

# General meetings in Ireland: overview

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An overview of the key provisions of the Companies Act 2014, the Listing Rules of the Irish stock exchange trading as Euronext Dublin, the Irish Annex to the UK Corporate Governance Code and institutional investor guidance which regulate the holding of a general meeting (including an AGM). It covers how general meetings are called, the requirements for notice of a meeting and documents accompanying the notice, quorum requirements, how resolutions are proposed and passed at a general meeting and practical guidance on running an effective general meeting.

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## **Scope of this note**

This note provides a general overview of the law, rules, regulations and best practice relating to the preparation of, and conduct at, a general meeting (including an annual general meeting (AGM)) for both private and public companies and, where relevant, the additional requirements that apply to traded and listed public limited companies (PLCs).

In addition to the law and regulations referred to throughout this note, the company's constitution will usually contain extensive provisions relating to general meetings (AGMs and extraordinary general meetings (EGMs)) which should always be checked, together with the provisions contained in the *Companies Act 2014* (CA 2014).

In this note, unless otherwise stated, references to:

- The Code are to the *Irish Annex* to the *UK Corporate Governance Code*.
- The LRs are to *Listing Rules* published by *Euronext Dublin* and in the case of PLCs with a listing in London, the listing rules of the *Financial Conduct Authority*.
- The DTRs are to the *Disclosure Guidance and Transparency Rules* published by the Financial Conduct Authority.

## Types of companies

The provisions of the CA 2014 relating to general meetings vary depending not only on whether the company in question is a private limited company (LTD), designated activity company limited by shares (DAC) or a PLC, but also whether the company is:

- A single member company.
- A traded PLC.
- A listed company.

### Traded PLC

A traded PLC means a PLC whose shares are admitted to trading on a *regulated market* in any EU *member state*, and that is neither:

- An undertaking for collective investment in transferable securities within the meaning of Article 1(2) of the *UCITS Directive (2009/65/EC)*.
- A collective investment undertaking within the meaning of Article 4(1)(a) of the *Alternative Investment Fund Managers Directive (2011/61/EU)*.

## Types of general meeting

### Annual general meeting

All companies incorporated in Ireland must hold an AGM each calendar year and not more than 15 months can elapse between AGMs (*section 175(1), CA 2014*). The first AGM must be held within 18 months of incorporation (*section 175(2), CA 2014*).

All single member companies (irrespective of type) and LTDs (even if they have more than one member), can dispense with the requirement to hold AGMs. This needs a written resolution of the member(s):

- Acknowledging receipt of the financial statements that would have been laid before the AGM.
- Resolving all such matters as would have been resolved at the AGM.
- Confirming that no change is proposed in the appointment of the company's current statutory auditor (if any).

(Section 175(3), CA 2014.)

The Director of Corporate Enforcement (Director) has power to direct an AGM to be held if requested to do so by any member of the company (section 175(5), CA 2014). Failure to hold an AGM or to comply with a direction of the Director to hold one is a category 3 offence.

Although virtual meetings are not permissible in Ireland, section 176(4) of the CA 2014 provides that general meetings can be held in two or more venues (whether inside or outside the state) using technology that provides members the reasonable opportunity to participate. Therefore, a physical meeting can permit virtual attendance and electronic voting.

## Extraordinary general meetings

All general meetings of a company, other than AGMs, are known as EGMs (section 177(1), CA 2014).

## Written resolutions of members

Rather than holding an EGM, companies can use the unanimous written resolution procedure in section 193 of the CA 2014. This procedure cannot be used to remove a director or statutory auditor (section 193(11), CA 2014).

For LTDs, the unanimous resolution procedure in section 193 is a mandatory provision which applies irrespective of what might be provided for in a company's constitution. For all other company types, it is an optional provision which can be excluded (but it is difficult to see why a company would exclude it unless there is a compelling reason (such as tax issues)).

For DACs and LTDs, there is also a majority written resolution procedure available (section 194, CA 2014). For DACs, this procedure can be excluded by the company's constitution. For LTDs, it is mandatory. As in the case of a unanimous resolution, it cannot be used to remove a director or statutory auditor (section 195, CA 2014).

## Calling a general meeting

### Meetings called by the board

The board of directors has the power to call general meetings (section 177, CA 2014). Most general meetings will be called by the board.

Board minutes should record details of the board meeting at which the directors resolve to call a general meeting (section 166(1)(c), CA 2014). Typically, they would also approve the notice of general meeting at the same board meeting.

