

# IT AND TELECOM BALTIC LEGAL UPDATE

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#### **Sorainen Law Offices**

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We would like to introduce you to our first issue of IT and Telecom Baltic Legal Update. The launch of this Update was inspired by the increasing need for legal services in these particular fields.

Many clients are recently asking for legal advice on data protection and related issues. This suggested that this trend is increasing and with it the need for specialist advice. We felt that a themed newsletter would be appreciated by our clients and partners. I sincerely hope that this Update will be of interest, and that you will find the information useful.

Special thanks to editor Sergejs Trofimovs and authors: Kalev Kala, Ieva Berzina-Anderson, Paulius Galubickas.

Renata Berzanskiene Chairman of IT, Telecommunications and IP pan-Baltic service line

### **EU NEWS**

# New European Union initiatives to reduce roaming charges

The European Parliament and the Council of the European Union are considering adopting a proposed regulation on roaming on public mobile networks within the Community and amending Directive 2002/21/EC on a common regulatory framework for electronic communications networks and services.

The proposed regulation establishes common Community-wide maximum price limits on charges that mobile network operators may levy for wholesale provision of mobile roaming services for mobile calls made from a visited mobile network in the Community and terminating on a public telephone network within the Community.

The proposal provides for a lower whole-sale price limit for calls made to a destination within a visited country (set at twice the Community average mobile termination rate for mobile network operators designated as having significant market power) and a higher price limit for calls made back home or to a third country within the Community (set at three times the Community average mobile termination rate for such operators).

National regulatory authorities (NRAs) will be given the power and responsibility to enforce compliance, in line with their existing roles under the Community regulatory framework for electronic communications. The proposal will be voted at the European Parliament's plenary session, in May 2007, and will have to be later approved at the EU Telecommunications Council of Ministers, on 07.06.2007, in Luxembourg.

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# New European framework for audiovisual services under adoption

On 13.12.2006 the European Parliament reviewed at its first reading a proposal for a Directive on "Audiovisual Media Services without Frontiers", which will substantially amend and modernise the "Television without Frontiers" Directive of 1989. The European Commission released an updated proposal on 29.03.2007, taking into account the comments of the European Parliament.

The new Directive is a response to technological developments – it creates a new European framework for emerging audiovisual media services (video on demand, mobile TV, audiovisual services on digital TV). The Directive aims to help Europe's audiovisual industry to become more competitive, regardless of the transmission technology used. It also introduces more flexible rules for traditional TV broadcasting.

The Directive distinguishes between linear (traditional TV, irrespective of the transmission platform, and pay-per-view) and non-linear (video on demand) audiovisual services. Most of the regulations relate to linear services, whereas non-linear services are regulated only to the extent of safe-

### EU

Payment Services
Directive proposal
adopted by the
European Parliament

### **Estonia**

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#### Latvia

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### Lithuania

Amendments to the Law on Electronic

### **Sorainen Law Offices**

Advising leading
IT market companies:
Akamai Technologies,
Xerox, Delfi, Siemens,
Bite, TietoEnator
among others

guarding essential public interests such as protecting minors and preventing incitement to hatred.

The consolidated text of the new Directive will now go to a second reading by the European Parliament and Council. The planned date of adoption of the Directive is 24.05.2007.

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### Commission launches public consultation on 116 numbers

On 19.05.2007 the European Com-mission launched a public consultation with a view to identifying common Europe-wide telephone services of social value that could benefit from single European free phone numbers starting with 116. The consultation seeks to identify services which may benefit from a single number and which will help citizens in difficulty or contribute to their wellbeing or safety.

Once the Commission has decided which numbers should be reserved for which services, it will be for the Member States to assign numbers to individual organisations within their territory. Contributions from interested parties should be sent to the Commission by 20.05.2007, which is the closing date of the consultation.

This public consultation is the next step after the Commission's Decision of 15.02.2007 which requires Member States to reserve a six-digit number range starting with 116 for services of social value in Europe and ensure that the respective competent national regulatory authorities can assign the number 116000 as from 31.08.2007.

