



SUMMARY OF THE MAIN FRENCH MEASURES TAKEN ON MARCH 26, 2020 REGARDING THE APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS AND THE HOLDING OF SHAREHOLDERS' AND OTHER CORPORATE MEETINGS

I. Extension of time limits for the preparation and approval of annual financial statements (Ordonnance No. 2020-318 of March 25, 2020)

<https://www.legifrance.gouv.fr/eli/ordonnance/2020/3/25/ECOX2008168R/jo/texte>

1. Approval of annual financial statements (Article 3) : **three-month** extension of the deadline for approving the accounts/ convening the shareholders' meeting for this purpose.
 - Scope : entities closing their fiscal year between September 30, 2019 and 1 month after the end of the state of health emergency.
 - Exception : if the statutory auditor has issued its report before March 12, 2020.
2. Presentation of the annual financial statements to the Supervisory Board (Article 1): **three-month** extension of the deadline for the presentation of the annual financial statements by the Management Board to the Supervisory Board.
 - Scope : entities closing their fiscal year between December 31, 2019 and 1 month after the end of the state of health emergency.
 - Exception : if the statutory auditor has issued its report before March 12, 2020.
3. Other provisions relating to liquidators, the requirement to draw up a summary of realizable assets, certain financial reports, etc. → see Chart No. 1 below.

II. Conditions for holding of shareholders' and other corporate meetings (*Ordonnance No. 2020-321 of March 25, 2020*)

<https://www.legifrance.gouv.fr/eli/ordonnance/2020/3/25/ECOX2008178R/jo/texte>

- Provides that shareholder and other meetings may be held by telephone or video conference or by written resolutions for any type of decision and notwithstanding the absence of authorization given by law, the articles of association or board rules.
- See Chart No. 2 below.

Chart No. 1 – Extension of deadlines – Ordonnance No. 2020-318 of March 25, 2020

Article	Topic	Legal deadline	Extension	Scope	Exceptions
1	<i>Société anonyme</i> (limited liability company) with a management and a supervisory board Deadline for submission of the report of the Management Board as well as the annual financial statements and, if applicable, the consolidated financial statements accompanied by the related management report (Article 225-100 Code de commerce)	3 months (Article L.255-68 alinéa 5 Code de commerce)	3 months	Entities closing their fiscal year between December 31, 2019 and 1 month after the end of the state of health emergency declared by article 4 of the law of March, 23 2020	If the statutory auditor has issued its report before March 12, 2020
2	Deadline for the submission of the annual financial statements and the written report by the liquidator	3 months (Article L.237-25 Code de commerce)	2 months	Entities closing their fiscal year between December 31, 2019 and 1 month after the end of the state of health emergency declared by article 4 of the law of March, 23 2020	
3	Deadline for approval of the annual financial statements (and related documents), or for convening the shareholders' meeting for the approval	Depending on the applicable law and/or the articles of association	3 months	Entities closing their fiscal year between September 30, 2019 and 1 month after the end of the state of health emergency declared by article 4 of the law of March, 23 2020	If the statutory auditor has issued its report before March 12, 2020
4	Commercial companies which, at the closing a given fiscal year employ three hundred or more FTE or whose net turnover, at the same time, is equal to or greater than EUR 18,000,000 (Article R-232-2 Code de commerce) Deadlines for drawing up the report on realizable and available assets and due liabilities, the provisional profit and loss statement, the cash flow statement and the provisional financing plan.	Within 4 months after the closing of the fiscal year	2 months	Entities closing their fiscal year between November 30, 2019 and 1 month after the end of the state of health emergency declared by article 4 of the law of March, 23 2020	
5	Certain entities: Deadline for producing financial report	Within 6 months after the closing of the fiscal year (Article 10, loi n°2016-1321 of 7 October 2016)	3 months	Entities closing their fiscal year between November 30, 2019 and 1 month after the end of the state of health emergency declared by article 4 of the law of March, 23 2020	

Chart No. 2 – Conditions for holding shareholders' and other corporate meetings - Ordonnance No. 2020-321 of March 25, 2020

Article	Topic	Scope	Provision	Conditions	Comment
Article 1	Entities covered by the <i>Ordonnance</i>		Any type of entity, including civil and commercial companies, as well as entities without legal personality governed by private law (hereinafter the “ Entities ”)		Are therefore also covered: <ul style="list-style-type: none"> - civil and commercial companies, - the <i>masses</i> of holders of securities or financial securities, - GIE and GEIEs, - cooperatives, mutuels (<i>mutuelles</i>), unions of mutuels and federations of mutuels, - mutual insurance companies and mutual insurance group companies, pension institutions and social protection insurance group companies, - Municipal credit unions and agricultural credit unions, endowment funds, - Associations and foundations, [...]
Article 11	Applicable time period of the <i>Ordonnance</i>	Shareholders' meetings and meetings of other governance bodies of the Entities	The <i>Ordonnance</i> applies to meetings held between March 12, 2020 and July 31, 2020.		The date of application may be extended by decree, but no later than November 30, 2020.

