

***Federal Treasurer makes new Legislative Instrument temporarily amending Corporations Act requirements due to impact of COVID-19***

**Source:** [Federal Register of Legislation](#)

**Date:** 6 May 2020

**Abstract:**

The Federal Treasurer, Josh Frydenberg has exercised the temporary instrument making power granted in the recently passed Coronavirus Economic Response Package Omnibus Act (see our earlier update [here](#)) to amend Corporations Act provisions relating to electronic signature of documents by corporate entities under s 127 and the conduct of all company meetings regulated under the Act (including AGMs, creditors meetings and meetings relating to managed investment schemes).

The [Corporations \(Coronavirus Economic Response\) Determination \(No. 1\) 2020](#) is intended to facilitate continuation of business in circumstances relating to the COVID-19 and to mitigate the economic impact of the pandemic. It takes effect on 6 May 2020 and operates for 6 months.

The Determination provides for listed entities to hold virtual AGMs online provided that shareholders are given appropriate notice and a reasonable opportunity to participate, vote and put questions to boards and auditors electronically. This is an important clarification, given prior uncertainty as to whether virtual AGMs were valid under the provisions of the Act.

It also amends the operation of s 127 of the Act to allow company officers to sign documents electronically meaning that the important assumptions contained in s 129 can be relied upon in respect of documents executed electronically by company officers.

A copy of the Treasurer's media release is available [here](#).