the demands made in a collective labour dispute on interests, the said demands cannot be made again until at least one year has elapsed since the Labour Arbitration Committee's decision was adopted.

Article 243. Right to collective action

1. In order to resolve a collective labour dispute on interests or ensure compliance with the solution reached in resolving such a dispute, the parties to the collective labour dispute on interests shall have the right to take collective action.

2. Trade unions or their organisations shall have the right to organise a strike under the procedure set out in this Code in the following cases:

1) the Dispute Committee deems the collective labour dispute on interests unresolved, one of the parties withdraws from negotiations, or the employer/employers' organisation fails to appoint members to the Dispute Committee during preliminary examination of the collective labour dispute on interests;

2) the mediator adopts the decision deeming the collective labour dispute on interests unresolved or partially resolved;

3) the employer or employers' organisation fails to comply with the decision of the Labour Arbitration Committee.

3. Employers and their organisations shall have the right to organise a lockout in the following cases:

1) if trade unions or their organisations fail to comply with the agreement made during mediation or with the decision of the Labour Arbitration Committee in a collective labour dispute on interests case;

2) if trade unions or their organisations declare a strike, provided declaring the strike has been postponed or recognised as unlawful by the court.

Article 244. Definition and types of strikes

1. A strike is a stoppage of work of the employees organised by a trade union or trade union organisation in an effort to resolve a collective labour dispute on interests or to ensure compliance with the solution reached in resolving such a dispute.

2. According to their duration, the following types of strikes shall be distinguished:

1) warning strike, lasting for a maximum of two hours;

2) true strike.

Article 245. Declaration of a strike

1. The decision to declare a strike may be taken by a trade union or trade union organisation under the procedure set out in their statutes in the cases set out in Article 243 of this Code. The consent of at least one quarter of the members of the trade union must be obtained in order to declare an employer-level strike under the procedure set out in trade union statutes. The decision of the representative body must be adopted in order to declare a strike at the sectoral (industry, services, professional) level under the procedure set out in the trade union statutes.

2. A warning strike may be organised before the true strike. A warning strike shall be declared by written decision of the management body of the trade union or the management body of the trade union organisation operating at the enterprise, institution or organisation concerned, without the separate consent of the members.

3. The decision of a trade union or trade union organisation to declare a strike shall specify the following details:

1) the demands that have been made, leading to the strike;

2) the date, starting time and place of the strike (the enterprises where the strike will take place);

3) the planned number of striking employees;

4) the strike committee;

5) the documents of the trade union member ballot vote documenting the number of trade union members who voted in favour of the strike.

4. The trade union must store all the documents, including the ballot papers, the voting protocol, and other related documents, for three years.

Article 246. Notification of an impending strike to the employer

1. The employer or employers' organisation and its individual members (employers) must be notified in writing of the impending warning strike at least three working days in advance, or of a true strike at least five working days in advance, by sending them the decision of the trade union or trade union organisation to declare the strike.

2. In enterprises or sectors that provide urgent (vital) public services, written notice of an impending warning strike or true strike must be given to the employer or employers' organisation and its individual members (employers) at least 10 working days in advance by sending them the decision of the trade union or trade union organisation to declare the strike.

3. Only those demands that have already been considered by a Dispute Committee, mediation, or labour arbitration may be raised when a strike is declared.

Article 247. Declaration of strikes in enterprises and sectors providing urgent (vital) public services

1. During true and warning strikes in enterprises and sectors that provide urgent (vital) public services, the minimum provision of urgent (vital) public services must be ensured.

2. Within three working days of giving notice to the employer of the impending true strike (or within one working day in the case of a warning strike) the parties to the collective labour dispute on interests shall agree on the minimum services to be provided and shall inform the Government of the Republic of Lithuania and municipal institutions accordingly in writing. If the parties fail to agree on the provision of minimum services, the minimum services to be provided shall be established by a relevant labour dispute resolution body within five working days of a request by either party.