### Meetings requisitioned by members

The directors of a company must call an EGM once the company has received requests to do so from:

- For LTDs and DACs, member(s) representing at least 10% of the paid-up capital of the company as carry the right of voting at general meetings of the company (*section 178(3), CA 2014*).
- For companies limited by guarantee, members who represent at least 10% of the total voting rights of all the members having a right to vote at general meetings (*section 1203, CA 2014*).
- For PLCs listed on a regulated market in the EU (traded PLCs), member(s) holding at least 5% of the paid-up share capital of the company (*section 1101, CA 2014*).

For further information, see Practice notes:

- [General meetings: members' rights \(Ireland\)](#).
- [Main characteristics of private limited companies \(Ireland\)](#).
- [Main characteristics of public limited companies \(Ireland\)](#).
- [Main characteristics of unlimited companies \(Ireland\)](#).

## Members' right to convene an EGM directly

Members can convene an EGM themselves in two ways:

- Under section 178(2) of the CA 2014, members holding 50% of the voting shares (or such other percentage as specified in the company's constitution) can directly convene an EGM themselves. This optional provision can be excluded by the company's constitution, and it usually is.
- Under section 178(5) of the CA 2014, the members who have requisitioned an EGM (see [Practice note, General Meetings members rights \(Ireland\): Members' right to requisition the directors to convene an EGM](#)) may themselves call the EGM for a date not more than three months after the requisition date, if the directors are required to call an EGM under section 178(3) or under section 1101 (traded PLCs) of the CA 2014 but fail to do so within the requisite time period in section 178(5).

The EGM must be convened by the members in the same manner as EGMs are usually convened by the directors (*section 178(8), CA 2014*). There is English authority that failure of the directors to convene an EGM in the circumstances required by the English equivalent of section 178(3) may be grounds for a petition for oppression under section 212 of the CA 2014 (*McGuinness v Bremner plc [1988] BCLC 673*). See [Practice note, Shareholder remedies: Remedy in case of oppression under section 212 of the CA 2014 \(Ireland\)](#).

Normally, the constitution of a non-single member company will also provide that an EGM may be called by two or more members for the purposes of appointing one or more directors if both of the following occur:

- There are fewer than two directors.
- The director (if any) is unable or unwilling to appoint additional directors to make up a *quorum* or to call a meeting to do so.

For further information, see [Practice note, General meetings: Members' rights \(Ireland\): Members' right to convene an EGM directly](#).

## Meetings ordered by the court

If for any reason it is impractical to call a meeting of a company or to conduct the meeting in a manner prescribed by the constitution or the CA 2014, the court may call a meeting on the application of the following persons:

- A shareholder of the company who would be entitled to vote at the meeting.
- A director.
- A personal representative of a deceased member of the company, which member would, but for their death, be entitled to vote at such a meeting.
- The assignee in bankruptcy of a bankrupt member of the company, which member would be entitled to vote at that meeting.

(Section 179, CA 2014.)

## Auditor's ability to call meetings

Where a resigning auditor has given a statement of the circumstances connected with their resignation (in accordance with section 400 of the CA 2014), that auditor is entitled to requisition directors of the company to convene a general meeting for the purposes of receiving and considering an explanation of those circumstances (section 401, CA 2014).

## Liquidator's ability to call meetings

A liquidator of a company in voluntary liquidation has the ability to summon general meetings of the company (section 628(a), CA 2014). In addition, if the liquidation is taking more than a year then the liquidator must convene a general meeting of the company each year (section 680, CA 2014).

## Examiner's ability to call meetings

Just as a liquidator can convene a general meeting of a company (see [Liquidator's ability to call meetings](#)), so too can an examiner. An examiner is a court appointed officer who takes control of a company when it has entered examinership (Irish equivalent of US Chapter 11 in effect) with a view to seeing if the company or part of its business can be saved.

The examiner has the power to convene, set the agenda for, and preside at meetings of the board of directors and general meetings of the company to which they are appointed and to propose motions or resolutions and to give reports to these meetings (section 524(2), CA 2014).

For more on examinership in Ireland, generally see, [Practice note, Examinership: overview \(Ireland\)](#).

## Shareholders' rights in relation to general meetings

Shareholders have several rights in relation to general meetings, including the right to:

- Convene an EGM directly (*section 178(2), CA 2014*) (see *Members' right to convene an EGM directly*).
- Require the directors to call a general meeting (*section 178(3), CA 2014*) (this right cannot be excluded by the constitution) (see *Meetings requisitioned by members*).
- Apply to court to convene an EGM (*section 179, CA 2014*) (see *Meetings ordered by the court*).

