

**Translator's note:**

A translation of this Act, including the amendments made up to and including 23 March 2007, is available through the website of the Estonian Ministry of Justice at:

<http://www.legaltext.ee/et/andmebaas/paraframe.asp?loc=text&lk=et&sk=en&dok=X90012K1.htm&query=%FCle%FChenduselise&tyyp=X&ptyyp=RT&pg=1&fr=no>. That translation has been used in full below. Only those parts of the Act that have been amended since March 2007 have been translated in DGT.

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## **Community-scale Involvement of Employees Act<sup>1</sup>** **[RT I 2007, 22, 112 — entry into force 23.03.2007]**

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Adoption	Publication	Entry into force
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21.11.2007	RT I 2007, 65, 405	15.12.2007
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22.04.2010	RT I 2010, 22, 108	01.01.2011, enters into force on the day determined in the decision of the Council of the European Union on the abrogation of the derogation in favour of the Republic of Estonia on the basis laid down in Article 140(2) of the Treaty on the Functioning of the European Union, Council Decision 2010/416/EU of 13 July 2010 (OJ L 196, 28.07.2010, pp. 24–26).
16.06.2011	RT I, 04.07.2011, 1	14.07.2011

### **Chapter 1** **GENERAL PROVISIONS**

#### **Section 1. Scope of application of Act**

This Act provides for the legal bases for:

1) the establishment of the European Works Council or a procedure for informing and consulting on the level of Community-scale undertakings and Community-scale groups of undertakings;

2) the involvement of employees in the affairs of European companies (*Societas Europaea*, hereinafter SE) and European cooperative societies (*Societas Cooperativa Europaea*, hereinafter SCE).

[RT I 2007, 22, 112 — entry into force 23.03.2007]

## **Section 2. Purpose of Act**

The purpose of this Act is to promote involvement of employees which means:

- 1) provision of information and consultation to employees of activities of Community-scale undertakings and Community-scale groups of undertakings or
- 2) provision of information and consultation to employees and their participation in the activities of an SE and SCE.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

## **Section 3. Basic definitions**

(1) In this Act, the following basic definitions are used:

1) “information” means the informing of the employees’ representatives on an appropriate level in a manner which allows the employees to receive a clear and sufficiently detailed overview of the structure and economic and employment situation of an undertaking on time, and the possible development of the structure and situation and other circumstances affecting the interests of employees, and to understand the impact of the situation and other circumstances on the employees and, where necessary, to prepare for consultation;

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2) “consultation” means the establishment of dialogue and exchange of views between the employees’ representatives and an undertaking on an appropriate level and in a manner which allows the employees’ representatives within a reasonable time to express opinions, which the undertaking may take into consideration in the decision-making process, on the planned measures that are the subject of the consultation and to receive reasoned responses to the submitted opinions from the undertaking;

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3) for the purposes of this Act, “Member State” is a state party to the Agreement of the European Economic Area.

## **Chapter 2**

### **INVOLVEMENT OF EMPLOYEES ON LEVEL OF COMMUNITY-SCALE UNDERTAKINGS AND COMMUNITY-SCALE GROUPS OF UNDERTAKINGS**

#### **Division 1**

#### **General Provisions**

## **Section 4. Application of this Chapter**

(1) This Chapter applies in the following cases:

- 1) the central management of an undertaking controlled by a Community-scale undertaking or a Community-scale group of undertakings is located in Estonia,
- 2) the central management of an undertaking controlled by a Community-scale undertaking or a Community-scale group of undertakings is not located in a Member State but a representative of the central management appointed therefor, if necessary, is located in Estonia, or

3) the central management of an undertaking controlled by a Community-scale undertaking or a Community-scale group of undertakings is not located in a Member State and representatives of the central management have not been appointed in Member States but the enterprise employing the largest number of employees or the controlled undertaking employing the largest number of employees as compared to other Member States is located in Estonia.

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(2) This Chapter does not apply to the crew members of ships used for merchant shipping.

(3) Regardless of the provisions of subsection (1) of this section, the provisions of § 9 of this Act apply to determination of the size of workforce in Estonia and the provisions of §§ 17 and 25 of this Act apply to the selection of members representing Estonian employees in the special negotiating body and the European Works Council.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

#### **Section 4<sup>1</sup>. Establishment of an information and consultation procedure**

In order to promote the involvement of employees at the level of a Community-scale undertaking or a Community-scale group of undertakings, a European Works Council or another information and consultation procedure shall be established. The information and consultation procedure shall be established and implemented in such a way as to ensure its effectiveness and to enable the Community-scale undertaking or Community-scale group of undertakings to take decisions effectively.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

#### **Section 5. Undertaking**

The provisions of this Act concerning enterprises also apply to other legal persons, except the state and local governments.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

#### **Section 6. Enterprise**

[Repealed — RT I, 04.07.2011, 1 — entry into force 14.07.2011]

#### **Section 7. Community-scale undertakings**

A Community-scale undertaking is an undertaking with at least 1 000 employees within the Member States and at least 150 employees in each of at least two Member States.

#### **Section 8. Community-scale groups of undertakings**

A community-scale group of undertakings is a group of undertakings with:

- 1) at least 1 000 employees within the Member States;
- 2) at least two group undertakings in different Member States;
- 3) at least one group undertaking with at least 150 employees in one Member State and at least one other group undertaking with at least 150 employees in another Member State.

#### **Section 9. Determination of size of workforce in Estonia**

Determination of the size of the workforce in an undertaking belonging to a Community-scale group of undertakings located in Estonia and undertakings of a Community-scale undertaking shall be based on the average number of employees employed during the previous two years as of commencement of negotiations for the establishment of a European Works Council or for the establishment of a procedure for the purposes of informing and consulting.

### **Section 10. Controlling undertaking**

(1) For the purposes of this Act, “controlling undertaking” means an undertaking which belongs to a group of undertakings and which can exercise a dominant influence over another undertaking (the controlled undertaking) by virtue, for example, of ownership, financial participation or the rules which govern it or by any other means by which it is possible to exercise direct or indirect influence on the other undertaking.

(2) The ability to exercise a dominant influence shall be presumed, without prejudice to proof to the contrary, when, in relation to another undertaking directly or indirectly:

- 1) holds a majority of that undertaking’s subscribed capital,
- 2) controls a majority of the votes attached to that undertaking’s issued share capital,
- 3) can appoint or remove more than half of the members of that undertaking’s directing body.

(3) A dominant influence shall not be presumed to be exercised solely by virtue of the fact that functions are exercised in liquidation proceedings, recovery of payment debts or analogous proceedings.

(4) Where two or more undertakings from a group of undertakings satisfy one or more of the criteria specified in subsection (2) of this section, the undertaking which satisfies the criterion provided for in clause (2) 3) shall be regarded as the controlling undertaking. If no undertaking belonging to a group of undertakings satisfies the criterion provided for in clause (2) 3), the undertaking which satisfies the criterion provided for in clause (2) 2) is deemed to be the controlling undertaking without prejudice to proof that another undertaking is able to exercise a dominant influence.

(5) Notwithstanding the provisions of subsections (1) and (2) of this Section, an undertaking is not deemed to be a controlling undertaking with respect to another undertaking in which it has holdings where the former undertaking is a company referred to in Article 3(5)(a) or (c) of Council Regulation 139/2004/EC on the control of concentrations between undertakings (OJ L 24, 29.01.2004, p. 1–22).

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(6) The law applicable in order to determine whether an undertaking is a controlling undertaking shall be the law of the Member State which governs that undertaking. Where the law governing that undertaking is not that of a Member State, the law applicable shall be the law of the Member State within whose territory the representative of the undertaking or, in the absence of such a representative, the central management of the group undertaking which employs the greatest number of employees is situated.

(7) The controlling undertaking and the undertakings controlled thereby form a group of undertakings.

## **Section 11. Central management and management**

(1) “Central management” means the directing body of a Community-scale undertaking or, in the case of a Community-scale group of undertakings, of a controlling undertaking.

(2) “Management” means the directing body of an undertaking controlled by a Community-scale group of undertakings or a person or persons responsible for the management of an enterprise of a Community-scale undertaking pursuant to the decision, the articles of association or statutes or the partnership agreement of the undertaking.

## **Section 12. Responsibility of central management**

(1) The central management is responsible for creating the conditions and means necessary for the setting up of a European Works Council or an information and consultation procedure in a Community-scale undertaking and a Community-scale group of undertakings.

(2) Where a Community-scale group of undertakings comprises one or more undertakings or groups of undertakings which are Community-scale undertakings or Community-scale groups of undertakings, a European Works Council shall be established at the level of the group unless the agreements on informing and consulting provide otherwise.