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# Payment Services Directive proposal adopted by the European Parliament

On 25.04.2007, the European Parliament adopted the proposal for the Payment Services Directive (PSD) for which the European finance ministers had already agreed a general approach at its meeting on 27.03.2007.

The main objective of the new Payment Services Directive is to bring down existing legal barriers and to foster creation of a Single Euro Payments Area (SEPA) – an initiative that by 2010 will result in establishing a euro area in which the current differentiation between national and crossborder payments no longer exists.

Specifically the Directive aims at:

- making cross-border payments as easy, cheap and secure as national payments within one Member State; - encouraging further product standardization and consolidation of payment services by making it easier for providers to rationalize payment infrastructures and services; and

- opening national payment markets to new providers and ensuring a level playing field for all.

The PSD creates a single license for "all providers of payment services, which are not associated with taking deposits or issuing e-money." Therefore, an entirely new category of service providers – "payment institutions" - is created. Such "payment institutions" would be autho-rized (subject to a set of conditions) to provide payment services throughout the European Union.

In practice, the new Directive will make it possible for consumers to make payments with their mobile phones or pay their electricity bill in supermarkets in the future.

The text of the PSD will now be forwarded to the EU Council for final adoption. The Member States should then transpose the Directive as early as possible, and by 01.11.2009 at the latest, into national law.

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# Use of radio spectrum for equipment with ultra-wideband technology allowed by the Commission

On 21.02.2007 the Commission adopted Decision 2007/131/EC on allowing use of the radio spectrum for equipment using ultra-wideband technology in a harmonised manner in the Community. The Decision aims to permit and regulate use of radio frequencies of equipment with ultra-wideband technology (UWB) and to harmonize the conditions of such use in the single market. Portable computers, portable radios, terminals, or television sets with communication interfaces which can transfer large data amounts over short distances wirelessly, can be listed as such equipment.

Under the Decision, all Member States must as soon as possible - and no later than six months following its entry into force on 23.02.2007 - permit non-exclusive, trouble-free and non-protected use of frequency bands by ultra-wideband technologies.

Permission applies on two conditions: on the one hand, conditions regarding the highest permissible signal strength for individual frequency range must be satisfied; on the other hand, frequency use permission applies only to such ultrawideband technologies which are "either used indoors or, if used outdoors, are not attached to a fixed installation, a fixed infrastructure, a fixed outdoor antenna, or an automotive or railway vehicle". This restriction is introduced to avoid disturbances to other radio communication services. The Commission's Decision is mandatory for all Member States.

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### Commission initiates study on selfregulation and co-regulation measures in the media sector

According to recently announced results of a study initiated by the European Commission and conducted by Germany's Hans Bredow Institute for Media Research in cooperation with the Institute for European Media Law in Saarbruecken, self- and co-regulation are attractive alternatives to traditional regulation in the rapidly evolving digital world.

The digital economy is shaped by dynamic technological changes, while traditional regulation methods are too slow to react to related technological, economic and social changes. Traditional regulations are also marked by considerable problems of implementation. Self regulation, where the industry regulates itself, and coregulation, a combination of state and non-state regulation, will help to cope with the increasing risk of failure of traditional approaches, and will hand back responsibility to the public and interested parties where appropriate.

Encouraging examples of this kind of coregulation exist in the media sector, e.g. advertising, and protection of children and minors.

The prerequisite for alternative regulation is that the government grants authority for adjustments to non-governmental organizations and permits issue of reasonable sanctions and other measures to ensure that it works. Transparency and openness are cornerstones for gaining public credibility for alternative methods of regulating the media sector.

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## Commission takes Lithuania to the ECJ for 112 caller location deficiencies

At the beginning of 2006 the Commission opened cases against 11 Member States, including Latvia and Lithuania, for failure to ensure availability of caller location information to emergency authorities for calls made from fixed and/or mobile phones.

