CORPORATE & CAPITAL MARKETS

CLIENT ALERT

AUGUST/2019

MP 892/2019: CHANGE TO THE PUBLICITY REGIME APPLICABLE TO CORPORATIONS

On Tuesday (08.06.19), the Brazilian Government issued the Provisional Measure Nº 892 ("MP"), once again changing the publicity regime applicable to corporations.

The MP amended the Article 289 of Law nº 6,404 /76 ("Brazilian Corporations Law"), completely exempting corporations from the obligation to publish their corporate acts and financial statements in widely circulated newspapers.

The Article 289 had recently been amended by Law nº 13.818 /19 only to exclude the obligation to publish said documents in the official gazette.

Therefore, documents required to be published by the Brazilian Corporations Law (such as call notices of shareholders' meeting, other notices to shareholders, management reports and financial statements) may be published electronically on the Internet through (a) the Brazilian Securities and Exchange Commission's ("CVM") website and (b) the stock exchange's website where the corporation's securities are traded. In any case, the availability of such documents on the corporation's website is also mandatory.

Prior to the changes introduced by Law nº 13.818 /19 and by the MP, corporations were required to publish the referred documents in widely circulated newspapers and in the official gazette, which entailed a high cost to them.

The MP determined that CVM shall regulate and detail the new publicity regime applicable to publicly traded corporations. Further, it established that the Ministry of Economy shall regulate and detail the new publicity regime applicable to privately held corporations.

Although the MP is already in force, its effects still depend on the publication of said regulatory acts from CVM and from the Ministry of Economy. In addition, the definitive conversion of the Provisional Measure into a statutory law also depends on its approval by the Brazilian National Congress within 120 days.

PRACTICE AREA

Capital Markets
Corporate
& Mergers and Acquisitions

For further information, please send a message to **news@veirano.com.br**

This document was prepared exclusively for informational purposes and does not constitute legal advice or an invitation to an attorney-client relationship. If you have any questions, our lawyers are available for clarification.

The reproduction or publication of this content is permitted, as long as followed by this copyright notice: © Veirano Advogados.

© 2019 Veirano Advogados.
All rights reserved.

We remain available to assist you on the matter.

Julio Ramalho Dubeux
julio.dubeux@veirano.com.br

Mariana Maduro
mariana.maduro@veirano.com.br

João Francisco de Almeida Brandao Junior
joao.brandao@veirano.com.br

Carolina Figueiredo Tamm Villela
carolina.villela@veirano.com.br

Gabriel Ferreira de Barros Santos
gabriel.santos@veirano.com.br