(3) Where the central management is not situated in a Member State, the central management’s representative in Estonia, to be designated if necessary, shall take on the responsibility specified in subsection (1) of this section. In the absence of such a representative, the management of an enterprise of a Community-scale undertaking or an undertaking controlled by a Community-scale group of undertakings in the Member State, employing the greatest number of employees in any one Member State shall take on the responsibility.

(4) The representative or representatives specified in subsection (3) of this section or, in the absence of any such representatives, the management shall be perform the functions of the central management arising from this Act.

## **Section 13. European Works Council**

A European Works Council means the body representative of the employees set up by the agreements specified in § 21 of this Act or pursuant to the provisions of Subdivision 3 of Division 2 of this Chapter, with the purpose of informing and consulting employees of Community-scale undertakings or Community-scale groups of undertakings.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 13<sup>1</sup>. Competence of a European Works Council or the scope of another information and consultation procedure**

(1) The competence of a European Works Council in informing and consulting or another information and consultation procedure shall be limited to transnational issues.

(2) Transnational issues concern a Community-scale undertaking or Community-scale group of undertakings as a whole or at least two undertakings of the undertaking or group situated in two different Member States.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

## **Section 14. Cooperation between central management and European Works Council**

The central management and the European Works Council shall work in a spirit of cooperation and mutual trust with due regard to the interests of employees and undertakings. The same applies to cooperation between the central management and employees' representatives in the framework of an information and consultation procedure.

### **Division 2**

## **Establishment of European Works Council and Procedure for Informing and Consulting Employees**

### **Subdivision 1**

## **Negotiations on Informing and Consulting Employees**

### **Section 15. Initiation of negotiations**

(1) The central management shall initiate negotiations for the establishment of a European Works Council or an information and consultation procedure on its own initiative or at the written request of at least 100 employees or their representatives in at least two different Member States. In the case of several simultaneous requests, the employees or the signatures of employees indicated in the submitted requests shall be added together.

(2) In order to decide whether to request the initiation of negotiations, employees or their representatives have the right to receive from the central management information, primarily on the number of employees and their distribution between the undertakings and enterprises of Member States, and to receive information on the structure of an undertaking or group of undertakings.

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(3) In addition to the provisions of subsection (2) of this Section, employees or their representatives and undertakings belonging to a group of undertakings have the right to receive from enterprises, undertakings and undertakings belonging to a group of undertakings information which is necessary in order to verify whether they belong to a Community-scale undertaking or a Community-scale group of undertakings and to ascertain the person who performs the functions of the central management. This information covers primarily the information referred to in subsection (2) of this Section.

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(4) If a request is submitted to the management of an undertaking controlled by a Community-scale group of undertakings located in Estonia or an enterprise of a Community-scale undertaking, the latter shall communicate the request immediately to the central management and inform the employees who submitted the request or their representatives of communication of the request.

### **Section 16. Composition of special negotiating body**

(1) The special negotiating body means the body established to negotiate with the central management regarding the establishment of a European Works Council or another procedure for informing and consulting.

(2) [Repealed — RT I, 04.07.2011, 1 — entry into force 14.07.2011]

(3) The special negotiating body shall comprise at least one employees' representative from each Member State where a Community-scale undertaking, its enterprise or a controlling undertaking or controlled undertaking of a Community-scale group of undertakings is located.

(4) In addition to the provisions of subsection (3) of this Section, the seats held by the employees' representatives in the special negotiating body shall be distributed in proportion to the number of employees employed in each Member State by the Community-scale undertaking or Community-scale group of undertakings, by allocating in respect of each Member State one further seat per portion of employees employed in that Member State amounting to 10% of the number of employees employed in all the Member States taken together.

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(5) The special negotiating body and the central management may agree that employees' representatives of other states also have the right to participate in the body and shall determine their number and the status for participation in the work of the body.

### **Section 17. Election of members of special negotiating body who represent Estonian employees**

(1) A member or members of the special negotiating body representing employees of an undertaking or enterprise specified in subsection 16 (3) of this Act shall be elected by the general meeting of employees. The procedure for the election of a member or members of the special negotiating body shall be approved by the general meeting of employees. The election procedure shall ensure that all employees have the possibility to participate in the elections.

(2) If several undertakings or enterprises specified in subsection 16 (3) of this Act are located in Estonia, a joint representation formed of the employees' representatives shall elect a member or the members of the special negotiating body. Three employees' representatives elected from among the employees pursuant to the procedure for the election of a member or member of the special negotiating body provided for in subsection (1) of this section shall belong to the joint representation in each concerned undertaking or enterprise.

(3) The joint representation shall be convened by the eldest employees' representative of an undertaking or enterprise which employs the greatest number of employees. The number of votes of a member of the joint representation shall be determined in proportion to the number of employees in an undertaking or enterprise represented thereby. Employees' representatives of the same undertaking or enterprise shall each have the same number of votes.

### **Section 18. Informing of composition of special negotiating body**

(1) The special negotiating body shall without delay inform the central management and the competent European workers' and employers' organisations of the start of negotiations and of its members, indicating their names and contact details and also the undertaking or enterprise

whose employees are represented by the member. The list of the competent European workers' and employers' organisations is published by the European Commission.  
[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

(2) The central management shall communicate the received information to the managements of the enterprises of a Community-scale undertaking and undertakings belonging to a group of undertakings.

### **Section 19. Conclusion of agreement between special negotiating body and central management**

(1) The special negotiating body shall negotiate with the central management in a spirit of cooperation and mutual trust in order to reach a written agreement which determines the establishment of the European Works Council or another procedure for informing and consulting.

(2) The central management shall, on time, supply the special negotiating body with information and documents which the body needs to perform its functions.

(3) With a view to the conclusion of an agreement specified in subsection (1) of this section, the central management shall convene a foundation meeting with the special negotiating body immediately after the composition of the body has been decided and the managements shall also be informed of the meeting.

(4) The special negotiating body may decide, by at least two-thirds of the votes, not to open negotiations or to terminate the negotiations already opened. Such a decision shall stop the procedure to conclude the agreement provided for in subsection (1) of this section. In this case, the provisions of Subdivision 3 of this Division do not apply. The decision not to open negotiations or to terminate negotiations shall be formalised in writing together with the voting results. The decision shall be signed by an authorised member of the special negotiating body. A copy of the decision shall be sent to the central management.

(5) A new request to initiate negotiations may be made at the earliest two years after the decision specified in subsection (4) of this section unless the parties concerned lay down a shorter period.

### **Section 20. Working procedures and expenses of special negotiating body**

(1) Upon agreement, the special negotiating body and the central management may establish the rules of negotiations. If the rules are not established, the special negotiating body and the central management may decide in the beginning of the foundation meeting how further negotiations are conducted.

(2) The special negotiating body may adopt decisions by a simple majority, except in the case specified in subsection 19 (4) of this Act.

(3) The special negotiating body may elect a chairman from among its members.

(4) In order to perform its functions more effectively, the special negotiating body may request assistance from experts of its choice who participate in the negotiations in an advisory



capacity. These experts may, among others, be representatives of Community-level trade union organisations.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

(5) Before and after any meeting with the central management, the special negotiating body shall be entitled to hold a meeting of its members, without representatives of the central management being present, and to invite participants of its choice and use any necessary means for communication.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

(6) Any reasonable expenses relating to the establishment and work of the special negotiating body, including negotiations with the central management shall be borne by the central management so as to enable the special negotiating body to carry out its task in an appropriate and unhindered manner. If an expert is involved on the initiative of the special negotiating body, the central management shall compensate for the expenses of inviting of at least one expert.

## **Subdivision 2**

### **International Agreement on Informing and Consulting**

#### **Section 21. European Works Council agreement**

(1) The agreement between the special negotiating body and the central management on the establishment of a European Works Council shall be in writing and contain at least the following conditions:

- 1) the undertakings of the Community-scale group of undertakings or the enterprises of the Community-scale undertaking which are covered by the agreement;
- 2) the composition of the European Works Council, the number of members, the term of office and the allocation of seats, taking into account where possible the need for balanced representation of employees with regard to their activities, category and gender;
- 3) the functions and the procedure for information and consultation of the European Works Council;
- 4) the arrangements for linking the procedure for information and consultation of the European Works Council and Estonian employee representation bodies, having regard to their competence and areas of action and the fact that information and consultation must occur at the relevant level and cover transnational issues.
- 5) the venue, frequency and duration of meetings of the European Works Council;
- 6) where necessary, the composition, the appointment procedure, the functions and the procedural rules of the select committee set up within the European Works Council;
- 7) the financial and material resources to be allocated to the European Works Council;
- 8) the date of entry into force of the agreement and its duration, the arrangements for amending or terminating the agreement and the procedure and conditions for its renegotiation, including in the event of changes to the structure.

(2) The arrangements for the links referred to in indent (4) of subsection (1) of this Section shall be without prejudice to the provisions of national law on the information and consultation of employees.

