

COVID-19: Luxembourg Exceptional Measures on Holding Company Meetings and Filing Annual Accounts



On 18 March 2020, Luxembourg Prime Minister Xavier Bettel and the Luxembourg Government declared a state of emergency to swiftly enact a series of measures to prevent the spread of COVID-19. In this context, the [Grand Ducal Regulation of 20 March 2020](#) introduced temporary measures (that derogate from ordinary Luxembourg company law provisions) to allow companies and other legal entities to hold their corporate body meetings remotely and thus without a mandatory physical presence.

1. What specific measures has the Grand Ducal Regulation of 20 March 2020 introduced on holding shareholders meetings, management body meetings, and convening annual general meetings?

Notwithstanding any contrary provisions present in a company's articles of association:

- **Shareholders meetings** can be held without a physical meeting and a company can require its participants to exercise their rights remotely:

- either by vote in writing or in electronic form, subject to the condition that the full text of the decisions to be taken have been previously published or communicated to each shareholder,
 - through a proxyholder appointed by the company, or
 - by videoconference or other means of telecommunication allowing their identification.
- **Management body meetings** can be held without a physical meeting and the company can require its participants to exercise their rights remotely:
- by written resolutions, or
 - by videoconference or other means of telecommunication allowing their identification.

Any shareholder/member of a management body participating in a meeting remotely as described above shall be deemed present to determine the required quorum and majority.

It is important to point out that these measures apply also to bondholders meetings.

- **Deadlines to convene annual general meetings.** Furthermore, regardless of any contrary provisions of the articles of association, a company is authorized to convene its annual general meeting by one of the following two dates:
 - a date that is within six (6) months after the end of its fiscal year, or
 - a date that is within a period of time that is up to and including 30 June 2020.

Companies are authorized to take this decision for any meeting convened by 30 June 2020 at the latest. Any company that has already convened its general meeting before the entry into force of this Regulation and wishes to apply the above deadlines must notify it to its shareholders or other participants in the form in which they had convened such meeting or by publication on its website (no later than three (3) business days before the meeting).



2. Has the Luxembourg Trade and Company Register granted companies a deadline to file their annual accounts?

Under normal circumstances companies must file their annual accounts with the Luxembourg Trade and Company Register ("RCS") within a month of holding their annual general meeting. To address the COVID-19 crisis, companies will be granted an additional administrative period of four (4) months to file their accounts without incurring any late penalty filing (which is exceptionally suspended until 30/11/2020), according to a communication published by the RCS on 18 March 2020.

Accordingly, for example, for a financial year ending on 31/12/2019, the filing of annual accounts will be subject to the standard administrative costs of EUR 19 without VAT until 30/11/2020.

Your Contacts at Luther



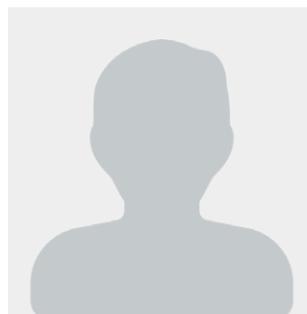
Eric Sublon

Avocat à la Cour, Partner
Luther S.A. Luxembourg
P +352 27484 678
eric.sublon@
luther-lawfirm.com



Anna Gassner

Avocat, Senior Associate
Luther S.A. Luxembourg
P + 352 27484 699
anna.gassner@
luther-lawfirm.com



Laurent Vandenberghe

Avocat à la Cour
Managing Associate
Luther S.A. Luxembourg
P +352 27484 674
laurent.vandenberghe
@luther-lawfirm.com