

The background of the entire page is an abstract pattern of concentric, curved lines in shades of blue and white, creating a sense of depth and movement.

# **BDO LAW GAPS CHECK SERVICE**





**VITA LIBERTE**

Managing Partner  
vita.liberte@bdo.lv



**JANIS ZELMENIS**

Managing Partner  
janis.zelmanis@bdo.lv

Dear Client,

Today's rapid pace of life and the abundance of information are increasingly proving to us that 'less is more'. We understand that primary task of entrepreneurs is to manage and develop their business, rather than following all the amendments to the law and assessing whether the company is still operating in accordance with regulatory requirements.

We also understand that both time and money are crucial assets, thus instead of offering time-consuming and expensive audits, we would like to offer our clients a new opportunity - "Gaps-check" service.

What does it mean? Our lawyers - experienced professionals will carry out fast compliance check in the most business-related areas such as corporate, corporate governance, labor law, IP&IT, GDPR and AML, and will prepare a brief report, where the compliance of general requirements in the relevant field will be analyzed and any gaps together with the risks associated identified. Such report will allow the management, shareholders and current and future investors to see the full picture of the general compliance of company's business without spending a lot of time and money.

If after receiving the report, you will be ready to eliminate the gaps identified, we will be delighted to assist you and offer a 10% discount from our standard fees.

Best regards,

# CONTENT



LABOR LAW



GOOD CORPORATE GOVERNANCE



CORPORATE



AML/CFT COMPLIANCE



GDPR



INTELLECTUAL PROPERTY (IP)



SERVICE FEES



ABOUT BDO

# LABOR LAW

## ▶ LABOR LAW

- ▶ GOOD CORPORATE GOVERNANCE
- ▶ CORPORATE
- ▶ AML/CFT COMPLIANCE
- ▶ GDPR
- ▶ INTELLECTUAL PROPERTY (IP)
- ▶ SERVICE FEES
- ▶ ABOUT BDO



## WHY IT IS IMPORTANT

Labor law issues are one of the most complex and important issues facing any employer, and they might have a significant impact on a company's productivity and workplace culture. Incomplete or incorrectly prepared employment documentation can lead not only to fines, but also to disputes with employees and unwanted litigation.



## WE WILL ANALYZE

- ▶ One employment contract template (or two contracts if management-level contracts differ from those concluded with other employees).
- ▶ A list of internal policies / procedures in the field of employment, briefly indicating what each document governs.



## YOU WILL GET

We will draft a report, where we will:

- ▶ suggest what additional internal policies / procedures should be developed to better protect the company's interests, avoid penalties and disputes with employees;
- ▶ identify gaps in the employment contract and related risks.



## OUR EXPERTISE

Our lawyers are experienced professionals who advise on a wide range of labor law issues: from the commencement of employment to their termination, develop employment documentation - both contracts and internal company policies. Over the years, considerable experience has been gained in representing clients in labor disputes of varying degrees of complexity, thus we know that timely advice can prevent unexpected problems.

The considerable experience of BDO Law lawyers in the field of labor law is confirmed not only by publications on actual topics, but also by the scientific and practical comments of the Labor Law published in the beginning of 2020, which are used not only by every lawyer practicing in labor law, but also by judges.

# GOOD CORPORATE GOVERNANCE

- ▶ LABOR LAW
  - ▶ GOOD CORPORATE GOVERNANCE
- ▶ CORPORATE
- ▶ AML/CFT COMPLIANCE
- ▶ GDPR
- ▶ INTELLECTUAL PROPERTY (IP)
- ▶ SERVICE FEES
- ▶ ABOUT BDO



## WHY IT IS IMPORTANT

Despite the size of the company, activities in the field of public or private law and other considerations, a good governance is needed to maintain a sustainable work of any enterprise. This will not only make the management of the company easier, but also your cooperation partners and potential investors will appreciate the fact that the company operates in accordance with the principles of good governance. Over the recent years, the implementation of corporate governance guidelines has become more frequent, in order to create an effective corporate governance model. Recently adopted Corporate Governance Code sets out 17 principles, which, if implemented correctly, guarantee the efficiency and transparency of governance.