(3) If there are no arrangements for the links referred to in indent (4) of subsection (1) of this Section, the European Works Council and the Estonian employee representation bodies shall

be informed and consulted in cases where decisions are envisaged which will lead to substantial changes in work organisation or contractual relations.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

## **Section 22. Agreement on information and consultation procedures**

The agreement between the central management and the special negotiating body to establish another procedure for informing and consulting instead of the European Works Council shall be in writing and contain at least the following conditions:

- 1) by what method the employees' representatives have the right to receive information from the central management on transnational questions which significantly affect the employees' interests and hold consultations on these questions;
- 2) by what method the employees' representatives meet with the central management in order to hold common consultations on the basis of the information communicated by the central management.

### **Section 22<sup>1</sup>. Obligation to renegotiate**

(1) Where the structure of the Community-scale undertaking or Community-scale group of undertakings changes significantly, and either in the absence of renegotiation provisions established by the agreement in force or in the event of conflicts between the relevant provisions of two or more applicable agreements, the central management shall initiate negotiations in accordance with Section 15(1) of this Act.

(2) At least three members of the existing European Works Council or of each of the existing European Works Councils shall be members of the special negotiating body, in addition to the members appointed pursuant to Section 16(4) of this Act.

(3) During the negotiations, the existing European Works Council shall continue to operate in accordance with the agreements between the members of the European Works Council and the central management.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

### **Section 22<sup>2</sup>. Informing local employees' representatives**

Having regard to the provisions laid down in Section 38 of this Act, the European Works Council or, where necessary, the members of the select committee shall inform the representatives of the employees of the establishments of Community-scale undertakings or of the employees of undertakings of a Community-scale group of undertakings, or in their absence the employees, of the content and outcome of the information and consultation procedure.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

#### **Subdivision 3**

#### **Lawful European Works Council and Informing and Consulting**

##### **Sub-subdivision 1**

##### **European Works Council**

## **Section 23. Lawful establishment of European Works Council**

The European Works Council shall be established according to this Division:

- 1) where the central management and the special negotiating body so decide;
- 2) where the central management refuses to commence negotiations within six months of the request specified in subsection 15 (1) of this Act or
- 3) where, after three years from the date of this request, an agreement specified in §§ 21 or 22 of this Act has not been concluded and the special negotiating body has not taken the decision specified in subsection 19 (4) of this Act.

#### **Section 24. Composition of European Works Council**

(1) The European Works Council shall be composed of employees of a Community-scale undertaking or Community-scale group of undertakings elected or appointed in each Member State pursuant to the procedure prescribed therefor.

(2) [Repealed — RT I, 04.07.2011, 1 — entry into force 14.07.2011]

(3) The European Works Council shall comprise at least one representative from each Member State where a Community-scale undertaking, its enterprise or a controlling undertaking or controlled undertaking of a Community-scale group of undertakings is located.

(4) In addition to the provisions of subsection (3) of this Section, the seats held by the employees' representatives in the European Works Council shall be distributed in proportion to the number of employees employed in each Member State by the Community-scale undertaking or Community-scale group of undertakings, by allocating in respect of each Member State one further seat per portion of employees employed in that Member State amounting to 10% of the number of employees employed in all the Member States taken together.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

#### **Section 25. Election of members of European Works Council who represent Estonian employees**

The provisions of § 17 of this Act apply to the election of the members of the European Works Council who represent Estonian employees.

#### **Section 26. Term of authority of members of European Works Council and appointment of new members**

(1) The term of authority of members of the European Works Council is four years unless the authority terminates prematurely on the initiative of the member or for other reasons (inability to perform duties, refusal to perform duties, long-term illness, violation of the requirements arising from this Act etc).

(2) In every two years as of the establishment of the European Works Council, the central management shall monitor whether the number of employees in Member States has significantly changed and whether it is necessary to change the composition of the European Works Council to bring it into conformity with the composition of the European Works Council provided for in § 24 of this Act. The central management shall inform the European Works Council of the results.

(3) If the composition of the European Works Council needs to be changed, the European Works Council invites the competent bodies to elect or appoint new members from Member States where the number of employees' representatives needs to be changed as compared to the previous period. Appointment of new members shall terminate the authority of previous members.

### **Section 27. Initiation of negotiations for conclusion of agreement**

(1) Four years after the European Works Council is established it shall examine whether to open negotiations with the central management for the conclusion of the agreement specified in subsection 19 (1) of this Act or to continue to apply the provisions of this Subdivision.

(2) If the European Works Council decides to initiate negotiations for the conclusion of the agreement, the Council has the same rights and obligations as the special negotiating body.

### **Section 28. Informing of composition of European Works Council**

(1) The European Works Council and the special negotiating body shall immediately inform the central management of the members of the Works Council and indicate their names and contact details and also of the undertakings or enterprises represented by the members.

(2) The central management shall communicate the received information to the managements of the enterprises of a Community-scale undertaking and undertakings belonging to a group of undertakings.

### **Section 29. Foundation meeting of European Works Council**

Immediately after the composition of the European Works Council has been decided, the central management shall organise a foundation meeting where the European Works Council adopt its rules of procedure and elects the chairman and, if necessary, a substitute for him or her from among its members.

### **Section 30. Select committee**

(1) The European Works Council shall elect a select committee from among its members, comprising at most five members, to manage its everyday operations. The select committee must benefit from the conditions required for it to exercise its activities.

(2) The select committee shall comprise the chairman of the European Works Council and two to four elected members who represent undertakings or enterprises from different Member States.

(3) The select committee shall adopt its rules of procedure.

(4) If no select committee is established, the everyday operations of the European Works Council shall be managed by the chairman of the European Works Council or another member designated by the Works Council.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

### **Section 31. Meetings of European Works Council**

- (1) The European Works Council has the right to hold meetings on the basis of the information received from the central management.
- (2) The European Works Council may be assisted by experts of its choice.
- (3) The European Works Council shall adopt decisions by a simple majority.
- (4) Before any meeting with the central management, members of the European Works Council where necessary enlarged in accordance with subsection 35 (3) of this Act, shall be entitled to meet without the representatives of the central management and management being present.
- (5) Meetings of the European Works Council shall be closed.
- (6) Upon existence of a select committee, the rights specified in this section also apply to the select committee.

### **Section 32. Compensation for operation expenses of European Works Council**

Any reasonable operation expenses of the European Works Council and the select committee shall be borne by the central management so as to enable the European Works Council and the select committee to carry out their task in an appropriate and unhindered manner. The central management shall primarily compensate for the following expenses:

- 1) expenses related to the organisation of meetings;
- 2) expenses related to the provision of the translation services;
- 3) travel and accommodation expenses incurred by members;
- 4) expenses related to inviting at least one expert.

#### **Sub-subdivision 2 Informing and Consulting**

### **Section 33. Competence of European Works Council upon informing and consulting**

- (1) A European Works Council shall be entitled to inform and consult, having regard to the provisions laid down in Section 13<sup>1</sup> of this Act.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

- (2) If the central management is not located in a Member State, the competence of the European Works Council shall be limited to those matters concerning all their enterprises or group undertakings situated within the Member States or concerning at least two of their enterprises or group undertakings situated in different Member States.

### **Section 34. Annual informing and consulting**

- (1) The European Works Council has the right to meet with the central management once a year, to be informed and consulted, on the basis of a report drawn up by the central management, on the progress of the business of the Community-scale undertaking or Community-scale group of undertakings and its prospects.

(2) Within regard to the progress of the business and its prospects, the meeting shall relate particularly to the following matters:

- 1) the structure, economic and financial situation of undertakings;
- 2) the probable development of the business and of production and sales;
- 3) the situation and probable trend of employment;
- 4) investments;
- 5) substantial changes concerning organisation of work;
- 6) introduction of new working methods or production processes;
- 7) transfers of production;
- 8) mergers, closures or cut-backs of undertakings or parts thereof;
- 9) collective redundancies.

### **Section 35. Informing and consulting if exceptional circumstances become evident**

(1) Where there are exceptional circumstances or decisions affecting the employees' interests to a considerable extent, particularly in the event of relocations, closure of enterprises or undertakings or collective redundancies, the select committee shall have the right to be informed.

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(2) The select committee shall have the right to meet, at its request, the central management or the management or any other level of management within a Community-scale undertaking or group of undertakings having its own powers of decision, so as to be informed and consulted.

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(3) Those members of the European Works Council who have been elected by the enterprises or undertakings which are directly concerned by the circumstances or decisions in question shall also have the right to participate where a meeting is organised with the select committee.

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(4) This information and consultation meeting shall take place on the basis of a written report drawn up by the central management or the management or any other appropriate person or persons of the Community-scale undertaking or group of undertakings immediately after the report is prepared. The select committee has the right to deliver an opinion on the report at the end of the meeting or within a reasonable time after the end of the meeting.

(5) In the absence of a select committee, the European Works Council exercise the rights provided for in this section.