There are also additional rights (some mandatory, some optional) given to members of traded PLCs. These are the rights to:

- Equal treatment (*section 1100, CA 2014*).
- Requisition an EGM (*section 1101, CA 2014*).
- Place items on the agenda of an AGM (*section 1104, CA 2014*).
- Table a draft resolution at any general meeting (*section 1104, CA 2014*).
- Attend, speak and vote electronically at a general meeting (optional) (*section 1106, CA 2014*).
- Ask questions at a general meeting (*section 1107, CA 2014*).
- Appoint multiple *proxies* (*section 1108, CA 2014*).
- Appoint proxies by electronic means (*section 1108, CA 2014*).
- Vote by correspondence (optional) (*section 1109, CA 2014*).
- Obtain a full account of the results of a vote (*section 1110, CA 2014*).
- Facilitate the exercise of shareholder rights by intermediaries (*section 1110D, CA 2014*).
- Vote on the directors' remuneration policy (*section 1110M, CA 2014*).
- Vote on the directors' remuneration report (*section 1110N, CA 2014*).
- Vote on material transactions with a related party (*section 1110O, CA 2014*).

For further information on these rights, see *Practice note, General meetings: Members' rights (Ireland)*.

## Notice of meeting

For a meeting to be validly convened, a notice of meeting must be issued to:

- Every member.
- The personal representative of a deceased member of the company, which member would, but for their death, be entitled to vote at the meeting.
- The assignee in bankruptcy of a bankrupt member of the company (being a bankrupt member who is entitled to vote at the meeting).

- The directors and secretary of the company.

(Section 180(1), CA 2014.)

## Notice of a meeting of a PLC

For the purposes of determining which persons are entitled to attend or vote at a meeting, and how many votes such persons may cast, a PLC may specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the relevant register of securities to have the right to attend or vote at the meeting (section 1095(1), CA 2014).

In terms of who is entitled to receive notice of a general meeting PLC, the PLC can determine this by reference to its register of members on a day determined by it. This day may not be more than seven days before the date of issue of the notice (section 1099, CA 2014).

The notice must be clear and concise and must comply with all legal and regulatory requirements. See [Contents of notice](#).

For listed companies, the notice may sometimes form part of a circular to shareholders which will include:

- The notice.
- A letter from the chairperson explaining the reason for the meeting.
- Explanatory notes.
- Explanation of the business to be proposed.

## Contents of notice

The notice must state:

- The place, the date and the time of the meeting.
- The general nature of the business to be transacted at the meeting.
- In the case of a proposed special resolution, the text or substance of that proposed special resolution.
- With reasonable prominence, a statement that:
  - a member entitled to attend and vote is entitled to appoint a proxy using the form set out in section 184 of the CA 2014 or, where that is allowed, one or more proxies, to attend, speak and vote instead of them;
  - a proxy need not be a member; and
  - the time by which the proxy must be received at the company's registered office or some other place within Ireland as is specified in the statement for that purpose.

(Section 181(5), CA 2014.)

### **Content of notice for traded PLCs**

A notice for a general meeting of a traded PLC must be issued free of charge and set out:

- When and where the meeting is to take place and the proposed agenda for the meeting.
- A clear and precise statement of any procedures a member must comply with to participate and vote in the meeting, including:
  - the right of a member to put items on the agenda of a general meeting and to table draft resolutions in accordance with section 1104 of the CA 2014 and to ask questions relating to items on the agenda under section 1107 of the CA 2014, and the time limits applicable to the exercise of any of those rights;
  - the right of a member entitled to attend, speak, ask questions and vote, to appoint a proxy or more than one proxy (under section 183 of the CA 2014 as it applies by virtue of section 1108 of the CA 2014, by electronic means or otherwise) to attend, speak, ask questions and vote instead of the member and that any such proxy need not be a member;
  - the procedure for voting by proxy in accordance with section 183 of the CA 2014 as so applied, including the forms to be used and the means by which the company is prepared to accept electronic notification of the appointment of a proxy; and
  - the procedure (where applicable) to be followed in accordance with sections 1106 and 1109 of the CA 2014 for voting electronically or by correspondence, respectively.
- The record date for eligibility for voting as defined in section 1105 of the CA 2014 and state that only members registered on the record date shall have the right to participate and vote in the general meeting.
- Where and how the full, unabridged text of the documents and draft resolutions referred to in section 1103(c) to (d) may be obtained.
- The website at which the information contained in section 1102(3) of the CA 2014 shall be made available. See *Information to be published on a website (traded PLCs)*.