## WE WILL ANALYZE

- ▶ All policies elaborated within your company related to sustainable governance and efficiency, internal control and risk management, board, council and shareholders' management.
- ▶ The company's compliance with the principles of good governance set out in the Corporate Governance Code.



## YOU WILL GET

We will draft a report, where we will:

- ▶ identify gaps in the policies elaborated and the risks associated with them;
- ▶ recommend any additional internal policies / regulations that should be developed so that the company is managed in accordance with the principles of good corporate governance.



## OUR EXPERTISE

BDO Law team has a remarkable experience in the field of commercial law, achieved by consulting not only the local, but also foreign clients regarding various industry issues, including the development of the company and legal aspects of day-to-day operations. With the growing importance of effective corporate governance, we offer to evaluate current management systems in your company by identifying the issues where the strategic improvements are needed. Our cooperation is based on the interests of your company and our experience, while working together on the development of internal policies and procedures for a sustainable growth.



# CORPORATE

- ▶ LABOR LAW
- ▶ GOOD CORPORATE GOVERNANCE
  - ▶ CORPORATE
- ▶ AML/CFT COMPLIANCE
- ▶ GDPR
- ▶ INTELLECTUAL PROPERTY (IP)
- ▶ SERVICE FEES
- ▶ ABOUT BDO



## WHY IT IS IMPORTANT

Similar to the constitution governing the general conditions of how the state operates, special attention must be paid to the general documents of the company - the articles of association and other corporate documents. If the company's corporate documents are developed in high quality and in accordance with the regulatory framework, it allows not only to avoid negative consequences, but also to avoid disputes that may arise between the company's management and shareholders or between the shareholders.



## WE WILL ANALYZE

- ▶ Publicly available information about your company in the Commercial Register.
- ▶ Current version of the Articles of Association.
- ▶ Concluded agreements with management board / supervisory board members.
- ▶ Rules of procedure of the management board / supervisory board members.
- ▶ Supporting documentation of the beneficial owners' (such documentation must be kept in the company in all times).



## YOU WILL GET

We will draft a report, where we will:

- ▶ evaluate the compliance of the share capital and the articles of association with the requirements of the law;
- ▶ recommend any additional conditions that needs to be included in the articles of association or rules of procedure to protect the interests of the board / council / shareholders;
- ▶ evaluate the compliance of the registered information on the beneficial owners with the requirements of the law.



## OUR EXPERTISE

We advise clients on a full range of corporate issues, from company formation, management to company liquidation. We have provided support to both local and international clients in various complex disputes between business owners and management, as well as in owner-to-owner disputes, which are often long-term and requires many resources, therefore, we strive to recommend solutions to customers so that problems can be resolved before they arise.

# AML/CFT COMPLIANCE

- ▶ LABOR LAW
- ▶ GOOD CORPORATE GOVERNANCE
- ▶ CORPORATE
  - ▶ AML/CFT COMPLIANCE
- ▶ GDPR
- ▶ INTELLECTUAL PROPERTY (IP)
- ▶ SERVICE FEES
- ▶ ABOUT BDO



## WHY IT IS IMPORTANT

Subjects of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing (“AML Law”) are obliged to fulfil the requirements to prevent money laundering and terrorism and proliferation financing. For these purposes subjects create their own internal control systems, taking into account the risk-based approach. However, actual and correct implementation and fulfilment of the internal control system’s objectives, is even more important, when it comes to financial compliance. Should the supervising authority identify violations of the AML Law, significant penalty fees may be applied towards subject of the AML Law. AML/CFT compliance gaps-check will help you identify main incompliances, thus, being able to mitigate the related risks and improve your internal control system prior to adverse consequences accrue.



## WE WILL ANALYZE

- ▶ Employee training procedures and sufficiency of documents proving actual fulfilment of training.
- ▶ Customers’ files, namely, customer, ultimate beneficial owner and source of funds identification (up to 2 files).
- ▶ Proper operability of the customer risk scoring system (based on analysis of up to 2 clients’ files).
- ▶ Suspicious activity reporting process and fulfilment.