### **Section 36. Informing local employees' representatives**

Local employees' representatives shall be informed of the content and outcome of the information and consultation procedure laid down in this subdivision in accordance with the provisions laid down in Section 22<sup>2</sup> of this Act.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

### **Section 36<sup>1</sup>. Linking information and consultation of the European Works Council to those of the Estonian employee representation bodies**

The arrangements for the information and consultation of the European Works Council shall be linked to those of the Estonian employee representation bodies, having regard to Section 21(1)(4) and 21(2)(3) of this Act.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

### **Division 3 Specific Provisions**

#### **Section 37. Prohibition on hindering international informing and consulting**

(1) It is prohibited to restrict the rights of the European Works Council and the special negotiating body, including to hinder and influence their establishment and operation, and the establishment and conduct of a procedure for informing and consulting.

(2) It is prohibited to influence and hinder the activities of members of the European Works Council, members of the special negotiating body and employees' representatives involved in a procedure for informing and consulting through the restriction of their rights or allowing preferences.

#### **Section 38. Confidential information**

(1) Members of European Works Councils are not authorised to reveal any information which has expressly been provided to them in confidence upon performance of their duties as members of European Works Councils to third parties or use the information otherwise in conflict with this Act. The obligation to maintain the confidentiality of information also applies to members after the expiry of their terms of office.

(2) The obligation provided for in subsection (1) of this section also applies to:

- 1) members of the special negotiating body;
- 2) employees' representatives who according to the agreement provided for in § 22 of this Act participate in a procedure for informing and consulting;
- 3) experts and translators.

(3) If the persons specified in clauses (1) 1) and 2) of this section (employees' representatives) do not agree with the confidentiality of the communicated information, the central management is required to justify the confidentiality of the information at the request of an employees' representative.

(4) The obligation specified in subsection (1) of this section does not extend to the communication between members of a European Works Council and other members of a corresponding European Works Council and representatives of undertakings and enterprises if, according to an agreement provided for in § 21 of this Act or according to § 36 of this Act, they must be informed of the content and results of a procedure for informing and consulting, and to the communication with translators and experts who assist the European Works Council in its work.

(5) Similarly as an exception provided for in subsection (4) of this section, the obligation provided for in subsection (1) does not apply to:

- 1) the communication between members of the special negotiating body and experts and translators;

2) employees' representatives who according to the agreement provided for in § 22 of this Act communicate with translators and experts and employees' representatives of undertakings and enterprises located in Estonia in the course of a procedure for informing and consulting if, according to the agreement provided for in § 22 of this Act, they must be informed of the content and results of the procedure for informing and consulting.

(6) The central management may refuse to transmit information when its nature is such that, according to objective criteria, it seriously harms or may harm the functioning of an undertaking. This right does not extend to the number of employees. If transmission of information is refused, the central management is required to give justification based on objective criteria why transmission of the information seriously harms or may harm the functioning of the undertaking.

### **Section 39. Resolution of disputes related to confidential information in court**

Employees' representatives specified in subsection 38 (3) of this Act have the right of recourse to courts in order to resolve disputes arising from the confidentiality of information and refusal to provide information.

### **Section 40. Guarantees of employees' representatives participating in international informing and consulting**

(1) The provisions concerning the guarantees prescribed for employees' representatives in the Employment Contracts Act apply to the guarantees of members of special negotiating bodies, members of European Works Councils and employees' representatives who participate in a procedure for informing and consulting according to § 22 of this Act and who are employees of a Community-scale undertaking or group of undertakings, provided that they are employed in Estonia.

(2) Employees' representatives specified in subsection (1) of this section shall be granted a period of absence to represent employees to the extent necessary for the performance of their duties arising from this Act. Average wages shall be continued to the employees' representatives for the period of absence.

(3) The members of the European Works Council must have the means required to perform the functions arising from this Act, including to represent collectively the interests of the employees of the Community-scale undertaking or Community-scale group of undertakings.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

### **Section 40<sup>1</sup>. Right of members of the special negotiating body and of the European Works Council to training**

In so far as this is necessary for the exercise of their representative duties in an international environment, the members of the special negotiating body and of the European Works Council shall be provided with training. They shall keep their average wage for the time they are attending training.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

## **Chapter 3**



**INVOLVEMENT OF EMPLOYEES AT EUROPEAN COMPANY AND EUROPEAN COOPERATIVE SOCIETY LEVEL AND IN THE EVENT OF A CROSS-BORDER MERGER OF COMPANIES**

**[RT I, 04.07.2011, 1 — entry into force 14.07.2011]**

**Division 1**

**General Provisions**

**[RT I 2007, 22, 112 — entry into force 23.03.2007]**

**Section 41. Application of this Chapter**

(1) This Chapter applies if the registered office of an SE and SCE which is being founded is Estonia.

(2) Regardless of the provisions of subsection (1) of this section, the provisions of §§ 54 and 66 of this Act apply to the election of the members of the SE or SCE special negotiating body and the representative body of employees who represent Estonian employees.

(3) If an SE or SCE is a Community-scale undertaking or a controlling undertaking of a Community-scale group of undertakings within the meaning of §§ 7 and 10 of this Act, this Chapter applies to the SE or SCE or undertakings controlled thereby. Chapter 2 of this Act applies if the special negotiating body of the SE or SCE decides not to initiate negotiations or terminate the already initiated negotiations pursuant to § 60.

(4) Application of this Act does not restrict the right of employees to be informed and consulted which is prescribed by other Acts.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 41<sup>1</sup>. Specifications for application of this Chapter with regard to European cooperative society**

(1) Division 2 of this Chapter applies:

- 1) to SCEs established by at least two legal entities or by transformation;
- 2) in the case of an SCE established exclusively by natural persons or by a single legal entity and natural persons, which together employ at least 50 employees in at least two Member States.

(2) In the case of an SCE established exclusively by natural persons or by a single legal entity and natural persons, which together employ fewer than 50 employees, or employ 50 or more employees in only one Member State, employee involvement shall be governed by the following:

- 1) with regard to the SCE, the provisions of the Member State of the SCE's registered office and with regard to the SCE's subsidiaries and establishments, the provisions of the Member State of the registered office thereof, which are applicable to entities of the same type and their subsidiaries and establishments in that Member State, shall apply;
- 2) in the case of transfer from one Member State to another of the registered office of an SCE governed by participation, at least the same level of employee participation rights shall continue to apply.

(3) If, after the registration of an SCE referred to in subsection (2) of this section, at least one third of the overall number of employees of the SCE and its subsidiaries and establishments in at least two different Member States so requests, Division 2 of this Chapter applies to the SCE and the SCE shall be deemed to be the participating legal entity and the SCE's subsidiaries and establishments shall be deemed to be the concerned subsidiary or establishment.

(4) If, after the registration of an SCE referred to in subsection (2) of this section, the overall number of employees thereof in at least two Member States amounts to 50 or exceeds this number, Division 2 of this Chapter applies to the SCE and the SCE shall be deemed to be the participating legal entity and the SCE's subsidiaries and establishments shall be deemed to be the concerned subsidiary or establishment.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 41<sup>2</sup>. Participation in the management of employees' organisations in the event of a cross-border merger of companies**

(1) If a private limited company or public limited company entered in the Estonian commercial register participates in a cross-border merger within the meaning of Section 433<sup>1</sup>(1) of the Commercial Code as an acquiring company, the provisions laid down in Article 12(2)–(4) of Council Regulation (EC) No 2157/2001 on the Statute for a European company (SE) and in Sections 41(1) and (3), 50–59, 61, 62(1), 62(2)(1), (7) and (8), 62(3), (5) and (6), 63, 64(1), 64(3)(1), 64(6) and (7), 75(2), 76–80 and 83–88 of this Act shall apply when determining the right of the employees' organisation of that company to participate in the management of the acquiring company within the meaning of Section 46 of this Act.

(2) Subsection (1) of this Section shall apply if the acquiring company in the cross-border merger is a private limited company or public limited company entered in the Estonian commercial register and if:

1) at least one of the companies participating in the cross-border merger has, in the six months before the publication of the cross-border merger agreement, an average number of employees that exceeds 500 and is operating under an employee participation system within the meaning of Section 46 of this Act;

2) all of the companies from another Member State that are participating in the cross-border merger operate under an employee participation system within the meaning of Section 46 of this Act.

(3) The percentage laid down in Section 64(3)(1) of this Act shall be replaced by a rate of 33 $\frac{1}{3}$ %.

(4) In the cases referred to in indents (1) and (2) of subsection (2) of this Section, the management boards of the companies may decide that, as of the registration of the merger, the arrangements for the participation of employees in the management of the company shall be applied in accordance with the legislation of the Member State in which the acquiring company is to have its registered office.