Under Community rules, when telecommunications operators receive emergency calls from fixed and mobile phones, they must provide caller location information to emergency services, if technically feasible. This ensures that public safety answering points receive the most accurate information available about the caller's location. For Ireland, Cyprus, and Luxembourg pending proceedings have been closed after national authorities confirmed that caller location information is now available The Commission is now referring Italy, Lithuania, the Netherlands, Portugal, and Slovakia since problems remain in implementing 112, in particular regarding caller location information for emergency calls. Investigations are also pending in other Member States.

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### THE BALTIC STATES

#### **ESTONIA**

### Amendments to the Personal Data Protection Act

On 15.02.2007 the Estonian Parlia-ment adopted a new version of the Personal Data Protection Act, which becomes effective as of 01.01.2008.

The act is aimed at protecting fundamental rights and liberties of natural persons, especially inviolability of private life. Compared to the Personal Data Protection Act currently in effect, the scope of application of the new act has been extended to cover processing of personal data made public by legitimate means. Sensitive personal data are highlighted as a subclass of personal data requiring special protection.

As a general rule, processing personal data is allowed with the consent of the data subject. Consent may be partial or conditional. A special provision is introduced to guarantee a data subject's right to prohibit processing of their personal data for survey of consumption patterns or for direct marketing. The data subject may prohibit such use at any time.

The amendments provide a special regulation on processing information regarding a person's creditworthiness. Collecting personal data in the form of image or filmed material without a data subject's consent is also addressed separately.

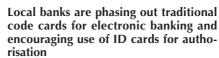
A data subject will have the right to:

- obtain information about personal data pertaining to him/her as well as personal data available about him/her;
- demand termination of processing his/her personal data, and
- demand correction, closure, and deletion of his/her personal data.

Compared to the law in force, the terms for registration of processing of sensitive personal data will be simplified. The provisions of the current act that set forth requirements for processing personal data remain substantially unchanged, as do requirements for data security. Nor have

any principal changes been made to the part regulating monitoring of enforcement of the law.

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In order to improve electronic banking security, the Board of the Estonian Banking Association (*Eesti Pangaliit*) has decided to set a daily transaction limit of EEK 10,000 (ca. € 639) for transactions made in Internet banking environments using frequent-use code cards. The decision will enter into force on 02.05.2007.

The decision aims to help minimize a commonly used fraud scheme that involves copying frequent-use code cards. Analysis of fraud patterns shows that such frauds have become more frequent recently, so that improving client security is urgent. Using an ID card to enter an Internet banking environment is definitely considered to be the most secure and convenient method for a private client. The main goal of the technology used in ID cards is to keep cardholder electronic communication secure.

The ID card is also convenient for clients using electronic banking environments of several banks, as they no longer need different code cards. No additional activities are required from clients, if they begin using their ID card instead of the frequentuse code card.

Code cards already issued need not be returned to banks; clients are free to keep them for transactions not exceeding the set limit of EEK 10,000 (ca. € 639). To date, about 1.04 million ID cards have been issued. Over 40,000 cardholders regularly use their electronic features.

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Local mobile operator launches service allowing use of mobile communication devices for digital signing

In the near future (launch expected at the beginning of Q2, 2007) customers of a local mobile operator may start using a new service enabling them to give a digital signature via their mobile phone and to use services requiring personal identification, such as Internet banking environments.

To use these services, customers need to have their existing SIM-cards exchanged for a new SIM-card bearing the certificates necessary for digital signature and identification. Customers may keep their existing mobile numbers.

Customers browsing the Internet on their computer or a mobile device, may on

request send their PIN codes for identification or digital signing via their mobile. The same method, except for use of the mobile communication channel, is used with the regular ID card.

This solution aims to free people from carrying burdensome equipment for digital tasks. Normally, use of a regular ID card for such purposes requires a smartcard reader or a PIN calculator along with the need to download the necessary software and digital certificates. The service also becomes available to customers using a roaming service in another operator's mobile network.

In the first year of use, the service is provided free of charge, and later a small monthly charge of around EEK 10 (ca. € 0.64) is expected.

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Amendments to Law on Electronic Communications: already adopted and still planned

On 26.10.2006 the Parliament adopted amendments concerning some previously unimplemented requirements of Directive 2002/22/EC (the "Universal Service Directive").