3. The provision of minimum services shall be ensured by the strike committee, the employer and the employees appointed thereby. If the parties to the collective labour dispute on interests consider it necessary, they shall, prior to the beginning of the strike, draw up a list of employees who will have to work during the strike, thereby ensuring the provision of minimum services.

4. Urgent (vital) public services shall include the following services:

1) healthcare;

2) electric power supply;

3) water supply;

4) heat and gas supply;

5) sewage and waste disposal;

6) civil aviation, including air traffic control;

7) telecommunications;

8) railway and urban public transport.

Article 248. Prohibition on declaring strikes

1. Emergency medical service employees and other employees whose right to declare a strike is limited by laws are prohibited from declaring a strike. The demands raised by these employees shall be settled by bodies for the resolution of collective labour disputes on interests.

2. Strikes shall be prohibited in areas affected by natural disasters and in regions where mobilisation, martial law, or a state of emergency has been declared in accordance with the

established procedure, until the consequences of the natural disaster have been liquidated, demobilisation has been declared, or martial law or a state of emergency has been lifted.

3. It shall be prohibited to declare a strike in respect of the conditions or terms of employment set out in a collective agreement during the period of validity of the collective agreement if the said conditions or terms of employment are complied with.

4. The restriction specified in paragraph 3 of this Article shall not apply to arising collective labour disputes on interests which are not resolved by conducting collective bargaining under the procedure set out in this Code on conclusion of a collective agreement.

Article 249. Strike process

1. The strike committee set up by the entity putting forward the demands against the employer shall lead the strike.

2. The strike committee, together with the employer, must ensure the protection of the property and the people.

3. The strike committee and the employer may agree in writing on the measures that will be taken during the strike in order to protect the production, raw materials and other resources used by the enterprise, and to keep the employer's equipment, technological systems and devices in a state allowing for immediate resumption of the enterprise's activities once the strike is over.

4. During a strike, the strikers may organise rallies, pickets, demonstrations, marches and other peaceful gatherings under the procedure set out in the Law of the Republic of Lithuania on Meetings and other laws.

Article 250. Legal status and guarantees of strikers

1. No one shall be compelled to take part in a strike or to refuse to take part in a strike. During a strike, employment contracts shall be suspended for the employees participating in the strike, while they shall retain their length of employment and their right to social insurance under the procedure set out in legal acts.

2. Employees participating in a strike shall not be paid any remuneration, and they shall be relieved of the obligation to perform their job functions.

3. During negotiations to end a strike, it may be agreed that all employees taking part in the strike will be paid full or partial remuneration.

4. Trade unions and their organisations may set up special monetary or insurance funds from which financial support would be allocated to employees taking part in a strike.

5. Non-striking employees who are prevented from working by the strike shall be paid the same as for idle time through no fault on their part, or may be transferred to another job with their consent.

6. After the decision on the strike is taken and during the strike, the employer shall be prohibited from the following:

1) taking any unilateral decision to completely or partially discontinue the work/activities of the enterprise, institution, organisation or its structural division;

2) preventing all or individual employees from coming to their workplaces, or refusing to give employees work or the tools for working;

3) creating other conditions or taking decisions that may completely or partially suspend the work/activities of the entire enterprise, institution or organisation, or of its structural divisions.

7. During a strike, the employer shall be prohibited from hiring new employees to replace the strikers, except for the cases where the provision of minimum public services must be ensured and there is no possibility of doing so under the procedure and conditions set out in this Code.

8. The restrictions specified in paragraph 7 of this Article shall not apply if a lockout is declared under the procedure set out in this Code.

Article 251. Strike legality

1. Upon receipt of a notice from a trade union or trade union organisation of the decision to declare a strike, the employer or employers' organisation shall have the right to apply to court on the legality of the strike within five working days of receipt of the notice. It shall be prohibited to apply provisional protective measures set out in other laws, with the exception of those set out in Article 252 of this Code.

2. The court must examine the case on the legality of the strike within five working days. The economic and social motives of the demands made by the strikers cannot be the subject matter of a case on the legality of the strike.

