

LAKATOS, KÖVES ÉS TÁRSAI  
ÜGYVÉDI IRODA

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## UPDATE: COVID CORPORATE GOVERNANCE - PHYSICAL MEETINGS ARE BANNED AGAIN, PREVIOUS EXTRAORDINARY RULES ARE RE-INTRODUCED

As we [reported in April 2020](#), the Hungarian Government issued temporary legislation (*Government Decree no. 102/2020*), effective until the end of the state of emergency (18 June 2020), which regulated the holding of shareholder and board meetings during the state of emergency. After the end of the state of emergency, some of these rules ceased to have effect, some of them were amended with the purpose of leading corporate governance back to normal. In the context of the reintroduction of the state of emergency from 4 November 2020, the Government also re-introduced the former extraordinary rules on corporate governance in its Government Decree no. 502/2020. ("**Government Decree**") effective from 17 November 2020.

### ARE THE NEWLY INTRODUCED MEASURES THE SAME AS THOSE INTRODUCED IN APRIL?

The newly introduced measures may be considered as the re-introduction of the previous rules as they are basically the same provisions.

### WHEN DO THE NEW RULES APPLY, AND WHO IS COVERED BY THEM?

The "new" measures are binding from 17 November 2020, and cover all meetings, including those for which invitations were posted before that date. As before, all legal persons are affected, regardless of their forms of operations, (i.e. not only companies, but also foundations, associations etc.). The provisions of the Government Decree are also applicable to those natural persons (and to their positions) whose appointment or mandate has ceased after the introduction of the state of emergency (4 November 2020), unless their replacement was resolved prior to 17 November 2020.

These new measures are envisaged to be in force until 8 February 2021, unless such term is extended.

### WHERE CAN I FIND THE DETAILED SUMMARY OF THE NEWLY INTRODUCED MEASURES?

As the provisions introduced by the Government Decree are substantially the same as those introduced in April, we refer you to our [April newsletter](#) for further information on the newly introduced measures:

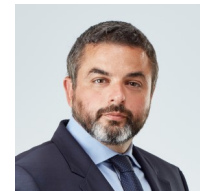
### WHO TO CONTACT?

If you have any questions to the above please do not hesitate to contact any member of our team:

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