The amendments, effective as of 09.11.2006, finally ensure a legal framework implementing the requirement for a comprehensive directory and directory enquiry service. On the basis of these amendments the Regulations on Universal Service in Electronic Communications are already adopted (in force as of 16.12.2006), detailing provisions of the Electronic Communications Law, including regulation of directory enquiry services, and the Regulations on Ensuring a Comprehensive Directory Enquiry Service and Comprehensive Directory and Regulations on Sample Comprehensive Directory (both in force as of 07.03. 2007), requiring electronic communications operators to provide information on endusers for making entries in the directory. As of 27.12.2006 there is only one provider of a universal service in Latvia. . This is the largest fixed telephony service provider, SIA Lattelecom.

Other amendments to the Law on Electronic Communications may be expected in the near future. On 08.03.2007 the Parliament adopted extensive amendments to the Law, including a thorough revision of terminology. The amendments are expected to regulate construction of electronic communication networks more precisely, defining the powers of the Electronic Communications Directorate, the institution that will supervise and control construction and installation of such networks. In addition, the amend-

ments accomplish correct implementation of the EU directives establishing the new regulatory framework for electronic communications.

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### Amendments to the Law on Data Protection

In March 2007, amendments to the Personal Data Protection Law were adopted, effective as of 01.09.2007. From this date, personal data processing systems used for processing personal data for accounting and personnel record keeping purposes will no longer be subject to registration with the Latvian personal data protection authority – the State Data Inspection.

The personal data processing systems will not be required to be registered from the said date, if the controller (currently called the system controller) registers as a personal data protection specialist with the Data State Inspection. The concept of personal data protection specialist is also new and is introduced by amendments to the Latvian Personal Data Protection Law as of 01.03.2007. Furthermore, certain requirements apply to a personal data protection specialist.

By 01.09.2007, the Cabinet of Ministers will have to approve new application forms for registration of personal data processing systems. Controllers that have registered personal data processing systems by 01.09.2007 will have to submit additional information to the State Data Inspection by 01.03.2008 to ensure compliance with the new requirements. Until 01.03.2008 the State Data Inspection will exclude from its personal data processing register systems whose registration will not be required by the amendments to the Latvian Personal Data Protection Law effective as of 01.09. 2007.

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### Practical introduction of the electronic signature

As of October 2006 the long-expected electronic signature and execution of electronic documents has finally been implemented in Latvia. Although the Law on Electronic Documents had already been adopted on 31.10.2002, so far it was impossible to create a secure electronic signature, as there were no approved trusted certification service providers.

In October 2006 a state owned joint stock company VAS Latvijas Pasts (Latvian Post) became a trusted certification service provider and launched certification services. In order to become a user of an electronic signature, one should apply for a qualified certificate in the form of a smart-card.

Consequently, it is now legally and practically possible to execute electronic documents with full legal force between state or local government institutions and natural persons and legal persons. In such communication, an electronic document will be considered duly signed provided it has a secure electronic signature and time-stamp. All state and local government institutions are obliged to accept such electronic documents.

In addition to implementing the electronic signature, amendments to the Law on Electronic Documents have been prepared (approved by the Parliament at its first reading on 22.03.2007). The amendments will clarify that only a natural person may be a signatory who has electronic signature-creation devices and who acts either in his or her own name or in the name of a natural person or legal person or institution. Therefore there cannot be a separate electronic signature for a legal person, but only a signature of a natural person acting on behalf of a legal person. Practical information regarding obtaining and using an electronic signature may be found on the webpage http://www.e-me.lv/.

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### The 2006 Law on Information Society Services

On 01.07.2006 the Law on Information Society Services of the Republic of Lithuania came into force. The Law is aimed at implementing Directive 2000/31/EC on certain legal aspects of information society services, in particular electronic commerce, in the internal market ("the E-Commerce Directive"). Before adoption of the Law, the E-Commerce Directive was only partially implemented in Lithuania. Reportedly, prior to adoption of the Law, in the absence of proper implementation of the E-Commerce Directive, foreign undertakings faced serious difficulties in launching e-commerce projects in Lithuania.

