## **Distant Execution of Contracts**



Over the last two weeks, we have received an increasing number of enquiries about the impact of the COVID-19 disease, commonly known as the coronavirus, and related measures adopted by the Czech government on our clients' businesses. Some of the enquiries relate to the fact that our clients have been unable to timely enter into contracts or perform other legal acts, for which Czech law, or an agreement of the parties, requires the respective documents to be in writing and signed.

We have, therefore, decided to provide a short overview of an equivalent alternative available under Czech law, which does not require a handwritten signature of a paper document. In particular, contracts or other legal acts can be taken by the involved parties in an electronic form and signed using the so-called electronic signature.

The law recognises four types of electronic signatures: qualified electronic signature, advanced electronic signature based on the qualified certificate, advanced electronic signature and electronic signature. For regular commercial contracts (for which neither law nor agreement of the parties require a written from), the most basic form of an electronic signature (for example, a signature block in an email) is sufficient. For required levels of legal certainty, however, we recommend signing electronic versions of documents either with a qualified electronic signature or an advanced electronic signature based on the qualified certificate.

The easiest way to obtain a qualified electronic signature or an advanced electronic signature based on the qualified certificate is to contact one of several authorized providers, who can walk you through the entire process of obtaining the signatures. Based on our information, these types of electronic signatures can be obtained within one day.

None of the types of electronic signatures, however, can serve as a substitute for an officially verified handwritten signature. Although this issue is going to be addressed by a new act (no. 12/2020 Coll.) on the rights to digital services, the relevant sections of the act will only enter into force in February 2022.

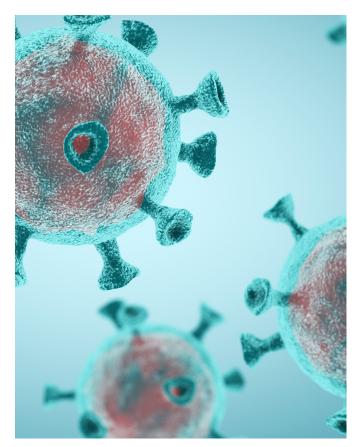
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