



CVM proposes reform in the rules and procedures of shareholders' general meeting

The Brazilian Securities and Exchange Commission (“CVM”) initiated on September 21, 2023, public consultation SDM 01/2023 with proposals for amendments to CVM Resolution No. 81/2022, which set forth the rules and procedures related to shareholders' general meetings.

The proposal provides for the expansion and improvement of the mechanisms of remote participation and voting and is part of the CVM's regulatory agenda for the year 2023.

The main points covered by the amendment proposal are:

- Expansion of the circumstances requiring the disclosure of the remote voting ballot for all shareholders' meetings, i.e. general, or special, annual or extraordinary;

- Improvement of the remote voting ballot to incorporate the experience of CVM and the companies from recent years;
- Inclusion of cases for exemption from the obligation to provide the remote voting ballot, for situations in which shareholders are not using such mechanism; and
- Adjustments in the transmission flow of voting instructions, in order to optimize the use of the timeframe for collecting, processing and counting votes by the regulated entities involved in the process.

Suggestions and comments may be forwarded to the CVM until November 24, 2023.

More information about the public consultation SDM 01/2023 can be found in the link below:

https://conteudo.cvm.gov.br/audiencias_publicas/ap_sdm/2023/sdm0123.html



Review of the G20/OECD Corporate Governance Principles

On September 11, 2023, the G20 and the Organization for Economic Cooperation and Development (OECD) updated the Principles of Corporate Governance to promote corporate sustainability, trust and financial stability. The G20/OECD Corporate Governance Principles, considered to be the international standard for corporate governance, help policymakers assess and improve the legal framework and corporate governance of companies, as well as support market confidence.

Revised in 2023 to reflect recent developments in capital markets and corporate governance policies and practices, the update of the Corporate Governance Principles took into consideration, among other aspects:

- sustainability recommendations, including guidelines for dealing with the climate crisis and addressing other risks and/or opportunities;
- gender equality;

- concentration of corporate control;
- encourage the use of technology in corporate governance practices, such as remote and hybrid shareholders' meetings;
- the role and rights of shareholders.

The Principles are divided into six segments: (i) ensuring a solid corporate governance structure; (ii) rights and equitable treatment of shareholders; (iii) institutional investors, stock markets and other intermediaries; (iv) promoting information disclosure and transparency; (v) defining the obligations and responsibilities of the board of directors; and (vi) emphasizing sustainability.

More information on the Corporate Governance Principles can be accessed through the link below: [G20/OECD Principles of Corporate Governance – OECD](#)



Judicial summons via messaging app may be valid if it provides unequivocal notice of the lawsuit

According to a recent ruling by the Third Chamber of the Superior Court of Justice (“STJ”), the judicial summons via messaging app may be considered valid if it fulfills the purpose of providing the recipient unequivocal notice of the lawsuit filed against them, even if such practice lacks legal basis.

In the case decided by the Third Chamber of the STJ, the decision was for the annulment of a summons made via a messaging app, since it was found to have harmed the defendant, as they became absent or in default in the lawsuit.

Due to the absence of any legal basis or authorization, Minister Nancy Andrichi, rapporteur of the case, stated that the communication of legal proceedings via

messaging app has a defect in terms of form, which could lead to its annulment. Nevertheless, the Minister also concluded that, in the context of civil procedural legislation, the general rule is freedom of forms, and it is necessary to investigate in these situations whether a deviation from the form provided for by law necessarily implies nullity of the act or whether, if the intended purpose is achieved (i.e. effective notification), it could eventually be validated.

More information about the aforementioned decision of the STJ can be accessed at the link below:

<https://www.stj.jus.br/sites/portalp/Paginas/Comunicacao/Noticias/2023/22082023-Citacao-por-aplicativo-de-mensagem-pode-ser-valida-se-der-ciencia-inequivoca-da-acao-judicial.aspx>



Accession of the Fortaleza football team to the Football Joint-Stock Company (Sociedade Anônima do Futebol - SAF)



Fortaleza has just become another Brazilian football team to be framed as SAF. On September 22, 2023, supporters-members and board members voted to amend the bylaws of the Nonprofit Association to transform it into a SAF. In total, 1.256 club members voted, setting a historic recorded for the club in terms of voting participation.

The transformation into SAF aims to expand credit lines, implement professional governance models and improve attractiveness for potential investors. This model allows the retention of key decision-making and control of the club's management, while also giving fans the opportunity to acquire assets of the institution.

In addition to the approval of the amendment of the bylaws, the necessary acts to adapt the SAF were carried out, including the election of the members of the Board of Directors and members of the Fiscal Council. There will also be the creation and hiring of the Chief Executive Officer (CEO), who will be responsible for the management of all the club's football-related matters.

More information about the SAF of Fortaleza in the link below:

<https://ge.globo.com/ce/futebol/times/fortaleza/noticia/2023/09/23/saf-do-fortaleza-e-aprovada-com-1195-votos.ghtml>