(5) In the cases referred to in indents (1) and (2) of subsection (2) of this Section, the special negotiating body referred to in Section 51 of this Act may decide, by a majority of two thirds of its members representing at least two thirds of the employees of the merging companies, including the votes of members representing employees in at least two different Member States, not to open negotiations within the meaning of Section 50 of this Act or to terminate

negotiations already opened and, in respect of the participation of employees in the management of the company, to rely on the legislation of the Member State in which the acquiring company is to have its registered office.

(6) If as a result of a cross-border merger a private limited company or public limited company entered in the Estonian commercial register applies an employee participation system within the meaning of Section 46 of this Act, those companies must ensure that an equivalent employee participation system is applied for a period of three years after the merger has been registered in the event of a subsequent merger with a company entered in the Estonian commercial register.

[RT I 2007, 65, 405 — entry into force 15.12.2007]

## **Section 42. European company and European cooperative society**

(1) A European company (SE) means any company established in accordance with Council Regulation (EC) No 2157/2001 on the Statute for a European company (SE) (OJ L 294, 10.11.2001, p. 1–21).

(2) European cooperative society (SCE) means any cooperative established in accordance with Council Regulation (EC) No 1435/2003 on the Statute for a European cooperative society (SCE) (OJ L 207, 18.08.2003, p. 1-24).

[RT I 2007, 22, 112 — entry into force 23.03.2007]

## **Section 43. Companies participating in foundation of European company and legal entities participating in foundation of European cooperative society**

(1) For the purposes of this Act, companies participating in the foundation of an SE are companies which directly participate in the foundation of an SE (hereinafter legal entities participating in the foundation of an SE).

(2) For the purposes of this Act, “legal entities participating in the foundation of an SCE” means companies and firms specified in the second paragraph of Article 48 of the Treaty establishing the European Union, including commercial associations, as well as legal bodies formed under, and governed by, the law of a Member State, directly participating in the establishing of an SCE.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

## **Section 44. Concerned subsidiary and establishment**

For the purposes of this Chapter, a concerned subsidiary or establishment means a subsidiary or establishment of a participating legal entity which participates in the foundation of an SE or SCE and which is proposed to become a subsidiary or establishment of an SE or SCE upon the foundation of the SE or SCE.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

## **Section 45. Extent of informing employees’ representatives**

SE and SCE competent organs shall inform the representative body of employees or the employees’ representatives of issues relating to the SE or SCE and the undertakings and enterprises controlled thereby and located in Member States or which exceed the competence

of an organ of an enterprise operating in one Member State. Informing shall take place at a time, in the manner and with a content which allows the employees' representatives to thoroughly examine the possible effect of the decisions and, if necessary, prepare for consultations with an SE or SCE competent organ.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

#### **Section 46. Participation of employees**

For the purposes of this Chapter, participation of employees means the influence of the representative body of employees or the employees in the affairs of an SE or SCE by way of:

- 1) the right to elect or appoint some of the members of the supervisory, administrative or management board of an SE or SCE, or
- 2) the right to recommend or oppose the appointment of some or all of the members of the supervisory, administrative or management board of an SE or SCE.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

#### **Section 47. Special negotiating body of European company and European cooperative society**

An SE or SCE special negotiating body (hereinafter special negotiating body) is a body which is formed in order to hold negotiations with the competent organs of legal entities participating in the foundation of an SE or SCE on the establishment of a procedure for the involvement of employees in the SE or SCE.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

#### **Section 48. Representative Body of Employees**

A representative body means the body representative of the employees set up by the agreement specified in § 62 of this Act or in accordance with the provisions of Subdivision 3 of Division 2 of this Chapter, with the purpose of informing and consulting the employees of an SE or SCE and its subsidiaries and establishments situated in the Community and, where applicable, of exercising participation rights in relation to the SE or SCE.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

#### **Section 49. Cooperation between representative bodies of employees and competent organs of European companies or European cooperative societies**

(1) The representative body of employees and the competent organ of an SE or SCE shall cooperate in a spirit of mutual trust with due regard for their reciprocal rights and obligations.

(2) The principle provided for in subsection (1) of this section also applies to the cooperation between the supervisory, administrative or management board of an SE or SCE and employees' representatives in connection with a procedure for informing and consulting employees.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Division 2**

#### **Foundation of Representative Body of Employees and Procedure for Involvement of Employees**

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Subdivision 1**  
**Negotiations on Involvement of Employees**  
**[RT I 2007, 22, 112 — entry into force 23.03.2007]**

**Section 50. Measures for initiation of negotiations**

(1) Where the management or administrative boards of the legal entities participating in the foundation of an SE or SCE (hereinafter participating legal entities) draw up a plan for the establishment of an SE or SCE, they shall as soon as possible after publishing the draft terms of merger or creating a holding company or after agreeing a plan to form a subsidiary or to transform a company into an SE or a legal entity into an SCE, take the necessary steps, including providing information about the identity of the participating legal entities, concerned subsidiaries and establishments, and the number of their employees, to start negotiations with the representatives of the employees of the participating legal entities on arrangements for the involvement of employees in the SE or SCE.

(2) Information on the number of employees shall be presented by each Member State and information shall be indicated concerning all relevant undertakings and enterprises separately.

(3) If employees in participating legal entities have the right to participate, in addition to the information provided for in subsection (1) of this section, information shall also be provided on the form and extent of participation and the proportion of employees' representatives of the overall number of employees in all the participating legal entities shall be indicated.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 51. Formation and composition of special negotiating body**

(1) In order to hold negotiations specified in § 50 of this Act, a special negotiating body shall be formed from the employees' representatives of participating legal entities and relevant controlled undertakings and enterprises.

(2) Members of a special negotiating body are elected or appointed in proportion to the number of employees employed in each Member State where the participating legal entities and concerned subsidiaries or establishments are located, by allocating in respect of a Member State one seat per portion of employees employed in that Member State which equals 10 per cent of the number of employees employed by the participating legal entities and concerned subsidiaries or establishments in all the Member States taken together. Members shall be elected in each Member State pursuant to the procedure for election or appointment prescribed in the Member State.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 52. Formation of special negotiating body upon formation of European company or European cooperative society by way of merger**

(1) If the members of a special negotiating body are elected or appointed according to subsection 51 (2) of this Act and an SE or SCE is formed by way of merger, additional members shall be elected or appointed according to the legislation of the corresponding Member State if the participating legal entity terminating its activities as an independent legal entity as a result of the merger is not represented through its member.

(2) The number of additional members specified in subsection (1) of this section corresponds to the number of participating legal entities who are not represented in the special negotiating body. The number of such additional members does not exceed 20 per cent of the overall number of members designated according to subsection 51 (2) of this Act.

(3) If, according to subsection 51 (2) of this Act, the number of participating legal entities which are not represented through a member in a special negotiating body is less than 20 per cent of the number of members in the special negotiating body, each participating legal entity which is not represented shall present one additional member.

(4) If, according to subsection 51 (2) of this Act, the number of participating legal entities which are not represented through a member in a special negotiating body is more than 20 per cent of the number of members in the special negotiating body, the additional seats shall be divided between participating legal entities which are not represented. The division shall be made pursuant to the number of employees in participating legal entities. The division of additional seats shall be commenced from the largest participating legal entity and shall be continued by decreasing order pursuant to the number of employees.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 53. Change of membership of special negotiating body**

If, during a period prescribed for negotiations, the number of employees of participating legal entities changes significantly or the structure of the participating legal entities changes and these changes affect the division of seats allocated for Member States, the seats shall be reallocated.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 54. Election of members of special negotiating body who represent Estonian employees**

(1) A member or members of a special negotiating body representing the employees of a participating legal entity and a concerned subsidiary or establishment located in Estonia shall be elected pursuant to the procedure provided for in § 17 of this Act, taking account of the specifications arising from this section.

(2) The joint representation shall take the following conditions into account upon election of a representative or representatives of Estonia in a special negotiating body:

1) if possible, each participating legal entity is represented in the special negotiating body through at least one member;

2) if the number of Estonian members in the special negotiating body is smaller than the number of participating legal entities located in Estonia upon foundation of the SE or SCE, the participating legal entity employing the largest number of employees is taken into account first.

(3) If Estonia has the right to elect additional members to a special negotiating body, these members shall be elected pursuant to the procedure provided for in this section.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 55. Representation of Estonian employees in special negotiating body**

If the number of represented employees is of determinative importance upon voting in a special negotiating body, the number of members elected from Estonia who represent employees shall be calculated by dividing the overall number of employees of all participating legal entities and concerned subsidiaries or establishments located in Estonia by the number of Estonian representatives in the special negotiating body.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 56. Conclusion of agreement and informing special negotiating body**

(1) A special negotiating body and the competent organs of participating legal entities shall determine, by a written agreement, the procedure for the involvement of employees in the SE or SCE. Therefore, the competent organs of the participating legal entities shall inform the special negotiating body of a plan to found the SE or SCE and the actual process of foundation of the SE or SCE until the SE or SCE is entered in the register.