## YOU WILL GET

We will draft a report, where we will:

- ▶ provide description of test results related to separate elements of your internal control system environment;
- ▶ outline those incompliances with the AML Law, thus helping you to avoid a potentially hefty fine from the supervising authority.



## OUR EXPERTISE

We have assembled a strong team that brings together extensive anti-financial crime expertise. We have assisted numerous clients, both payment and electronic money institutions, as well as credit institutions, in performing external independent assessments of the AML/CFT compliance programs. Whilst we will work closely with you, and share our findings as we go through the gaps-check, we will maintain at all times our professional independence. We listen and learn, but form our own views based on our extensive experience.

# GDPR

- ▶ LABOR LAW
- ▶ GOOD CORPORATE GOVERNANCE
- ▶ CORPORATE
- ▶ AML/CFT COMPLIANCE
  - ▶ GDPR
- ▶ INTELLECTUAL PROPERTY (IP)
- ▶ SERVICE FEES
- ▶ ABOUT BDO



## WHY IT IS IMPORTANT

Personal data shall be processed lawfully, fairly and in a transparent manner, therefore, the company has to ensure the compliance with the standards set out in the GDPR. Besides, non-compliance can affect the deterioration of reputation of the company and create huge losses for it. In order to avoid problems of non-compliance, it is suggested to perform a GDPR gaps-check, within which the professionals will analyze the current situation in the company, and advise on further processes.



## WE WILL ANALYZE

- ▶ Presence of mandatory documentation.
- ▶ Internal data processing activities (by choice):
  - ▶ Due diligence before hiring third parties;
  - ▶ Data mapping;
  - ▶ Internal data breach management system;
  - ▶ Data subject request management.
- ▶ Cookie usage in the client's website and consent mechanisms.
- ▶ Existing data protection measures.



## YOU WILL GET

We will draft a red flag report, where we will:

- ▶ evaluate the compliance of the data processing with the requirements of the law;
- ▶ Highlight main discrepancies and propose general comments on mitigation measures.



## OUR EXPERTISE

We offer sensible, actionable advice grounded in local knowledge and backed by local and international experience in the data protection law and compliance with the GDPR.



# INTELLECTUAL PROPERTY (IP)

- ▶ LABOR LAW
- ▶ GOOD CORPORATE GOVERNANCE
- ▶ CORPORATE
- ▶ AML/CFT COMPLIANCE
- ▶ GDPR
  - ▶ INTELLECTUAL PROPERTY (IP)
- ▶ SERVICE FEES
- ▶ ABOUT BDO



## WHY IT IS IMPORTANT

IP rights set your business apart from competitors and let you stand out. Moreover, they can be sold, licensed, therefore providing an important revenue stream, as well as be utilized as security for loans. Besides, they offer your customers something creative and different and form a key part of your marketing and/or branding, that can be useful for further expansion to other markets or even industries.



## WE WILL ANALYZE

- ▶ The list of your IP rights.
- ▶ The ownership and validity of the IP rights.
- ▶ If the IP rights are registered in the countries of interest of you.
- ▶ Whether the IP rights are encumbered by third party rights or have been licensed for use by third parties.
- ▶ Whether the IP rights are the subject of threatened or ongoing litigation or other proceedings.
- ▶ How IP rights are handled in your contracts, e.g. the typical issues with labor contracts.



## YOU WILL GET

We will draft a report, where we will:

- ▶ identify your IP rights and compare to your own IP rights list;
- ▶ verify the ownership and validity of the IP rights;
- ▶ find out if the IP rights registration is the most appropriate for your business interests;
- ▶ do a high-level review of the possible third party rights;
- ▶ do a high-level review of the contracts (up to 3) that includes IP rights;
- ▶ recommend the necessary actions to eliminate the deficiencies identified in the report.



## OUR EXPERTISE

We offer sensible, actionable advice grounded in local knowledge and backed by local and international experience in the IP/PT law.

# SERVICE FEES

SERVICE	FEE EUR (WITHOUT VAT)
LABOR LAW “GAPS-CHECK”	350
GOOD CORPORATE GOVERNANCE “GAPS-CHECK”	450
CORPORATE “GAPS-CHECK”	450
AML/CFT COMPLIANCE “GAPS-CHECK”	950
GDPR “GAPS-CHECK”	350-550
INTELLECTUAL PROPERTY (IP) “GAPS-CHECK”	550

We offer service loyalty discount:

- ▶ if you choose 3 and more “gaps-checks”, we will propose 10% discount for all chosen;
- ▶ if you choose all, we will propose 15% discount to all.