With the adoption of the Law on Information Society Services and the subordinate secondary legislation, the Lithuanian national legal framework for the relations associated with information society services is created.

In conformity with the E-Commerce Directive, the Law sets requirements for the provision of information, conclusion of agreements by electronic means, defines responsibility of providers of information society services and other related subjects, establishes dispute resolution mechanisms, and other maters.

The Law defines information society services as services that are normally provided at a distance by electronic means for remuneration and at the individual request of the recipient of such services. The Law provides that freedom to provide information society services of the subject established in Member States of the European Union may not be restricted, save for certain listed cases.

In accordance with the Law, delivering information society services does not require any permission of national institutions, provided that such services are delivered in accordance with established requirements.

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#### Government approves concept of Law on Security of Electronic Networks and Infor-mation

The Lithuanian Government has approved a concept of a Law on the Security of Electronic Networks and Information. The concept stipulates that institutions concerned - the Ministries of Transport and Communications, Internal Affairs, and the Communications Regulatory Authority are jointly responsible for drafting the Law on the Security of Electronic Networks and Information by the end of 2007. The Law will regulate network and information security; it will aim at improving the immunity of networks and information systems against accidents and criminal attacks, and decreasing vulnerability of consumer and business IT systems as well as promoting public trust in networks and information systems.

The Law on the Security of Electronic Networks and Information is expected to be adopted at the beginning of 2008. Adoption of the Law will be followed by amendments to the Administrative Code and the Law on Electronic Communications.

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### Amendments to Law on Electronic Communications

Amendments to the Law on Electronic Communications, currently being prepared by the Ministry of Transport and Communications, aim at transposing the provisions of Directive 2006/24/EC on retention of data generated or processed in delivering publicly available electronic communications services or public communications networks. The Data Retention Directive facilitates Europe-wide cooperation in criminal investigations. The amendments lay down new rules applicable to processing traffic and location data by network and service providers where such data is generated by using electronic communications services.

Under the Directive, providers of electronic communications services and

networks are required to retain traffic data related to phone calls and emails for at least six and not longer than twenty-four months.

It should be emphasised that the Directive does not cover content data. Providers of electronic communication services will not be allowed to create databases of telephone conversations or email correspondence that could be then examined by law enforcement officials.

The public authority in charge of monitoring and enforcing rules will be the State Data Protection Inspectorate. The Law Amending the Law on Electronic Communications is expected to come into force on 15.09.2007. Application of the requirements as to retention of communications data relating to Internet access, Internet telephony and Internet e-mail, is postponed until 15.09.2009.

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#### A WORD OF ADVICE

Personal data protection – main legal rules in Estonia, Latvia and Lithuania

Undoubtedly, in the modern business environment it is impossible to imagine a company that neither receives, nor produces information in the course of its activities. Every company has to deal with a constant flow of information and data on a day-to-day basis. This information and data, exchanged between companies or otherwise "processed", often contains personal data of natural persons – the data which enables identification of a specific natural person, such as an employee, a client, or a business partner. In this context it is important to remember that any and all processing of personal data (meaning any action whatsoever - any operations carried out regarding personal data, including data collection, registration, recording, storing, arrangement, transformation, utilisation, transfer, transmission and dissemination, blockage or erasure, etc) is subject to certain, rather strict requirements imposed by the laws of Member States of the European Union, harmonized in accordance with Directive 95/46/EC on the protection of personal data ("the Directive").

This article defines the core aspects of legal regulation of personal data processing in three Baltic jurisdictions – Estonia, Latvia, and Lithuania.

