

ARZINGER

Documenting Losses of Business Caused by Aggression of the rf



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General Comments

These recommendations shall help to document the **losses of business (real damages, lost profit, other damages)** caused as a result of the military invasion of the rf in Ukraine (starting from 4:00 a.m. on 24 February 2022) for their **further compensation** in judicial or any other proceedings.

Actions mentioned below may be taken only in case there is no danger for the life of people documenting losses. The list of actions is recommended and is not exclusive. The algorithm of actions may slightly differ depending on industry.

Why to Document Losses?

To **prove**:

- That business owned assets and such assets were in good condition before the war started;
- That losses were incurred by business – through total or partial destruction of assets / loss of possibility to use assets (e.g. as a result of missile attacks by the rf / temporary occupation of some regions by the rf military forces etc.);
- Casual connection between total or partial destruction of assets / loss of possibility to use assets and the actions of the rf military forces;
- The specific amount of losses incurred by business (real damages / lost profit / other damages) that shall be compensated in judicial or any other proceedings.

What To Do?



1. Apply to the **National Police of Ukraine** – to initiate criminal investigation because of total or partial destruction of assets / loss of physical access to the assets (by phone or with a written crime report).



2. Apply to the **State Emergency Service of Ukraine** – to eliminate the consequences of hostilities that damaged assets, and to draw up a relevant (fire / accident, etc.) act.

3. **Document the accident by yourself.** The following actions suit well:

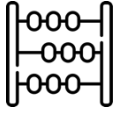


- Detailed photo and video recording of the scene with indication of information about the person (name, passport data, position) who performs the recording, the place of the event, the location, time of the recording and the event.



- Issue of orders at the enterprise on impossibility to use assets due to loss of access to or control over the assets (for example, impossibility to conduct a sowing campaign due to temporary occupation of certain areas), its total or partial destruction, on termination of the enterprise's business activities, etc.

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- Inspection and / or inventory counting of assets by a special commission of the enterprise, drawing up an inspection report / defective act, etc.



- Involvement of technical inventory specialists to obtain conclusions on immovable property.

4. Collect **witnesses' evidence**.

- Make a list of witnesses to the event with their contact information.
- Record their testimony on video or paper.

5. Collect **documents**.



- **Documents confirming ownership and other proprietary rights.** Ownership certificates, documents on the rights to use land plots, excerpts from state registers, sale-purchase agreements, vehicles registration certificates, etc.).



- **Technical documents** that contain technical characteristics of assets.



- **Financial documents.** Financial statements for the last 3-5 years, inventory counting reports, audit reports, internal reports of the company (group of companies) on past, current and contemplated production volumes, investments and modernization plans, information on intragroup and external loans.



- **Other documents important for calculation of losses.** Permits and licenses to use natural resources, documents on destroyed supply chains or production schemes and actions taken to continue business operations.



6. Collect all available **media reports** covering the event.

We recommend to storage all documents in **hard** and **electronic copies** and to make copies of documents produced by the National Police of Ukraine and the Emergency Service of Ukraine.

Arzinger can help you to document your losses correctly and efficiently.

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