



THE HON JOSH FRYDENBERG MP

Treasurer

MEDIA RELEASE

31 July 2020

CONTINUING TO MAKE IT EASIER FOR BUSINESS TO OPERATE DURING COVID-19

The Morrison Government is continuing to provide certainty to businesses about how they can meet their legal obligations by extending temporary regulatory relief in respect of online meetings and electronic document execution for a further six months.

The changes allow companies to convene annual general meetings, and other meetings prescribed under the Corporations Act, entirely online rather than face-to-face. The changes also give businesses certainty that when company officers sign a document electronically, the document has been validly executed.

These changes will be made under the instrument-making power that has been inserted into the *Corporations Act 2001* as part of our response to the Coronavirus crisis.

The feedback that the Government has received from industry is that these temporary changes have provided certainty to business and helped them continue to operate through the coronavirus crisis. Under the social distancing measures that are currently in place, and the ongoing challenges in Victoria, it is difficult for shareholders to physically gather and for companies to execute documents in person.

Under the extension of the temporary relief measures, companies will continue to:

- provide notice of annual general meetings to shareholders using email;
- achieve a quorum with shareholders attending online; and
- hold annual general meetings online.

Meetings must continue to provide shareholders with a reasonable opportunity to participate. Shareholders will continue to be able to put questions to board members and vote online.

To execute documents, company officers will continue to be able to sign documents electronically, so for the duration of the extended relief, signatories will not be required to sign the same physical document. This will ensure that documents can continue to be properly executed at a time when ordinary business operations have been disrupted.

The current arrangements will be extended for another 6 months so that they expire on 21 March 2021.

The Morrison Government will continue to provide the necessary flexibility for businesses to deal with the challenges that have been presented by the coronavirus crisis and help facilitate the recovery on the other side.

Ends.