(Section 1103, CA 2014.)

### **Entitlement to receive notice**

Section 180(1) of the CA 2014 sets out those persons who are entitled to receive notice of meeting (see *Notice of meeting*). A deliberate failure to give notice to anyone who is entitled to it will invalidate the meeting. However, subject to anything to the contrary in the company's constitution, an accidental omission to give notice will not invalidate proceedings of a meeting (*section 181(6), CA 2014*).

### **How notice is given**

Notice must be given in one of the following ways:

- By delivering it to the member.
- By leaving it at the registered address of the member.
- By sending it by post in a prepaid letter to the registered address of the member.
- By electronic means if the company's constitution allows the use of electronic means to serve or give the notice or if:
  - the member has consented in writing to the company, or the officer of it, using electronic means to serve or give notices in relation to them;
  - at the time the electronic means are used to serve or give the notice in relation to the member, no notice in writing has been received by the company or the officer concerned from the member stating they have withdrawn their consent referred to in the bullet above; and
  - the means used to serve or give the notice electronically are those that the member has consented to.

*(Section 218(3)-(4), CA 2014.)*

## **Notice periods for holding meetings**

The minimum notice periods required by the CA 2014 vary according to whether the notice relates to an AGM or an EGM.

### **Notice period for AGMs**

The minimum notice period for an AGM is 21 days' notice (*section 181(1)(a), CA 2014*). Neither the day the notice is sent nor the day the notice is received are counted, so it is 21 clear days' notice (*section 181(4), CA 2014*). Saturdays, Sundays and public holidays are not included (*section 3(1), CA 2014*).

A company's constitution may provide for a longer period, so this should always be checked.

### **Notice period for EGMs**

The minimum notice period required for an EGM depends on the type of company and whether a special resolution is proposed.

For LTDs, DACs, companies limited by guarantee and unlimited companies, the minimum notice period for an EGM is seven clear days if a special resolution is not proposed (*section 181(1)(b), CA 2014*). If a special resolution is proposed at the EGM, 21 clear days' notice is required.

For PLCs, 14 clear days' notice must be given if the EGM is not dealing with a special resolution (*section 1098, CA 2014*). If a special resolution is proposed, 21 clear days' notice is required (*section 181(1)(a), CA 2014*).

For traded PLCs, 21 clear days' notice is required (*section 1102(2), CA 2014*).

## **Holding a meeting at short notice**

AGMs or EGMs can be held at short notice if all the members and the company's statutory auditors agree (*section 181(2), CA 2014*). Unanimous consent of the members to short notice is not required if a special resolution is proposed at the meeting. In that case, short notice is valid if members holding at least 90% of the shares with the right to attend and vote at the meeting consent to the short notice (*section 191(4), CA 2014*).

Although the CA 2014 does not specify that the consent obtained from the members be in writing, it is best and advisable practice to obtain the written consent of the members. This can be on one or more documents.

If a traded PLC wishes to hold an EGM at which a special resolution is not proposed, it can do so on 14 days' notice if:

- The traded PLC offers the facility for members to vote by electronic means accessible to all members who hold shares that carry rights to vote at general meetings.
- A special resolution reducing the period of notice to 14 days has been passed at the immediately preceding AGM, or at a general meeting held since that meeting.

(*Section 1102(2), CA 2014*.)

Short notice may not be used in relation to the approval of a directors' employment contract under section 249 of the CA 2014 or where the company is seeking to make an off-market purchase of its own shares (*section 105(8), CA 2014*).

### **When a notice is delivered**

Section 218(3) of the CA 2014 sets out the rules on the deemed delivery of notice providing that a notice is deemed to be delivered as follows:

- In the case of it being delivered, at the time of delivery (or, if delivery is refused, when tendered).
- In the case of it being left, at the time that it is left.
- In the case of it being posted (to an address in Ireland) on any day other than a Friday, Saturday or Sunday, 24 hours after despatch and in the case of its being posted (to that address):
  - on a Friday, 72 hours after despatch; or
  - on a Saturday or Sunday, 48 hours after despatch.
- In the case of electronic means, 12 hours after despatch.

### **Information to be published on a website (traded PLCs)**

Traded PLCs must ensure that the following information relating to a general meeting is made available free of charge on their websites for a continuous period of 21 days before the general meeting (*section 1103, CA 2014*):

- The notice of the meeting (*section 1103(3)(a), CA 2014*).
- The total numbers of shares and voting rights at the date of the giving of the notice (including separate totals for each class of shares where the company's capital is divided into two or more classes of shares).