**Core legal principles** 

The core legal principles of processing personal data derive from the Directive, and therefore are similar in all three jurisdictions in question. Under the Estonian Personal Data Protection Act, the Latvian Personal Data Protection Law, and the Lithuanian Law on Legal Protection of

Personal Data, the following key requirements apply to processing of personal data by a company (the data controller):

- personal data must be processed accurately, correctly and lawfully;
- personal data must be collected for specified and legitimate purposes determined before collection and later processed compatibly with those purposes;
- personal data must be accurate and up to date; inaccurate or incomplete data must be rectified, supplemented, destroyed, or its processing must be terminated;
- personal data must be adequate, relevant, and of such scope as is necessary for the purpose of collecting and further processing;
- personal data must be stored in a form that permits identification of data subjects for no longer than is necessary for the purposes of such data collection and processing.

Furthermore, more rigid rules apply to processing of sensitive personal data (for instance, a natural person's racial or ethnic origin, political, religious, and philosophical or other beliefs). The general rule is that processing of sensitive personal data is legitimate only if the data subject (the natural person) consents.

# Registration or notification of personal data processing

In accordance with the Directive and corresponding national laws, the authorities have rather extensive rights in monitoring application of these laws. Companies must in one way or another notify the national authorities of the processing of personal data and/or register with the corresponding register.

#### Estonia

In Estonia a company that processes personal data is obliged to notify the Data Protection Inspectorate of processing of private personal data. If a company intends to process sensitive personal data, it must be properly registered with the DPI prior to starting any data processing.

In addition, personal data can be transferred to a foreign country that does not have a sufficient level of data protection only upon issue of the respective permit by the DPI. The EU and EEA countries, as well as countries specifically listed by the European Commission, are deemed to have a sufficient level of data protection. Therefore, transfer of personal data to those countries does not require a permit.

#### Latvia

In Latvia, each entity conducting processing of personal data has to register its personal data processing systems with the Latvian personal data protection authority – the State Data Inspection. To register a personal data processing system, For this purpose a detailed formal application has to be filled in and submitted to the State

Data Inspection, indicating the data processed, legal grounds for such processing, whether and which personal data and for what purposes such data is transferred to other countries (accurately listing the countries), organisational and technical measures ensuring data security, contact details of persons responsible for such measures, etc has to be submitted to the State Data Inspection.

Once a personal data processing system has been registered with the State Data Inspection, no separate authorization for any type of processing personal data indicated in the application is required. Please note that as of 01.09.2007 the changes to the Latvian data processing rules, as described in Section 2.2.2 will be effective.

#### Lithuania

In Lithuania a company may process personal data only upon notifying the State Data Protection Inspectorate. However, the Lithuanian law lists exceptions where notification is not mandatory, provided:

- personal data is processed for the purposes of internal administration;
- personal data processing is carried out in the course of activities by a foundation, association, trade union, political party or any other non-profit body for specific enumerated purposes;
- processing of personal data is carried out solely for journalistic purposes or the purposes of artistic or literary expression as well as other purposes of providing information to the public;
- processing of personal data is carried out for health care purposes.

Obligations vis-à-vis data subjects A data controller also has certain obligations vis-à-vis data subjects (natural persons whose data are being processed). In accordance with the Directive and the corresponding national laws, a data controller is obliged to provide a data subject with the possibility to pursue his/her rights to know (be informed) of processing their personal data, to access his or her own data, including information on the manner of processing, to request correction, deletion of their personal data or termination of the processing, (except for storage), where data is being processed not in conformity with the said or other provisions of laws and also to object to the processing of his or her personal data. For detailed information on the above matters, please contact Sorainen Law Offices.

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# NEWS IN SORAINEN LAW OFFICES

### Recent deals

### Advising Delfi AS regarding liability for website contents

Providing legal advice to Delfi AS regarding potential liability for disclosure of incorrect information or defamatory comments by anonymous users on a web portal. Analysis of different types of liability in preparation of a non-defamatory website. The case was handled by partner Karin Madisson.

Representing Siemens in negotiations with Estonian Government Assisting Siemens AS in negotiations on a software development project for the Estonian Government. Partner Kaido Loor handled the case.

Acting as legal advisers to Bite in Lithuania and Latvia offering our services in problematic situations and everyday corporate matters Assisting the client in more than four civil litigation cases in 2006 in Lithuania including amicable settlement of several disputes. We also reviewed IT agreements and agreements with their cooperation partners, also answering Intellectual Property, Company and Employment Law related questions.

