



BULLETIN – 220208/60

ICMSA Bulletin – ICMSA Bulletin with respect to publication of the updated pro forma set of Standard Provisions for Meetings of holders of Bonds/Notes to provide for virtual and hybrid meetings

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The Covid-19 pandemic and associated Government restrictions on travel and gatherings have caused disruption to bond issuers' ability to convene physical in person bondholder meetings. Amidst this disruption, bond issuers have sought consent from trustees to allow bondholder meetings to be held electronically or virtually and trustees have in turn been minded to exercise their discretion to facilitate virtual meetings (see ICMSA bulletin 2012216/53). As we emerge from the pandemic and move into a more digitised era, there is an increased move towards enabling bondholder virtual participation in meetings as well as hybrid meetings as a permanent feature of capital markets transactions.

A virtual-only meeting is one where there is no physical place of meeting at all, but attendees can participate using electronic means. This removes the risk of pandemic-related restrictions on physical gatherings. A hybrid meeting allows the choice of attending the meeting at a physical place of meeting or by electronic means.

In response to this movement, the ICMSA, through its Virtual Bondholder Meeting Working Group, has reviewed and, following consultation with its members, revised its pro forma set of Standard Provisions for Meetings of holders of Bonds/Notes to provide expressly for the holding of virtual or hybrid meetings (as an alternative to physical in person meetings) (the “**updated pro forma**”). The updated pro forma is intended as a working draft and it is open to market participants whether or not to adopt or adapt the provisions relating to virtual or hybrid meetings having regard to their internal policy and practice.

A copy of the updated pro forma is available on the ICMSA website.

By publishing the updated pro forma, the ICMSA is seeking to establish a market standard for virtual and hybrid bondholder meeting provisions that may be used on or applied to any issue of debt or equity-linked securities under English law. The ICMSA believes that the updated pro forma will benefit its members and market participants by standardising electronic and hybrid meeting procedures which aim to provide clarity and flexibility for bond issuers and/or trustees to choose what is most practicable in the circumstances, whether to convene a physical, virtual or hybrid meeting.

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