- The documents to be given to the meeting.
- A copy of any draft resolution or, where no such resolution is proposed to be adopted, a comment from the board of directors on each item of the proposed agenda of the meeting.
- A copy of forms to be used to vote by proxy and to vote by correspondence unless these forms are sent directly to each member.

(Section 1103(3), CA 2014.)

## Venue for a meeting

The choice of venue is an important consideration as there is a risk that the meeting may be invalid if the venue is too small to accommodate all those shareholders who are entitled to attend the meeting and choose to do so.

The venue for the meeting should be clearly set out in the notice.

General meetings can be held in Ireland or abroad (*section 176(1), CA 2014*). Before holding a general meeting outside Ireland, it is prudent to check with the company's tax advisers that this does not have adverse tax consequences.

For further information about the use of overflow rooms, security arrangements and electronic meetings, see See Practical Law Corporate UK, *Practice note, General meetings: running an effective meeting (including an adjourned meeting): Logistics*.

## Documents accompanying notice of meeting

For a general meeting which is not an AGM, it is likely that only a proxy card and, in some instances an attendance card, will accompany the notice of meeting.

The documents likely to accompany a PLC's notice of AGM are as follows:

- Annual report and accounts including:
  - the directors' report (*section 325, CA 2014*);
  - the remuneration report, including the remuneration policy report (traded PLCs only) (*sections 1110(M) and 1110(N), CA 2014*);
  - the statutory financial statements and statutory auditors' report on the accounts (*section 338(2), CA 2014*); and
  - for companies subject to the Code, a corporate governance report.
- Proxy appointment (*section 183, CA 2014*).
- Attendance card.

## Statutory financial statements and reports

Subject to certain exceptions for micro and small companies, copies of the directors' report, statutory financial statements and statutory auditors' reports must be sent to shareholders, debenture holders and everyone entitled to receive notice of general meetings no later than 21 days before the date of the AGM (*section 338(2), CA 2014*).

## Proxy appointment

Shareholders have the right to appoint a proxy to exercise all or any of the shareholder's rights to attend, speak and vote at general meetings (*section 183, CA 2014*). A proxy has the same right as the member to speak at the meeting and to vote on a show of hands and on a poll (*section 183(2), CA 2014*).

If the company's constitution allows, it is possible for a member to appoint more than one proxy to attend on the same occasion (*section 183(3), CA 2014*).

The instrument appointing the proxy must be in writing either:

- Under the hand of the appointer or of their attorney duly authorised in writing.
- If the appointer is a body corporate, either under seal of the body corporate or under the hand of an officer or attorney of it duly authorised in writing.

(*Section 183(4), CA 2014*.)

Section 184 of the CA 2014 sets out the form of proxy to be used, or as near to it as circumstances allow:

"[name of company] ("the Company")  
 [name of member] ("the Member") of [address of member] being a member of the Company hereby appoint/s [name and address of proxy] or failing him or her  
 [name and address of alternative proxy] as the proxy of the Member to attend, speak and vote for the Member on behalf of the Member at the (annual or extraordinary, as the case may be) general meeting of the Company to be held on the [date of meeting] and at any adjournment of the meeting.

Voting Instructions to Proxy (choice to be marked with an 'x')			
Number or description of resolution:	In Favour	Abstain	Against
1			
2			
3			
Unless otherwise instructed the proxy will vote as he or she thinks fit.			
Signature of member .....			
Dated: [date] .....			

The proxy is to vote as follows:

### **Right to appoint multiple proxies (traded PLCs)**

Traded PLCs are prohibited from having in their constitutions:

- Any limitation on the right of a member to appoint more than one proxy to attend and vote on the member's behalf at a general meeting.
- Any provision which prevents a member (being an individual or a body corporate) acting as an intermediary for one or more clients from granting a proxy to each of their clients or to any third party designated by that client. The intermediary may cast votes attaching to some of the shares differently from others.

(Section 1108(3), CA 2014.)

### **Right to appoint proxies electronically (traded PLCs)**

Members of a traded PLC have the right to:

- Appoint a proxy by electronic means, to an address specified by the traded PLC.
- Have the electronic notification of that appointment accepted by the traded PLC.
- Have at least one effective method of notification of a proxy by electronic means offered to them by the traded PLC.

(Section 1108(3), CA 2014.)