(2) An agreement specified in subsection (1) of this section is, after the entry into force thereof, binding to an SE or SCE, undertakings and enterprises controlled thereby and located in a Member State and the employees of the SE or SCE, undertakings and enterprises.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 57. Decision-making in special negotiating body**

(1) A special negotiating body shall take decisions by an absolute majority of its members, provided that such a majority also represents an absolute majority of the employees. Each member of the special negotiating body has one vote.

(2) Should the result of the negotiations lead to a reduction of participation rights of employees, the majority required for a decision to approve such an agreement shall be the votes of two thirds of the members of the special negotiating body representing at least two thirds of the employees, including the votes of members representing employees employed in at least two Member States if:

- 1) an SE or SCE is to be established by way of merger and participation covers at least 25 per cent of the overall number of employees of the participating legal entities;
- 2) an SE is to be established by way of creating a holding company or forming a subsidiary and if participation covers at least 50 per cent of the overall number of employees of the participating legal entities, or
- 3) an SCE is to be established by any other way than merger, if participation covers at least 50% of the overall number of employees of the participating legal entities.

(3) Reduction of participation rights means a proportion of members of the supervisory, administrative or management boards of the SE or SCE, which is lower than the highest proportion existing within the participating legal entities.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 58. Involvement of experts in negotiations**

(1) For the purpose of the negotiations, the special negotiating body may request experts of its choice to assist the special negotiating body with its work. Among others, representatives of appropriate Community level trade union organisations may be involved.

(2) Such experts may be present at negotiation meetings in an advisory capacity at the request of a member of the special negotiating body, where appropriate to promote coherence and consistency at Community level.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 59. Duration of negotiations**

(1) Negotiations shall continue for up to six months as of the establishment of the special negotiating body.

(2) A special negotiating body shall inform the relevant trade unions and other third parties of initiation of negotiations.

(3) The parties may decide, by joint agreement, to extend negotiations up to a total of one year from the establishment of the special negotiating body.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 60. Decision of special negotiating body not to open negotiations or to terminate negotiations already opened**

(1) A special negotiating body may decide by the majority provided for in subsection (2) of this section not to open negotiations or to terminate negotiations already opened, and to rely on the rules on information and consultation of employees in force in the Member States where the SE or SCE has employees. Such a decision shall stop the procedure to conclude the agreement provided for in § 62 of this Act. In this case, the provisions of Subdivision 3 of this Division do not apply.

(2) The majority required to make a decision specified in subsection (1) of this section shall be the votes of two thirds of the members of the special negotiating body representing at least two thirds of the employees, including the votes of members representing employees employed in at least two Member States.

(3) In the case of an SE or SCE established by way of transformation, this section does not apply if there is participation of employees in the legal entity to be transformed.

(4) The special negotiating body shall be reconvened on the written request of at least 10 per cent of the employees of the SE or SCE, its subsidiaries and establishments, or their representatives, at the earliest two years after a decision specified in subsection (1) of this section is made, unless the parties agree to negotiations being reopened sooner. If the special negotiating body decides to reopen negotiations but no agreement is reached as a result of those negotiations, none of the provisions of Subdivision 3 of this Division apply.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 61. Expenses relating to special negotiating body**

Any expenses relating to the formation or functioning of the special negotiating body and to negotiations with participating legal entities shall be borne by the participating companies pursuant to the provisions of subsection 20 (6) of this Act.

[RT I 2007, 22, 112 — entry into force 23.03.2007]



**Subdivision 2**  
**Agreement on involvement of employees**  
**[RT I 2007, 22, 112 — entry into force 23.03.2007]**

**Section 62. Agreement on involvement of employees**

(1) The competent organs of participating legal entities and a special negotiating body shall negotiate in a spirit of cooperation and mutual trust with a view to reaching an agreement on arrangements for the involvement of the employees within the SE or SCE.

(2) Taking into consideration the specifications provided for in subsection (4) of this section, the written agreement referred to in subsection (1) between the competent organs of the participating legal entities and the special negotiating body shall specify:

- 1) the scope of the agreement;
- 2) the composition, number of members and allocation of seats on the representative body and which will be the discussion partner of the competent organ of the SE or SCE in connection with arrangements for the procedure for information and consultation of the employees of the SE or SCE and its subsidiaries and establishments;
- 3) the functions and the procedure for information and consultation of the representative body;
- 4) the frequency of meetings of the representative body;
- 5) the financial and material resources to be allocated to the representative body;
- 6) if, during negotiations, the parties decide to establish one or more information and consultation procedures instead of a representative body, the arrangements for implementing those procedures;
- 7) if, during negotiations, the parties decide to establish arrangements for the participation of employees, the substance of those arrangements including, if applicable, the number of members in the SE's or SCE's supervisory, administrative or management board which the employees will be entitled to elect, appoint, recommend or oppose, the procedures as to how these members may be elected, appointed, recommended or opposed by the employees, and their rights;
- 8) the date of conclusion of the agreement and its duration, cases where the agreement should be renegotiated and the procedure for its renegotiation.

(3) In the application of clause (2) 8) of this section with regard to an SCE, new negotiations may be initiated in the case when the structure of the SCE or its subsidiary or establishment changes after the foundation of the SCE.

(4) In the case of an SE or SCE established by means of transformation, the agreement shall provide for at least the same level of all elements of employee involvement as the ones existing within the legal entity to be transformed into an SE or SCE, taking into account, inter alia, the provisions of subsection 41 (4) of this Act.

(5) An agreement shall be signed by the representatives of participating legal entities and members of the special negotiating body who voted in favour of the agreement. The minutes of the meeting, which sets out the voting results of the special negotiating body shall be appended to the agreement.

(6) Any agreements which derogate from the provisions of subsection (2) of this section are void. In this case, the provisions of Subdivision 3 of this Division apply.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Subdivision 3**  
**Lawful Representative Body of Employees and Involvement of Employees**  
 [RT I 2007, 22, 112 — entry into force 23.03.2007]

**Sub-subdivision 1**  
**General Provisions**  
 [RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 63. Foundation of lawful representative body of employees**

The representative body of employees shall be founded as of the date of registration of an SE or SCE in Estonia according to this Subdivision if:

- 1) the parties so agree or
- 2) within the term provided for in § 59 of this Act, no agreement has been concluded, and the competent organ of each of the participating legal entities decides to continue with its registration of the SE or SCE, and the special negotiating body has not taken the decision provided for in subsection 60 (1).

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 64. Application of provisions regulating employee participation**

(1) The provisions of this Division regulating employee participation apply in the case of an SE established by transformation and merger and in the case of an SE established by setting up a holding company or establishing a subsidiary or in the case of an SCE established by any other way.

(2) The provisions regulating employee participation apply in the case of an SE or SCE established by transformation, if the rules of a Member State relating to employee participation in the supervisory, administrative or management board were applied to a legal entity transformed into an SE or SCE.

(3) The provisions regulating employee participation apply in the case of an SE or SCE established by merger if:

- 1) before registration of the SE or SCE, one or more forms of participation applied in one or more of the participating legal entities covering at least 25 per cent of the overall number of employees employed by them
- 2) before registration of the SE or SCE, one or more forms of participation applied in one or more of the participating legal entities covering less than 25 per cent of the overall number of employees employed by them and if the special negotiating body so decides.

(4) The provisions regulating employee participation apply in the case of an SE established by setting up a holding company or establishing a subsidiary if:

- 1) before registration of the SE, one or more forms of participation applied in one or more of the participating legal entities covering at least 50 per cent of the overall number of employees employed by them or
- 2) before registration of the SE, one or more forms of participation applied in one or more of the participating legal entities covering less than 50 per cent of the overall number of employees employed by them and if the special negotiating body so decides.

(5) The provisions regulating employee participation apply in the case of an SE established by means other than transformation or merger if:

- 1) before registration of the SCE, one or more forms of participation applied in one or more of the participating legal entities covering at least 50 per cent of the overall number of employees employed by them or
- 2) before registration of the SCE, one or more forms of participation applied in one or more of the participating legal entities covering less than 50 per cent of the overall number of employees employed by them and if the special negotiating body so decides.

(6) The special negotiating body shall inform the competent organs of the participating legal entities of any decisions taken pursuant to clause (3) 2), (4) 2) and (5) 2) of this section.

(7) If none of the participating legal entities was governed by participation rules before registration of an SE or SCE, the latter shall not be required to establish provisions for employee participation.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Sub-subdivision 2**  
**Representative Body of Employees**  
 [RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 65. Composition of representative body of employees**

(1) The representative body of employees shall be composed of employees of an SE or SCE and its subsidiaries and establishments elected or appointed in each corresponding Member State pursuant to the procedure prescribed therefor.