#### Advising leader in the Baltic language software products market – Tilde Informacines Technologijos UAB

Assisting the client in drafting and concluding cooperation agreement with a TV company enabling vie.wers to watch TV programs using WAP. We also assisted the client in a number of Corporate Law matters including employment issues. Partner Renata Berzanskiene and senior associate Liudas Ramanauskas were involved.

## Providing assistance for DLA Nordic Advokatfirma A/S

Assisting the client on matters relating to implementation of ecommerce and other EU directives for Ramboll Management and the EU Commission. Partner Renata Berzanskiene and associate Sergejs Trofimovs were involved.

Sorainen Law Offices advise Akamai Technologies GmbH

Advising the client on regulatory matters concerning information society services in Lithuania, Latvia, and Estonia. senior associates Juhani Siira, Konstantin Kotivnenko and Edgars Koskins advised the client

Sorainen Law Offices is a legal adviser to IT market leader – Xerox We regularly advise the client on a number of global IT projects, and

regulatory matters concerning all three Baltic countries.

# Consulting Datakom SIA – one of the leading local IT companies in Latvia

Advising Datakom, a leading local IT company, on a wide range of IT matters including outsourcing projects, hardware maintenance and support contracts, in negotiations with suppliers and customers. We have prepared various IT contracts for the client, and assisted the client in participating in various state procurement tenders for IT services. The client was advised by partner Agris Repss and associate Edgars Briedis at Riga office.

## MartinsonTrigon investment in Rate Solutions

Assisting Martinson Trigon Venture Partners, the first Baltic private equity partnership focusing exclusively on the media, technology and telecom (TMT) sectors, in its investment in Rate Solutions OÜ, the developer of software for social network websites. The transaction was advised by partner Toomas Prangli and Paul Kunnap.

### Private equity investments in IT sector

Our Tallinn office advised MarkIT, the largest e-purchasing system for IT goods in the Baltics, in its share issue to Ambient Sound Investment (ASI), the private equity group established by the four founding engineers of Skype. ASI invested 2 MEUR in MarkIT with the aim of developing its e-purchasing system and expanding to five new CEE markets. The placement was advised by partner Toomas Prangli and associate Stefano Grace.

## Merger of TietoEnator companies in Lithuania

Vilnius office recently assisted TietoEnator in the side-step merger of its Lithuanian subsidiaries. TietoeEnator is a Scandinavian based corporation, one of the largest IT and media service providers in Europe. The client was assisted by senior associate Tomas Davidonis.

### Employees

The team of lawyers administering the publication

IT and Telecom Baltic Legal Update team is headed by a partner **Renata Berzanskiene**. She acts also as Pan-Baltic Commercial contracts legal team manager. She is widely regarded as a high-profile litigation expert with specialisation in litigation and arbitration, intellectual property, IT and corporate law. During 15 years of practice,

Renata Berzanskiene has been involved in a number of cases, representing a number of IT and Telecommunications companies and involved in solution of IT-related disputes in courts of all instances as well as in arbitrations. Renata Berzanskiene is also a Practical Law Company recommended practitioner in corporate / M&A.

Sergejs Trofimovs is an associate at Sorainen Law Offices Vilnius office. He gained his knowledge when studying at Riga Graduate School of Law (LL.M) and Concordia International University Estonia Law School (LL.B.) as well as while practicing law at Sorainen Law Offices Vilnius. Sergejs Trofimovs main practice area is IT and Intellectual property law. His long experience in this field developed when dealing with leading local and international IT and telecommunications companies.

Paulius Galubickas joined Vilnius office in April 2007 as an associate. He holds two Master's Degrees: in telecommunications & IT law from the University of Cologne and in business law from Vytautas Magnus University. For the last five years he has worked with Deutsche Telekom T- Systems, which is one of the few worldwide service providers of integrated ICT solutions, where he had an opportunity to integrate and fully apply his knowledge in IT systems and IT law.

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