

## Luxembourg announces new provisions for shareholders and board meetings in response to COVID-19

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### Executive summary

Following the declaration of a state of emergency and in addition to the set of tax and financial measures already announced last week,<sup>1</sup> the Luxembourg Government has established a series of measures to adapt specific Luxembourg company law requirements to the current situation. The aim of these measures is to allow the governing bodies of any company or legal entity to hold their meetings, in particular shareholders' meetings, without requiring the physical presence of their members.

The various measures are detailed below.

### Detailed discussion

The [Grand-Ducal regulation dated 20 March 2020](#) introduces a series of measures dealing with Luxembourg company law given the current COVID-19 outbreak. Specifically, the regulation provides that: (i) board and shareholders' meetings can be held in digital form; and (ii) the deadline for those annual shareholders' meetings that had to be held before 30 June 2020 has been moved to 30 June 2020.

## Shareholders' meetings

For shareholders' meetings, companies may require, regardless of any contrary provisions of their articles of association, that shareholders participate in the meeting in the following manners:

- ▶ By voting in writing or in electronic format (to the extent the entire resolutions have been sent ahead of time to the shareholders or published)
- ▶ Via appointment of a proxy who is to be chosen by the company concerned
- ▶ By video conference or any other telecommunication means allowing the identification of the attendees

Under any of the above attendance methods, the shareholders will be deemed to be present or validly represented at the respective meetings, both to form a quorum and a majority.

## Board meetings

For any board meetings (be they board of directors, board of managers, supervisory boards and any other internal bodies), regardless of any contrary provisions in the articles of association, the meeting may be held without physical attendance and resolutions adopted via:

- ▶ Written circular resolutions (which still require unanimous consent)
- ▶ Video conference or any other telecommunications means allowing the identification of participants

Similar to shareholders, the board members (or members of other bodies) will be deemed to be present or validly represented at the respective meetings, both to form a quorum and a majority.

## Timing of ordinary general shareholders' meetings

As far as the annual ordinary general shareholders' meetings are concerned, those companies for which accounts should have been approved before 30 June 2020 (for instance, those with a financial year closing on 30 October or those whose articles of association state that the meeting should be held, e.g., on the last Tuesday of June), can now extend the deadline of approval of accounts up to 30 June 2020. Those companies that already convened their shareholders for the purpose of approving their accounts can reverse this first convening and take a new decision to convene at a later date. Such companies will have to send a new convening notice to their shareholders in the same form as the initial convening notice or by publication on their websites, no later than three business days before the said meeting.

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## Endnote

1. See EY Global Tax Alert, [Luxembourg announces tax and financial measures in response to COVID-19](#), 18 March 2020.

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