(2) Members of the representative body of employees are elected or appointed in proportion to the number of employees employed in each Member State by the participating legal entities and concerned subsidiaries or establishments, by allocating in respect of a Member State one seat per portion of employees employed in that Member State which equals 10 per cent of the number of employees employed by the participating legal entities and concerned subsidiaries or establishments in all the Member States taken together.

(3) The competent organ of an SE or SCE shall be informed of the composition of the representative body.

(4) If the number of employees of participating legal entities changes significantly or the structure of the participating legal entities changes and these changes affect the allocation of seats and the number of members, the allocation and number of seats of the representative body shall be brought into conformity with the changes.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 66. Election of members of representative body of employees who represent Estonian employees**

The provisions of § 54 of this Act apply to the election of the members of the representative body of employees who represent Estonian employees.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 67. Select committee and rules of procedure**

(1) The representative body may form a select committee with up to three members.

(2) The representative body shall adopt its rules of procedure.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 68. Initiation of negotiations for conclusion of agreement**

(1) Four years after the representative body of employees is established it shall examine whether to open negotiations for the conclusion of the agreement specified in subsection 62 (1) of this Act or to continue to apply the provisions of this Subdivision.

(2) If a decision is made to hold negotiations for the conclusion of an agreement, the representative body has the same rights and obligations as the special negotiating body pursuant to the provisions of §§ 55-62 of this Act. Where, by the due date by which the negotiations come to an end, no agreement has been concluded, the arrangements initially adopted in accordance with this Subdivision shall continue to apply.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 69. Compensation for expenses relating to activities of representative body of employees**

An SE or SCE shall compensate for expenses relating to the activities of the representative body of employees and the select committee pursuant to the provisions of § 32 of this Act.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 69<sup>1</sup>. Right of member of representative body of employees to time off for training**

In so far as this is necessary for the fulfilment of their tasks, the members of the representative body shall be entitled to time off for training without loss of wages. At least 14 calendar days a year shall be ensured for training without loss of average wages.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Sub-subdivision 3**

**Involvement of Employees**

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 70. Competence of representative body of employees upon informing and consulting**

Upon informing and consulting, the competence of the representative body shall be limited to questions which concern the SE or SCE itself and any of its subsidiaries or establishments situated in another Member State or which exceed the powers of the decision-making organs in a single Member State.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

**Section 71. Regular informing and consulting of representative body of employees**

(1) The representative body of employees has the right to be informed and consulted on the basis of regular reports prepared by the competent organ, which concern the activities and further development of an SE or SCE, and to meet the competent organ of the SE or SCE at least once a year for that purpose. Local persons responsible for management shall also be informed thereof.

(2) The competent organ of an SE or SCE shall provide the representative body with the agenda for meetings of the administrative board or the management body and supervisory board, and with copies of all documents submitted to the general meeting of its shareholders or members of an SCE.

(3) The meeting shall relate in particular to the structure, economic and financial situation, the probable development of the business and of production and sales of the undertakings and enterprises, the situation and probable trend of employment, investments, and substantial changes concerning organization of work, introduction of new working methods or production processes, transfers of production, mergers, division, transformation or closures of undertakings and transfer of enterprises or important parts thereof, and collective redundancies.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

## **Section 72. Informing and consulting if exceptional circumstances become evident**

(1) Where there are exceptional circumstances affecting the employees' interests to a considerable extent, particularly in the event of closure of enterprises or undertakings, relocations, take-overs and collective redundancies, the representative body of employees has the right to be informed.

(2) The representative body of employees has the right to meet, at its request, the SE or SCE competent organ or persons responsible for management having their own powers of decision on any level of management of the SE or SCE in order to receive information on measures significantly affecting employees' interests and hold consultations on these questions. In urgent matters, the select committee has the right to request a meeting on the basis of a decision of the representative body of employees.

(3) Where the competent organ decides not to act in accordance with the opinion expressed by the representative body, this body has the right to a further meeting with the competent organ of the SE or SCE. At the further meeting, the parties attempt to seek agreement.

(4) In the case of a meeting organised with the select committee, those members of the representative body who represent employees who are directly concerned by the measures in question also have the right to participate in the meeting.

(5) The provisions of this section do not affect the rights of a competent organ.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

## **Section 73. Organisation of information and consultation meetings**

(1) Before any meeting with the competent organ of an SE or SCE, the members of the representative body of employees or the select committee, where necessary enlarged in

accordance with subsection 72 (4) of this Act, shall be entitled to meet without the representatives of the competent organ being present.

(2) The representative body or the select committee may use the assistance of experts chosen thereby.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

#### **Section 74. Informing employees' representative of results of meetings**

Members of the representative body of employees shall inform the employees' representatives of an SE or SCE and its subsidiaries and enterprises of the content and results of a procedure for informing and consulting.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

#### **Section 75. Employee participation in European company and European cooperative society**

(1) In the case of an SE or SCE established by transformation, if the national provisions of a Member State relating to employee participation in the supervisory, administrative or management board were applied before the registration of the SE or SCE, all aspects of employee participation shall continue to apply to the SE or SCE. Subsections (2)-(6) of this section apply to employee participation, taking account of the specifications arising from the foundation of the SE or SCE.

(2) In other cases of the foundation of an SE or SCE by means other than transformation, the employees of the SE or SCE, its subsidiaries and establishments or their representative body have the right to elect, appoint, recommend or oppose the appointment of a number of members of the supervisory, administrative or management board of the SE or SCE, taking into account that the number of members is equal to the highest proportion in force in the participating legal entities concerned before registration of the SE or SCE.

(3) In the case of one or more forms of participation applied in the participating legal entities, the special negotiating body shall decide the form which is established in the SE or SCE. The special negotiating body shall inform the competent organs of the participating legal entities of the decision made according to this subsection.

(4) The representative body shall decide on the allocation of seats within the supervisory, administrative or management board among the members representing the employees from the various Member States or on the way in which the SE's or SCE's employees may recommend or oppose the appointment of the members of these boards according to the proportion of the SE's or SCE's employees in each Member State.

(5) If, as a result of allocation of seats, employees of a Member States do not have a representative in the supervisory, administrative or management board, the representative body of employees shall give one of the seats allocated according to subsection (4) of this section to the Member State, primarily if the Member State is a Member State of the registered office of the SE or SCE. If a seat has already been allocated for the representative of the Member State of the registered office of the SE or SCE, the seat shall be given to the member State employing the greatest number of employees.

(6) Every member of the supervisory, administrative or management board of an SE or SCE who has been elected, appointed or recommended by representative body of employees or the employees shall be a full member with the same rights and obligations as the members representing shareholders or members of an SCE, including the right to vote.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 76. Election of members of supervisory, administrative or management board of European company or European cooperative society who represent Estonian employees**

If one or several seats have allocated for Estonia in the supervisory, administrative or management board of an SE or SCE, a member or members representing employees shall be elected pursuant to the procedure provided for in § 54 of this Act, taking account of the specifications for the election of a member or members of the supervisory, administrative or management board of an SE or SCE.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Division 3**

#### **Specific Provisions**

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 77. Prohibition on hindering involvement of employees**

(1) It is prohibited to restrict the rights of the representative body of employees and the special negotiating body, including to hinder and influence their establishment and operation, and the establishment and conduct of a procedure for informing, consulting and participation.

(2) It is prohibited to influence and hinder the activities of members of the representative body of employees, members of the special negotiating body and employees' representatives involved in a procedure for informing, consulting and participation through the restriction of their rights or allowing preferences.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 78. Confidential information**

(1) Members of the special negotiating body, members of the representative body of employees, involved experts and translators and employees' representatives participating in a procedure for informing and consulting according to clause 62 (2) 6) of this Act are not authorised to reveal any information which has expressly been provided to them in confidence upon performance of their duties to third parties or use the information otherwise in conflict with this Act. The obligation to maintain the confidentiality of information also continues after the expiry of the terms of office of the specified persons.

(2) If the persons specified in subsection (1) of this section, except experts and translators, do not agree with the confidentiality of the communicated information, the SE or SCE or the supervisory, administrative or management board of the participating legal entity is required to justify the confidentiality of the information at the request of an employees' representative.

(3) The obligation specified in subsection (1) of this section does not extend to the communication between members of the representative body of employees and other members of the corresponding representative body and employees' representatives of an SE

or SCE, its subsidiaries and establishments if, according to an agreement provided for in § 62 of this Act or according to § 74, they must be informed of the content and results of a procedure for informing and consulting, and to the communication with translators and experts who assist the representative body in its work.

(4) Similarly as an exception provided for in subsection (3) of this section, the obligation provided for in subsection (1) does not apply to:

1) the communication between members of the special negotiating body and experts and translators;

2) employees' representatives who according to the agreement specified in clause 62 (2) 6) of this Act communicates with translators and experts and employees' representatives of the SE or SCE located in Estonia, its subsidiaries and establishments in the course of a procedure for informing and consulting if, according to the agreement provided for in clause 62 (2) 6) of this Act, they must be informed of the content and results of the procedure for informing and consulting.

