

Law No. 299/2024 amending and supplementing Companies Law No. 31/1990 ("Law no. 299/2024") was published in the Official Gazette of Romania, Part I, no. 1212 of December 3, 2024, and entered into force on December 6, 2024. The legal statute brings a number of amendments to the Companies Law No. 31/1990, concerning mainly the following:

- removal of certain mandatory provisions from the articles of association;
- participation and voting in general shareholders meetings by electronic means of remote communication;
- convening general meetings;
- delegating the powers of the extraordinary general meeting to set up or close secondary offices to the board of directors/management board in the case of joint stock companies.

1. Simplifying the content of the articles of association

Regardless of the legal form of the company, it will no longer be required to include in the articles of incorporation the identification data of the beneficial owners and details how control over the company is exercised.

However, the relevant provisions concerning the identification of beneficial owners remain in force, as currently regulated by Law No. 129/2019 on preventing and combating money laundering and terrorist financing, as well as amending and supplementing certain legislative acts, as subsequently amended and supplemented ("Law No. 129/2019").

According to Law No. 129/2019, legal entities subject to the obligation to be registered with the Trade Register shall submit, both upon registration and whenever a change occurs, an affidavit concerning the beneficial owner of the legal entity, in order to be registered with the Register of beneficial owners of companies.

2. New rules on holding general meetings by means of remote communication or correspondence

Law No. 299/2024 regulates the shareholders' right to participate and vote in general meetings by way of electronic means of remote communication or by correspondence. Thus, for each general meeting, shareholders (in person or represented) shall be able to:

- physically participate and vote; or
- participate and vote by electronic means of remote communication; or
- vote by correspondence.

The use of electronic means of remote communication and the casting of votes by correspondence, respectively, shall be possible if: (i) this option is provided for in the articles of association; or (ii) it is so decided by a majority of the votes of the shareholders present or represented, respectively, by an absolute majority of the shareholders and the shares in case of limited liability companies; or (iii) if all shareholders so agree in writing. Resolutions adopted by the general meeting under these conditions shall be wet signed or electronically signed in accordance with the law.

The electronic means must comply with a number of technical requirements to ensure:

- clear identification of participants;
- the actual participation of the shareholders and the continuous real-time streaming of the deliberations of the general meeting;
- the shareholders' right to speak at the general meeting;
- casting one's vote in a verifiable and secure way;
- subsequent verification of the way the vote was cast, so that each shareholder can verify their own vote.

3. Issues on convening general meetings

The most important novelties concern joint stock companies, where it is regulated that if participation in general meetings by electronic means of remote communication is allowed, the convening notice must also include instructions on the procedures necessary for online participation and voting.

At the same time, it allows the board of directors to amend the convening notice for general meetings even after its publication, subject to a deadline of no more than 15 days from the date of initial publication. The amended convening notice shall be published in compliance with the requirements laid down by law and/or the articles of association for convening the general meeting at least 10 days before the general meeting on the date mentioned in the original convening notice.

4. Possibility for the board of directors or the management board of joint stock companies to approve the setting up or closing of secondary offices

Law No. 299/2024 extends the scope of powers that can be delegated by the extraordinary general meeting of shareholders to the board of directors or the management board of joint stock companies. Specifically, in addition to (i) changing the company's registered office; (ii) changing the company's business purpose; and (iii) increasing the share capital, the possibility of setting up or closing down secondary offices (branches, agencies, representative offices or other such establishments without legal personality) of the company may be delegated to the board of directors or the management board by the company's articles of association or by a resolution of the extraordinary general meeting

of shareholders, unless otherwise provided for in the articles of association.</p>