Chart No. 2 – Conditions for holding shareholders' and other corporate meetings - Ordonnance No. 2020-321 of March 25, 2020

Article	Topic	Scope	Provision	Conditions	Comment
Convening rules and right of information					
Article 2	Shareholders' meetings of listed companies - convocation by mail and nullity.	Companies listed on an EU or EEA stock market for which the convening notice to shareholders' meetings must be sent by mail.	The meeting will not be null if the convening notice of the meeting, which must be sent by mail, would not be sent by mail due to circumstances beyond the company's control.		
Article 3	Shareholders' meetings of Entities – right of information of shareholders/partners/ members	Entities required to comply with an information request from a shareholder/member prior to the meeting	The requested information can be sent by email	The relevant shareholder/ member must have communicated his e-mail address in his request	
Article 4	Meetings of Entities - held without physical presence, by conference call or video conference	Entities	<p>By decision of the body responsible for convening the meeting (or by delegation), the meeting may be held without the physical presence of its shareholders / members or members entitled to attend, by telephone or video conference.</p> <p>The decisions of meetings so held are regularly taken in accordance with the other rules provided for by applicable law.</p> <p>The shareholders / members and other persons must be informed by any means allowing an effective information.</p>	The location of the meeting must be impacted by an administrative order restricting or prohibiting collective gatherings on health grounds (either on the date of convocation or on the date of the meeting).	

Chart No. 2 – Conditions for holding shareholders' and other corporate meetings - Ordonnance No. 2020-321 of March 25, 2020

Article	Topic	Scope	Provision	Conditions	Comment
Rules of participation and voting at shareholders' meetings					
Article 5	Shareholders' meetings of Entities – Calculation of Quorum and Majority	Entities	The body responsible for convening the meeting (or its delegate) may decide to include in the calculation of the quorum and the majority shareholders / members participating by telephone or video conference (allowing their identification) - and this : (i) even in the absence of a statutory authorisation or in the issuance agreement and (ii) whatever the purpose of the relevant decision (i.e. approval of the annual accounts in limited liability companies)	The technical means must allow the transmission of the voice of the participants as well as the continuous and simultaneous transmission of the discussions. For public limited companies (<i>société anonyme</i>) and groups of bondholders (<i>masses obligataires</i>), the conditions for the technical means are those of the <i>Code de commerce</i> .	
Article 6	Shareholders' meetings of Entities - use of written resolutions	Entities for which written resolutions are permitted by law.	The body competent to convene the meeting, or its delegate, as the case may be, may decide to use written resolutions even if no clause in the articles of association or the issuance agreement authorizes them, provided that the law authorises this method of consultation. Can be implemented for any type of decision.	Provided that the law provides for written resolutions as an option of decision-making	Applies to most commercial, civil companies and other private law entities
Article 7	Shareholders meetings of the Entities – member information	Informing of shareholders/ members of the decisions taken	The shareholders / members shall be informed of any decision taken on the basis of Articles 4,5 or 6 of the <i>Ordonnance</i> by any means (allowing an effective information) at the latest 3 days before the date of the meeting. Such information shall not give rise to the renewal of the convening notice of the meeting and shall not constitute an irregularity of the convening. In listed companies, such information of members for a meeting already convened must be made by means of a press release.		

Chart No. 2 – Conditions for holding shareholders' and other corporate meetings - Ordonnance No. 2020-321 of March 25, 2020

Article	Topic	Scope	Content	Conditions	Comment
Rules applicable to management boards, board of directors, supervisory boards					
Article 8	Management boards, board of directors, supervisory boards - participation by conference call or videoconference	Corporate bodies of Entities	<p>The members of the corporate bodies participating by telephone or video conference shall be deemed to be present, even without authorisation under the articles of association or board rules and notwithstanding any provisions to the contrary.</p> <p>This provision is applicable to any type of decision.</p>	The technical means must allow the identification of members and ensure their effective participation: transmission of the voice of the participants as well as continuous and simultaneous retransmission of the discussions.	
Article 9	Management boards, board of directors, supervisory boards - use of written resolutions	Corporate bodies of Entities	<p>The decisions of these corporate bodies may be taken by written resolution of their members under conditions ensuring collegial deliberation and even without authorisation under the articles of association or board rules and notwithstanding any provisions to the contrary.</p> <p>This provision is applicable to any type of decision.</p>		



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