

Your World First

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Law . Tax

COVID-19

**Securing your company's
liquidity**

April 2020



The COVID-19 pandemic is leading to drastic legal and economic restrictions worldwide. In Austria too, companies are confronted with forced plant closures and delays (up to almost complete standstill) in global trade routes as well as the associated supply bottlenecks. Turnover collapses, costs remain.

In this critical phase, every company must ensure sufficient liquidity and implement restructuring measures early on in order to continue to operate successfully during and after the crisis. This is primarily achieved by taking steps in terms of labour and contract law, monitoring the contractual partners, implementing tax measures and making use of subsidies.

We will support you in the evaluation, selection and implementation of these measures. To this end, we have put together various packages for you – from an overview to a tailor-made, full-care package, according to your needs and wishes.

You will find all contact persons belonging to our multidisciplinary CMS team listed at the end of our service offer. They are available for any further questions you may have.

Your CMS Team in Vienna

Our legal advice offer to you in detail:

Labour law and HR measures

- Covid-19 shortcut.
- Leave of absence with promise of re-employment.
- Staff reduction (dismissals, early warning system, social plan?)
- Changes in working conditions:
 - Collective agreement check (are the "right" collective agreements applied?),
 - Evaluation of and changes to working time models (to optimise resources),
 - Employment contracts, company agreements.
- Insourcing and outsourcing of companies or parts of companies.
- Introduction and replacement of IT tools.
- Foundation of shared service organisations.

Our offer	CMS Impulse	CMS Review	CMS Full-Care
	<ul style="list-style-type: none"> — Update on the legal basis for changing working conditions 	<ul style="list-style-type: none"> — Update on the legal basis for changing working conditions — Develop a checklist of which measures are sensible and feasible in the company 	<ul style="list-style-type: none"> — Update on the legal basis for changing working conditions — Develop a checklist of which measures are sensible and feasible in the company — Selection of measures — Process design — Preparation of documents — Project support
Benefit to you	You know the dos and don'ts	You receive all the tools you need to set up internal processes correctly	You receive a complete, legally flawless process for immediate implementation
Scope of our services	<ul style="list-style-type: none"> — 2 h interactive lecture 	<ul style="list-style-type: none"> — 2 h interactive lecture — 6 h workshop 	<ul style="list-style-type: none"> — 2h interactive lecture — 6 h checklist workshop — 8 h measure selections workshop — Process design, etc. length of time according to individual estimation
Your investment	EUR 1.000,00	EUR 5.000,00	On request

Contracts

- Examination of the specific contractual situation - (force majeure clause; withdrawal/suspension of services, deadlines, form; contractual penalties, risk, etc.).
- Is contract performance possible? What applies in case of debtor/creditor default? Can performance be refused? What has to be considered?
- Special regulations for transactions for delivery by a fixed date (e.g. events: effectiveness of GTC clauses vis-à-vis customers).
- Deferral agreements – which ones really postpone the due date?
- Is the basis of the agreement no longer valid?
- Monitoring of business partners, whether they are already (materially or formally) insolvent (avoiding unpleasant surprises, preventing the contestability of services/payments still to be made, securing information rights, offsetting possibilities).
- Special regulations for tenancy and lease relationships: new legal regulations, suspension of payments, reduction of rent/lease.
- Protection to secure liquidity within the group (subordination declaration, group guarantees, letters of comfort; shareholder loans, effects on cash pools, outsourcing of risk areas to limit liability within the group).

Our offer	CMS Impulse	CMS Review	CMS Full-Care
	<ul style="list-style-type: none"> — Update on legal basis 	<ul style="list-style-type: none"> — Update on legal basis — Analysis of your 10 most important contracts & checklist of options for adaptation/cancellation — Review of your 10 most important contractual partner regarding insolvency indicators & proposals for "protection" against imminent insolvency 	<ul style="list-style-type: none"> — Update on legal basis, analysis of all existing contracts & checklist of options for adaptation/cancellation — Examination of all existing contractual partners for insolvency indicators & proposals for "protection" against imminent insolvency — Individual adaptation of your contract templates to the COVID-19 situation for future contracts & sample letters to your contract partners in case they need changing
Benefit to you	You know the dos and don'ts	You get an overview of which essential contracts are still running and which contracts can be adjusted or terminated, and you know for which contract partners increased care is necessary	Your contractual relationships are placed on a legally optimised and as far as possible crisis-proof basis

Scope of our services	<ul style="list-style-type: none"> — 2h interactive lecture 	<ul style="list-style-type: none"> — 2h interactive lecture — 10 h contract reviews 	<ul style="list-style-type: none"> — 2h interactive lecture — Comprehensive contract reviews, adaptation of your sample contracts and assistance in adapting existing contracts.
Your investment	EUR 1.000,00	EUR 5.000,00	On request

Taxes & social security contributions

- Reduction of VAT and corporation tax advance payments.
- Deferral / payment by instalment of tax payments (currently without interest!) - VAT, income tax (Est), corporation tax (KöSt).
- Deferral / payment by instalment of social security contributions.
- Liquidity planning.
- Reorganisations for tax-optimised loss utilisation, measures to create positive equity, restructuring in the event of bad debts within the group (avoidance of tax risks).

Our offer	CMS Impulse	CMS Review	CMS Full-Care
	<ul style="list-style-type: none"> — Update fiscal measures for short-term liquidity planning 	<ul style="list-style-type: none"> — Short-term liquidity planning and identification of tax optimization possibilities (reorganizations for tax-optimized loss realization) — Measures to create positive equity capital — Restructuring in case of bad debts within the group (avoidance of tax risks) 	<ul style="list-style-type: none"> — Comprehensive concept for tax optimisation possibilities & restructuring measures in the group
Benefit to you	You will learn how you can secure your liquidity in the short term.	You will learn how and where you can secure your liquidity in the short term	You receive a comprehensive concept for tax optimisation opportunities & restructuring measures in the group
Scope of our services	<ul style="list-style-type: none"> — 2h interactive lecture 	<ul style="list-style-type: none"> — Liquidity plan for the year 2020 — Identification of tax optimisation opportunities 	<ul style="list-style-type: none"> — Comprehensive concept for tax optimisation possibilities & implementation of the group restructuring measures
Your investment	EUR 1.000,00	EUR 5.000,00	On request

Subsidies and support measures - EU and national

- What is there?
 - subsidies and measures generally and specifically related to COVID-19 (e.g. Federal Act on the Establishment of the COVID-19 Crisis Management Fund ("COVID-19-FondsG"))?
 - direct grants, repayable advances or tax benefits, guarantees, interest rate subsidies, short-term export credit insurance, bridging guarantees,
 - special measures for certain sectors, e.g. tourism.
- **What suits you** (requirements, what is supported, who is eligible to apply)?
- What is in conformity with EU law?

Our offer	CMS Impulse	CMS Review	CMS Full-Care
	— Update	— Sector-specific contract templates & information on sector-specific funding opportunities	— Extensive revision & analysis of your existing contracts under which aid was granted. — Individually adapted contract templates & information on your specific funding opportunities.
Your benefit	You will learn which subsidies are currently available	You receive all the tools you need to avoid risks in state aid law and to apply for subsidies	You will receive a review of your contracts as well as all the tools necessary to avoid risks in state aid law and to apply for subsidies
Scope of our services	— 2h interactive lecture	Promotions: <ul style="list-style-type: none"> — 2h interactive lecture — 3h workshop 	— Analysis of the contracts, depending on scope. — 2h interactive lecture — 3h workshop
Your investment	EUR 1.000,00	EUR 5.000,00	On request

Your contact person for further questions:

„Contracts“ package



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