(5) An SE or SCE or the supervisory, administrative or management board of a participating legal entity may refuse to transmit information when its nature is such that, according to objective criteria, it seriously harms or may harm the functioning of the participating legal entity, the SE or SCE or its subsidiaries and establishments. This right does not extend to the number of employees. If provision of information is refused, the SE or SCE or the supervisory, administrative or management board of the participating company is required to give justification based on objective criteria why transmission of the information seriously harms or may harm the functioning of the undertaking.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 79. Resolution of disputes related to confidential information in court**

Employees' representatives specified in subsection 78 (2) of this Act have the right of recourse to courts in order to resolve disputes arising from the confidentiality of information and refusal to provide information.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 80. Guarantees of employees' representatives participating in involvement**

The provisions of § 40 of this Act apply to the guarantees prescribed for members of the special negotiating body employed in Estonia, members of the representative body of employees, employees' representatives connected with the performance of informing and consulting duties and employees' representatives belonging to the supervisory, administrative or management board of an SE or SCE, who are the employees of the SE or SCE or its subsidiaries and establishments or a participating legal entity.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Section 81. Misuse of European company and European cooperative society**

(1) If, after the registration of an SE or SCE, significant changes are made in the SE or SCE in connection with an undertaking or enterprise controlled thereby and it may be concluded that, upon foundation of the SE or SCE, the objective was to deny employees the right of involvement or restrict the exercise of such rights, new negotiations shall be held.



(2) The negotiations specified in subsection (1) of this section shall be initiated at the written request of the representative body of employees or the employees' representatives of new undertakings and enterprises controlled by an SE or SCE. In order to hold negotiations, arrangements for negotiations on the involvement of employees prescribed upon foundation of an SE or SCE shall be applied, having regard to the following:

- 1) after the registration of the SE or SCE, the participating legal entities are deemed to be the SE or SCE and its subsidiaries and establishments respectively;
- 2) the special negotiating body is, after the registration of the SE or SCE, deemed to be the representative body of employees;
- 3) the period prior to the registration of the SE or SCE provided for in subsections 64 (3)–(5) of this Act is deemed to be a period preceding failure of the negotiations.

(3) The significant changes provided for in subsection (1) of this section mean changes in the structure, number of employees or registered office of an SE or SCE, its subsidiaries and establishments if these had caused different application of Subdivision 3 of Division 2 of this Chapter according to § 64 of this Act and if the circumstances specified in § 64 had become evident before the foundation of the SE or SCE and the negotiations held during the period had failed.

(4) Unless proved otherwise, it is presumed that the significant changes specified in subsection (1) of this section indicate an intention to found an SE or SCE in a manner which denies employees the right of involvement or restricts the right if the significant changes occur within a year after the registration of the SE or SCE.

(5) If an SE or SCE is founded with a purpose to deny employees the right of involvement or restrict the right, holding of the negotiations provided for in subsection (1) of this section is not restricted by the changes following the foundation of the SE or SCE.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

## **Section 82. Resolution of disputes related to misuse of European company and European cooperative society in court**

(1) A member of the representative body of employees and an employees' representative of new undertakings and enterprises controlled by an SE or SCE has the right of recourse to courts to resolve disputes arising from the misuse of an SE or SCE with a claim to recognise the right to negotiate.

(2) A claim specified in subsection (1) of this section expires within one year as of the date on which a member of the representative body of employees and an employees' representative of new undertakings and enterprises controlled by an SE or SCE becomes or should have become aware of the significant changes in the SE or SCE.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

### **Chapter 4**

#### **STATE SUPERVISION**

[RT I 2007, 22, 112 — entry into force 23.03.2007]

## **Section 83. Exercise of State supervision**

(1) Regardless of the location of the central management of a Community-scale undertaking or an undertaking controlling a Community-scale group of undertakings or the location of the registered office of the SE or SCE, State supervision over compliance with the requirements of this Act shall be exercised by the Labour Inspectorate under the conditions and pursuant to the procedure laid down in the Occupational Health and Safety Act.

[RT I 2009, 5, 35 — entry into force 01.07.2009]

(2) In the event of failure to comply with an order, the upper limit each time a penalty payment is imposed shall be EUR 3 200.

[RT I 2010, 22, 108 — entry into force 01.01.2011]

#### **Section 84. Challenge proceedings concerning orders**

The provisions of the Occupational Health and Safety Act shall apply to challenge proceedings concerning an order.

[RT I 2009, 5, 35 — entry into force 01.07.2009]

### **Chapter 5 LIABILITY**

#### **Section 85. Violation of prohibition on international informing and consulting and involvement of employees**

(1) Violation of the prohibition on international informing and consulting and involvement of employees is punishable by a fine of up to 200 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to EUR 3 200.

[RT I 2010, 22, 108 — entry into force 01.01.2011]

#### **Section 85<sup>1</sup>. Violation of obligation to maintain confidentiality of information**

Violation of the obligation to maintain the confidentiality of information by a member of the special negotiating body, a member of the European Works Council, a member of the representative body of employees, an expert, translator or interpreter involved in informing and consulting and employees' representatives who participate in a procedure for informing and consulting according to § 22 and clause 62 (2) 6) of this Act is punishable by a fine of up to 100 fine units.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

#### **Section 86. Violation of obligation to provide information on number of employees and their distribution**

(1) Failure to submit information on the number of employees or their distribution in the Member States or submission of incomplete or false information is punishable by a fine of up to 200 fine units.

[RT I 2007, 22, 112 — entry into force 23.03.2007]

(2) The same act, if committed by a legal person, is punishable by a fine of up to EUR 3 200.

[RT I 2010, 22, 108 — entry into force 01.01.2011]

### **Section 87. Violation of obligation of annual informing and consulting and informing and consulting under exceptional circumstances**

(1) Failure to perform the obligation of annual informing and consulting or informing and consulting under exceptional circumstances, submission of incomplete or false information is punishable by a fine of up to 200 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to EUR 3 200.  
[RT I 2010, 22, 108 — entry into force 01.01.2011]

### **Section 88. Procedure**

(1) The provisions of the General Part of the Penal Code and of the Code of Misdemeanour Procedure apply to the misdemeanours provided for in §§ 85-87 of this Act.

(2) Extra-judicial proceedings concerning the misdemeanours provided for in §§ 85–87 of this Act shall be conducted by the Labour Inspectorate.

## **Chapter 6 IMPLEMENTATION OF ACT**

### **Section 89. Agreements in force**

(1) Chapter 2 of this Act does not apply to a Community-scale undertaking or group of undertakings where, during the entry into force of this Act, an agreement which covers the informing and consulting of employees of Community-scale undertakings or groups of undertakings is in force.

(1<sup>1</sup>) With the exception of Section 22<sup>1</sup> of this Act, Chapter 2 of this Act shall not apply to a Community-scale undertaking or group of undertakings where:

1) an agreement covering the information and consultation of the employees of the Community-scale undertaking or group of undertakings has been concluded on the basis of Article 13(1) of Council Directive 94/45/EC on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (OJ L 254, 30.09.1994, pp. 64–72) or Article 3(1) of Council Directive 97/74/EC extending, to the United Kingdom of Great Britain and Northern Ireland, Directive 94/45/EC on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (OJ L 10, 16.01.1998, pp. 22–23), or

2) an agreement concluded on the basis of Article 6 of Council Directive 94/45/EC on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (OJ L 254, 30.09.1994, pp. 64–72) was signed or reviewed during the period from 5 June 2009 to 4 June 2011.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

(1<sup>2</sup>) In the case of undertakings referred to in indent (2) of subsection (1<sup>1</sup>) of this Section, the provisions that were in force at the time the agreement was signed or reviewed shall apply.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

(2) When an agreement referred to in subsection (1) or (1<sup>1</sup>) of this Section terminates, the parties may extend the agreement. If the parties do not extend the agreement, this Act shall apply.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]

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<sup>1</sup> Directive 2009/38/EC of the European Parliament and of the Council on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (OJ L 122, 16.05.2009, pp. 28–44); Directive 2005/56/EC of the European Parliament and of the Council on cross-border mergers of limited liability companies (OJ L 310, 25.11.2005, pp. 1–9); Council Directive 2003/72/EC supplementing the Statute for a European Cooperative Society with regard to the involvement of employees (OJ L 207, 18.08.2003, pp. 25–36); Council Directive 2001/86/EC supplementing the Statute for a European company with regard to the involvement of employees (OJ L 294, 10.11.2001, pp. 22–32). References to the Directives repealed by Directive 2009/38/EC shall be construed as references to Directive 2009/38/EC.

[RT I, 04.07.2011, 1 — entry into force 14.07.2011]