

#### In this number:

### **COVID – 19: New measures approved by the Financial Supervisory Authority regarding the organisation of general meetings of issuers during the state of emergency**

New Regulation no. 5/2020 for the establishment of measures regarding organisation of general meetings of issuers during the state of emergency generated by COVID-19 (the “**Regulation**”), issued by the Financial Supervisory Authority (“**FSA**”), entered into force on 10 April 2020 and applies during the existence of the state of emergency in Romanian territory.

National authorities have sought to prevent the spread of COVID-19 in Romania by limiting the free movement of citizens and prohibiting the organisation of activities in closed premises. The issuers must resort to methods of remote communication during this period for the organization of a general meeting of shareholders (“**GMS**”) of issuers of certain traded financial instruments needed for the approval of financial statements, as well as other meetings that cannot be delayed.

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### The scope of the Regulation

The new measures apply to issuers having their registered office in Romania and whose shares are traded on a regulated market (operated by the Bucharest Stock Exchange (“BSE”) or on a multilateral trading system such as AeRO (“Issuers”). The Regulation does not apply to issuers of other types of traded financial instruments such as bonds.

In addition, the Regulation applies only to a GMS for which the deadline for submission of the forms for voting by correspondence/powers of attorneys is after 16 April 2020.

### The obligations imposed by the Regulation to the Issuers

During the state of emergency, an Issuer is required to take measures to ensure the proper organisation of its GMS, such as:

- (i) publishing on its own website current reports (which must also be submitted to the BSE and the FSA) expressing recommendations to shareholders regarding the use of electronic means/remote interaction, avoiding as far as possible, the use of mail, courier services or travel to the Issuer's headquarters, when they:
  - access materials related to the GMS;
  - submit their: proposals to introduce items on the GMS's agenda; draft decisions for items included or proposed to be included on the GMS's agenda; questions regarding the GMS; and general or special powers of attorneys, as the case may be;
  - vote in the GMS.
- (ii) publishing on its website current reports (that must also be submitted to the BSE and the FSA) by which the Issuer:
  - informs shareholders of the possibility that the Issuer will limit the number of participants for events held in closed premises pursuant to the express decisions taken by the authorities in this regard;
  - warns shareholders that participation at public events/meetings held in closed premises exposes the participants to possible SAR-CoV-2 coronavirus exposure and that neither the Issuer nor its management bodies can be held liable for such risk.

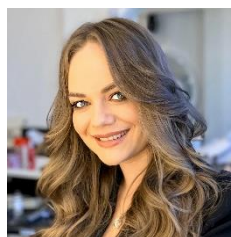
If the competent authorities explicitly prohibit the organisation of a GMS with the physical participation of shareholders, the Issuer must so indicate on its own website (and also report to the BSE and the FSA) no later than 3 working days before the deadline for the submission of powers of attorneys/forms for voting by correspondence in respect of the GSM. In such a case, the Issuer must ensure the possibility of voting to occur by correspondence or by electronic means.

If such a GMS had already been convened on 10 April 2020, it may proceed (using correspondence or electronic means for voting) without the need to republish of the convening notices.

For more details, please do not hesitate to contact us.



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