3. The court shall deem a strike to be illegal if its objectives are in conflict with the Constitution of the Republic of Lithuania, this Code or other laws. A strike may also be recognised as illegal under the following conditions:

1) the strike was declared in violation of the procedure and requirements set out in this Code;

2) the strike was declared in cases where this Code or other laws prohibit striking;

3) the demands leading to the strike were not made in the established procedure, or were of political or other nature irrelevant to the employment and employee-related interests of the strikers.

4. After the entry into force of a court judgment declaring the strike illegal, the strike may not be started, and if it is already in progress, it must be terminated immediately, provided the judgment has been ordered to be enforced urgently.

Article 252. Postponement or suspension of a strike

1. If there is a direct threat that, during the strike, the agreement of the parties to the collective labour dispute on interests or the decision of the Labour Arbitration Committee regarding the provision of minimum services will not be implemented in enterprises, institutions, organisations or sectors that provide urgent (vital) public services and this may pose a threat to human life, health and safety, the court shall have the right to postpone for 15 working days a strike that has not yet begun in these enterprises, institutions, organisations or sectors, or to suspend a strike that has already begun for the same period of time.

2. The employer or employers' organisation may apply to court for the postponement or suspension of a strike in the cases set out in paragraph 1 of this Article.

Article 253. Ending a strike

1. A strike shall end in the following cases:

1) upon the employer or employers' organisation adopting a decision to satisfy the demands of the strikers;

2) upon the parties agreeing to end the strike;

3) upon the trade union or trade union organisation recognising that continuation of the strike is futile.

2. Once the strike is over, work must be resumed by the next working day/shift at the latest.

Article 254. Liability for an illegal strike

1. The losses incurred by the employer in the case of an illegal strike must be compensated for by the trade union or trade union organisation from its own funds and property, provided the trade union of trade union organisation had declared the strike.

2. If the trade union or trade union organisation has insufficient funds to compensate for the losses, the employer may, at its own discretion, use the funds designated under the collective agreement for employee premiums and other additional compensatory payments and benefits not set out in law.

3. Damage caused by the strike to other natural or legal entities shall be compensated for under the laws in force.

Article 255. Lockout

'A lockout' means temporary suspension, announced by an employer or employers' organisation, of the employment contracts of striking employees of a single employer or several employers.

Article 256. Declaration of a lockout

1. Under the conditions set out in this Code, a lockout shall be declared by the employer or the employers' organisation.

2. An employer shall impose the lockout on employees who are on strike or who are members of the trade union or trade union organisation that is a party to the collective labour dispute on interests.

3. The employer may declare a lockout not earlier than seven calendar days after the beginning of the strike.

4. Before declaring a lockout, the employer or employers' organisation must give written notice thereof at least five working days in advance to the trade union or trade union organisation involved in the collective labour dispute on interests.

5. The notice of lockout must indicate the following details:

1) the time of commencement of the lockout;

2) the reasons and objectives/demands of the lockout;

3) the list of the employees on whom the lockout will be imposed.

6. The employer must give individual notice of the lockout to each employee on whom the lockout will be imposed at least three working days before the commencement of the lockout.

Article 257. Lockout process

1. Implementation of the employment contracts with the employees being locked out shall be suspended until the end of the lockout.

2. The employer may fill the vacant positions by hiring new employees under fixed-term employment contracts, by using temporary workers, or by offering additional work to other employees of the enterprise, institution or organisation, as long as the maximum working time and minimum rest time requirements set out in this Code are complied with.

3. During a lockout, the employees whose employment contracts have been suspended shall not be paid any remuneration, except for the cases where the parties to the collective labour dispute on interests or labour law provisions establish otherwise. Calculation of the length of the employment relations as well as of the working time for the purpose of annual leave entitlement

shall be suspended for these employees, but their right to social insurance under the procedure set out in legal acts shall be retained.

Article 258. Prohibition of lockouts

It shall be prohibited to declare a lockout at emergency medical services, in areas affected by natural disasters, in regions where mobilisation, martial law, or a state of emergency has been declared in accordance with the established procedure, as well as at public administration institutions and in other cases set out in laws.

