

PRESS RELEASE

Initiatives taken to try and help EU Savers and Investors navigate the Economic Fallout from the Coronavirus epidemic

Brussels, 7 April 2020 - The continued spread of the COVID-19 virus around the world and the emergency confinement measures have severely disrupted capital markets. EU Citizens in their capacity as investors and savers are already feeling the squeeze and will be among the first in line to suffer from the economic and financial fallout that will undoubtedly ensue following the large array of different financial measures taken by governments and financial institutions.

BETTER FINANCE and its members are scrambling to put tools in place and to provide clear information and guidance for individual investors and financial services users across all EU Member States. Hereunder follows a list of some of the initiatives already up and running:

Europe

BETTER FINANCE, as the representative of Financial Services Users and Individual Investors across the European Union, is warning about the fact that Europe's current and future pensioners are once again likely to pay a high price for the huge financial stimulus measures put in place, as financial repression deepens and endures, meaning that to a large degree government risk will be transferred to pension plans. [Watch this space for more information.](#)

BETTER FINANCE also joined the Federation of European Stock Exchanges, FESE, and other major stakeholders in sending an open letter to European decision makers to emphasise the importance of keeping European regulated capital markets open during these extraordinary times. The markets continue to serve the needs of participants to raise capital, manage investments, access cash and manage risk that affects both retail and institutional investors. Closing them would have a devastating impact on the EU economy. [Read the joint letter to European and national policy makers.](#)

BETTER FINANCE will also continue to gather the different initiatives taken by its members to inform and help individual shareholders, investors, pension savers, etc. in their respective countries.

Belgium

VFB, the Flemish Federation of Investors, suspended all physical activities and switched to online meeting rooms. Classes, lectures, meetings and clubs are now held online. VFB continues to provide information, guidance & analyses through its [website](#), magazine and emails, and its support desk remains active. The focus over the past weeks has been to provide insight on markets, and how to handle this crisis. Following these measures, VFB will continue to transform to a more online organization.

Denmark

The Danish Shareholders Association, Dansk Aktionærforening (DAF), [encouraged](#) the Danish Parliament to substantially increase the tax-supported shareholding-scheme (ASK) to encourage private investors to invest some of the large amounts of private liquidity in banks. In the present situation, DAF

also strongly supports the holding of AGMs online and encourages all listed companies to organize shareholder meeting for private investors afterwards, to inform and hold Q&A sessions on the consequences of Covid-19 as part of Shareholder Democracy /Shareholders Rights.

To guide its members DAF:

- Issues two weekly newsletters instead of one,
- Started a series of interviews with experts and investors (10 episodes) on national TV, called The Shareholders (Aktionærerne) to guide all Danish investors through this crisis
- Launched [online Investor Education](#) for its members

France

F2iC, the French Federation of Individual Investors and Investment Clubs, has taken several initiatives towards its stakeholders: individual investors, member companies and public authorities. Through its latest [web magazine](#), it keeps its individual members informed on the evolution of the situation. Its website keeps an [up to date calendar](#) of the French AGMs in coordination with major French companies. The F2iC has offered its member companies a free communication channel to inform on Covid-19. The F2iC has issued a [press release](#) calling on companies to forgo the dividend when the situation demands it.

Colette Neuville (**ADAM**), Jean Berthon (**GAIPARE**) and Aldo Sicurani (**F2iC**) co-signed a [press release](#) calling for better protections for individual investors.

Germany

The Bund der Versicherten (BdV) published [FAQs](#) on its website to answer questions with regards to the impact of the coronavirus on the most relevant private insurance classes such as travel, health, disability and life insurance.

The Deutsche Schutzvereinigung für Wertpapierbesitz (DSW) stresses the importance of not cancelling Annual General Meetings for Shareholders and to postpone them. If companies move them online instead, they should provide shareholders the possibility to ask questions and vote. [DSW warns](#) against using the new law that enables companies to hold a purely virtual AGM in 2020 as a model to restrict shareholders' rights also after the crisis.

Malta

Following a suggestion made in one of the local newspapers, that a "windfall tax" be imposed on the profits of banks for 2019 to help cover the expenses which the Government of Malta will necessarily incur in its actions to control the spread of the Coronavirus, MASS, the Maltese Association of Small Shareholders, issued a [press release](#). In the PR, [MASS](#) explained that banks' shareholders will already be carrying a very heavy burden through the loss of profits resultant from actions the banks have voluntarily decided to take to help minimise the negative effects which official measures taken for the combat of the spread of the coronavirus. will inevitably have on individuals and businesses.

Portugal

ATM, the Portuguese Investor Association, [recommends](#):

- postponing deadlines for implementing European regulations and directives and responding to public consultations
- releasing profit warnings related to the impact of COVID-19 that are materially relevant
- publishing annual financial reports no later than 3 months after the legal date
- implementing virtual shareholders general meetings provided that all shareholders' rights are guaranteed, namely, to participate and vote
- keeping markets open
- continuing to allow short selling
- implementing extraordinary measures to ensure continuity for financial intermediaries, regulators, auditors and issuers

Romania

The Association of Romanian Financial Services Users, AURSF, launched several initiatives, including:

- An [Open Letter](#) to the Prime Minister and Government proposing various measures to help consumers of financial services navigate the fallout of the Covid-19 crisis, stressing the importance of protecting indebted consumers and those facing foreclosures or debt collectors
- A [Joint Open Letter](#) to the Romanian Parliament on a legislative proposal for consumers, supporting rebalancing credit contracts (especially those in foreign currency)
- A [critical review](#) of the Romanian Government' legislative proposals to help consumers in financial difficulty
- A [Press Release](#) touting a great win for Romanian consumers of financial services
- An [Open Letter](#) to the Romanian Parliament regarding the upcoming vote on two legislative proposals in favour of consumers of banking services

Slovenia

The VZMD, the Pan-Slovenian Shareholders' Association, adamantly [opposes the call](#) by the Slovenian Directors' Association (ZNS) not to distribute profit or to distribute it partially, especially as dividends are to be paid out from the profit made by companies in previous years, not 2020. VZMD also took issue with the call by the Insurance Supervision Agency (AZN) directed to all insurance, reinsurance and pension companies to temporarily defer the dividend pay-out in light of the Covid-19, based on the fact that dividends for many shareholders as well as pension funds in Slovenia make for a significant source of income and resources. VZMD also calls on the corporations to hold general meetings, including voting, online.

United Kingdom:

The UK Shareholders' Association, UKSA, is engaging with members at this difficult time through the April edition of its [magazine](#), The Private Investor. UKSA is keen to emphasise the sense of community among its members and is naturally concerned at the suspension of AGMs and the resulting loss of communication with the companies in which their members invest.

ShareSoc, the UK's Individual Shareholders Society, "[questions](#) recent corporate dependence on high debt levels [...] with companies operating with minimal cash and equity buffers, making [them] totally

ill-equipped to deal with business and supply chain interruptions such as the COVID-19 pandemic". It also [points out](#) that one of the outcomes of "the business impact of quarantine has been the tendency of companies to suspend dividend payments", adding that this is "an unfortunate but prudent measure to protect the banks against the wave of defaults which is expected to roll through their balance sheets", among other measures. ShareSoc simultaneously acknowledges "that many pensioners depend on that dividend stream and are effectively dependent on the revenue underlying those dividends".

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