

# Amendment to the Mexican Corporations Law: Telematic Meetings

## BACKGROUND

On December 15, 2021, was filed the initiative with the draft Decree amending and adding several provisions of the General Law of Business Corporations in the matter of Telematic Meetings, i.e., meetings and boards of administrative bodies of Stock Corporations (*Sociedades Anónimas*) and Limited Liability Companies (*Sociedades de Responsabilidad Limitada*), that are held remotely, without the physical presence of the respective participants.

On March 9, 2022, said Initiative was approved in commissions of the Chamber of Deputies.

On March 31, 2022, the Chamber of Deputies approved the aforementioned draft Decree, and sent it to the Senate for its discussion and approval.

Although such amendment to the General Law of Business Corporations in terms of telematic meetings has not yet been approved due to the pending approval of the Senate, according to constitutional proceedings, ECIJA considers of special relevance to inform about this important change that will very likely be approved by the Senate in its entirety.

## MAIN ASPECTS OF THE AMENDMENT

Nine articles of the General Law of Business Corporations are intended to be modified to establish the full validity of the use of telematic means to hold Partners' or Shareholders' Meetings, as well as meetings of the joint administration and surveillance bodies of business corporations;

The amendment intends to enable, as equivalent to physical presence at Meetings and corporate gatherings, those held through the use of any telematic means;

The aim is to allow Partners' or Shareholders' Meetings, as well as meetings of the administration and surveillance bodies, to be totally or partially held through in person or virtual attendance;

The principles of full equivalence between the use of traditional media and telematic media and technology neutrality, provided for by the Commerce Code and the Federal Civil Code, are to be maintained;



The use of telematic means for holding the referred Meetings and gatherings is regulated, acknowledging that the use of electronic means to formalize the minutes, and other documents is already ruled in the Commerce Code and in the Federal Civil Code, without being mandatory the use of telematic means, being the companies free to decide the way of formalizing the minutes that best suits their interests;

Although the amendment is clear in the sense that the holding of Shareholders' and Partners' Meetings by telematic means does not imply that they are held outside the corporate domicile, it makes the requirement to hold meetings at the corporate domicile of the company more flexible, allowing shareholders and partners to agree, on a case-by-case basis, to hold meetings outside of the corporate domicile, safeguarding the right and possibility of each shareholder or partner to attend such meetings using telematic means or in person; and

Since the telematic meetings and gatherings are considered fully equivalent to those held in person, the presence of public notaries or brokers will not be a requirement for holding them; rather, their appearance is an option that companies may voluntarily elect.

In due time, ECIJA will inform of the consummation of such amendment, once approved by the Senate.

**ECIJA Mexico**  
info@ecija.com