Article 259. End of a lockout

1. A lockout shall end in the following cases:

1) upon the parties to the collective labour dispute on interests reaching an agreement on the end of the lockout;

2) upon the employer recognising that continuation of the lockout is futile.

2. Once a lockout is over, implementation of the employment contracts must be resumed within three working days of the employer's decision to end the lockout.

Article 260. Legality of a lockout

1. Upon receiving notice from the employer of the decision to impose a lockout, the trade union or trade union organisation shall have the right to apply to the court within five working days of receipt of the notice to have the lockout declared illegal.

2. The court must examine the case on the legality of a lockout within five working days.

3. The court shall declare a lockout illegal if the objectives of the lockout conflict with the Constitution of the Republic of Lithuania, this Code or other laws. A lockout shall also be recognised as illegal if it was declared in violation of the procedure and requirements set out in this Code or if the employer is abusing the right to impose a lockout.

4. Upon the entry into force of a court judgment declaring a lockout illegal, or upon the entry into force of a court decision recognising a lockout to be illegal and ordering its urgent execution, the implementation of the employment contracts of the employees must be resumed within three working days and they must be paid all of the remuneration and other payments due under the collective agreement, other arrangements or internal legislation that they have not received from the beginning of the lockout until the resumption of contract implementation.

5. The damage caused by a lockout to other natural or legal entities shall be compensated for in the procedure set out in laws.

Annex
to the Labour Code
of the Republic of Lithuania

LEGAL ACTS OF THE EUROPEAN UNION IMPLEMENTED BY THIS CODE

1. Council Directive 91/383/EEC of 25 June 1991 supplementing the measures to encourage improvements in the safety and health at work of workers with a fixed-term employment relations or a temporary employment, as last amended by Directive 2007/30/EC of the European Parliament and of the Council of 20 June 2007.

2. Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services as last amended by Directive (EU) 2018/957 of the European Parliament and of the Council of 28 June 2018.

3. Council Directive 97/81/EC of 15 December 1997 concerning the Framework Agreement on part-time work concluded by UNICE, CEEP and the ETUC, as last amended by Council Directive 98/23/EC of 7 April 1998 extending to the United Kingdom of Great Britain and Northern Ireland the application of Directive 97/81/EC concerning the Framework Agreement on part-time work concluded by ETUC, UNICE and CEEP.

4. Council Directive 98/59/EC of 20 July 1998 on the approximation of the laws of the Member States relating to collective redundancies, as last amended by Directive (EU) 2015/1794 of the European Parliament and of the Council of 6 October 2015.

5. Council Directive 1999/70/EC of 28 June 1999 concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEEP.

6. Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial and ethnic origin.

7. Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation.

8. Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, as last amended by Directive (EU) 2015/1794 of the European Parliament and of the Council of 6 October 2015.

9. Directive 2002/14/EC of the European Parliament and of the Council of 11 March 2002 establishing a general framework for informing and consulting employees in the European

Community, as last amended by Directive (EU) 2015/1794 of the European Parliament and of the Council of 6 October 2015.

10. Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organisation of working time.

11. Directive 2006/54/EC of the European Parliament and of the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast).

12. Directive 2008/94/EC of the European Parliament and of the Council of 22 October 2008 relating to the protection of employees in the event of the insolvency of their employer (Codified version), as last amended by Directive (EU) 2015/1794 of the European Parliament and of the Council of 6 October 2015.

13. Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work.

14. Directive 2009/52/EC of 18 June 2009 providing for minimum standards of sanctions and measures against employers of illegally staying third-country nationals.

15. Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union.

16. Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU.

17. Directive (EU) 2020/1057 of the European Parliament and of the Council of 15 July 2020 laying down specific rules with respect to Directive 96/71/EC and Directive 2014/67/EU for posting drivers in the road transport sector and amending Directive 2006/22/EC as regards enforcement requirements and Regulation (EU) No 1024/2012.