If there is another business area we have not specified above where you would like us to perform the compliance check, please let us know.



The background of the entire page is an abstract pattern of concentric, curved lines in shades of blue and white, creating a sense of depth and movement. A solid blue rectangular block is positioned in the upper left quadrant, containing the text 'ABOUT BDO'.

# ABOUT BDO



# BDO IN LATVIA

## MORE THAN TEN YEARS OF EXPERIENCE

In 2007, BDO Latvia was established by partners Vita Liberte and Jānis Zelmenis to provide local and international customers with an excellent level of services and consultations. BDO Latvia is a part of the BDO global network - one of the largest accounting and consulting networks in the world. The BDO Latvia team employs 55 professions, and the company is experiencing constant growth.

## SERVICES

We provide services to companies, organizations and public institutions, provide consultations and share knowledge locally and internationally.

### LEGAL CONSULTATIONS

Independent law firm BDO Law advises on employment law, company law, commercial law, litigation and other legal aspects.



**BDO**

### AUDIT AND ASSURANCE

We perform a comprehensive, independent, effective audit of financial statements, including those integrated with internal control audits. We help ensure that clients' financial statements comply with complex regulatory and business requirements.



### OUTSOURCING ACCOUNTING SERVICES (BSO)

Accounting, mandatory reporting, temporary replacement of accounting staff.



### TAX CONSULTATIONS

Assistance in clarifying the requirements specified in tax legislation in communication with the State Revenue Service on transfer pricing issues, tax planning within certain projects and in other spheres.



### FINANCIAL CONSULTATIONS

Fundraising, assistance in takeovers, company valuation and financial modeling

**BDO**

# BDO GLOBAL ORGANISATION

BDO is one of the leading global groups of accounting, auditing and consulting services providers, encompassing over 1600 offices in more than 167 countries. Our global reach, combined with specialized local expertise, ensures that BDO's specially developed approach is the most appropriate for customers' needs.

We are constantly focusing on global expansion, by deepening our knowledge of the industry and improving our ability to provide integrated services worldwide.

## BDO STATISTICS 2020

### GLOBAL REVENUES

US\$ **10.3**  
BILLION



**+7.8%\***

\*(At constant exchange rates)

### TOTAL HEADCOUNT



**91,054**

PEOPLE

**+3.3%**

### GLOBAL FOOTPRINT

**167**  
COUNTRIES

**1,658**

OFFICES



### PERCENTAGE REVENUE BY REGION



**12%**

ASIA PACIFIC



**35%**

EMEA



**53%**

AMERICAS

### FEE SPLIT BY SERVICE LINE

**15%**

BSO

**21%**

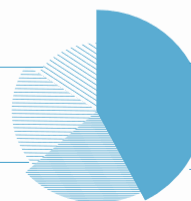
ADVISORY

**42%**

A&A

**22%**

TAX



## CONTACTS

15-3b Kalku Street  
Riga, LV-1050, Latvia

e [info@bdo.lv](mailto:info@bdo.lv)  
m +371 6677 7800  
[www.bdo.lv](http://www.bdo.lv) | [www.bdolaw.lv](http://www.bdolaw.lv)

This publication has been carefully prepared, but it has been written in general terms and should be seen as containing broad statements only. This publication should not be used or relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained in this publication without obtaining specific professional advice. Please contact BDO to discuss these matters in the context of your particular circumstances. BDO, its partners, employees and agents do not accept or assume any responsibility or duty of care in respect of any use of or reliance on this publication, and will deny any liability for any loss arising from any action taken or not taken or decision made by anyone in reliance on this publication or any part of it. Any use of this publication or reliance on it for any purpose or in any context is therefore at your own risk, without any right of recourse against BDO or any of its partners, employees or agents.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

© All copyrights belong to BDO Latvia. All rights reserved. Published in Latvia.