



ZG LAW

ZAMBRANO GRUBA CAGANDA & ADVINCULA

CLIENT ADVISORY FOR CORPORATIONS

Conducting Meetings During the Enhanced Community Quarantine

WPG

/ a regional law network

Q: Can Board of Directors/Trustees conduct their meeting through electronic means of communication during the Enhanced Community Quarantine Period?

A: Yes. SEC Memorandum Circular No. 06 Series of 2020 allows directors/trustees who cannot physically attend or vote at board or stockholders meetings to participate and vote through remote communications such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate.

As such, directors/trustees may conduct their meeting through electronic means during the Enhanced Community Quarantine Period.

Q: Can Stockholders participate and vote in meetings through electronic means of communication during the Enhanced Community Quarantine Period?

A: Yes. SEC Memorandum Circular No. 06 Series of 2020 allows stockholders who cannot physically attend meetings to participate through remote communications, when so provided in the corporation's by-laws or by majority of the board of directors.

Stockholders participating through remote communications may likewise vote, provided that it is allowed under the corporation's by-laws.

Q: In case elections can't be held physically, can the election of directors, trustees or officers be conducted AFTER the Enhanced Community Quarantine Period?

A: Yes. SEC Memorandum Circular No. 09 Series of 2020 allows a corporation to elect its directors, trustees or officers after the Enhanced Community Quarantine Period, provided that the same is reported to the SEC through the submission of a General Information Sheet within 30 days from the date of actual meeting when the election was held.

Disclaimer: The information in this article is for general information only and is not intended nor should be construed as a substitute for legal advice on any specific matter. A professional legal advice is still advisable and necessary.