A proxy appointment for use by Irish PLCs with a listing in London must comply with [DTR 6.1.5](#). This provides that an issuer of shares or debt securities must make available a proxy form, on paper or, where applicable, by electronic means to each person entitled to vote at a meeting of shareholders or a meeting of debt securities holders and that proxy forms must be made available either together with the notice concerning the meeting or after the announcement of the meeting.

## **Appointment of representatives**

If a corporate shareholder of a company wishes to send a person to act as their representative at a general meeting, they can do so by appointing an authorised person to so act (*section 185, CA 2014*). An authorised person is entitled to exercise the same powers on behalf of the body corporate which they represent as that body corporate could exercise if it were an individual member of the company, creditor or holder of debentures of the company (*section 185(3), CA 2014*).

## **Quorum for general meetings**

### **Valid quorum**

#### **Who constitutes a quorum?**

It is unclear whether section 183 permits a shareholder to attend the meeting in their capacity as a shareholder and as proxy for another shareholder. The court in *Sharp v Dawes [1876] 2 QB 26* held that a meeting is "the coming

together of more than one person" and therefore a meeting involving only one person may be invalid and ineffectual. This is supported by legal commentary citing the authority of *Re Sanitary Carbon Co [1877] WN 223* where a person who was present in a dual capacity, namely as a member and who held proxies for the only other member did not make up the quorum (see *Palmer's Company Law (Sweet & Maxwell, Vol 2) Chapter 7.6: Proceedings at General Meetings: Section 7.601*).

By analogy, a person who is present as proxy for more than one member (that is, the chairperson) would arguably not make up the quorum. The cautious approach would be to ensure that two qualifying persons are present to prevent a meeting being inquorate and therefore invalid.

The position at common law is also unclear as demonstrated in the following cases:

- *Re Harris Ltd [1956] SC 207.*
- *Prain & Sons Ltd [1947] SC 325.*
- *McLeod & Sons Ltd [1967] SC 16.*

These English cases suggest that where the articles prescribe a quorum of two (as normally required) there must be two persons physically present to satisfy both the meeting and quorum requirements. However, the court ruled in *McLeod & Sons* that where the articles prescribe a quorum of three, providing two persons are present, the quorum requirements are satisfied if one of those shareholders attends in their own right and holds shares as trustee for a third party.

However, under Irish law a trust is not recognised on a company's register of members and therefore it would be prudent in this instance to ensure that three persons are physically present in person or by proxy (*section 170, CA 2014*).

## **Adjourning meeting if quorum not present**

Unless the company's constitution provides otherwise, if within 15 minutes after the time appointed for a general meeting a quorum is not present, then:

- Where the meeting has been convened on the requisition of members, the meeting shall be dissolved.
- In any other case:
  - the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the directors may determine; and
  - if at the adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting, the members present shall be a quorum.

(*Section 182(5), CA 2014*.)

## **Variation in constitution**

The constitution may specify the number of persons required to satisfy the quorum requirements or that persons entitled to attend and vote on the business to be transacted are the only persons who may be counted towards the quorum.

If the constitution refers to persons present "in person" then there must be a physical presence, either of the individual shareholder or of a company through its representative appointed under section 185 of the CA 2014. See [Appointment of representatives](#).

The constitution should be checked to determine whether persons present by proxy may count towards the quorum.

It is usual for a company's constitution to specify a quorum of two, although the constitution may state that no meeting will be quorate without the attendance of the holder of a certain class of shares or the investor (in the case of a venture capital company). A company may provide in its constitution that a designated shareholder must be present for there to be a quorum.

## Variation of class rights

The necessary quorum for a variation of *class rights* meeting is:

- Two persons present, holding at least one-third in nominal value of the issued shares of the class in question (meeting other than an adjourned meeting).
- One person present, holding shares of the class in question (adjourned meeting).

(Section 88(6), CA 2014.)

## Abuse of quorum provisions

If shareholder actions prevent a quorum at a general meeting, the court may direct that:

- A meeting be convened and held.
- One shareholder of the company present at the meeting be deemed to constitute a quorum.

(Section 179, CA 2014.)

## Resolutions and voting at general meetings

### Types of resolutions: ordinary and special resolutions

There are two types of resolutions referred to in the CA 2014 which may be proposed and passed at a general meeting.

An **ordinary resolution** is passed:

- At a meeting on a show of hands by a simple majority if it is passed by a simple majority of those entitled to vote (section 191(1), CA 2014).

- On a poll taken at a meeting by a simple majority if it is passed by shareholders representing a simple majority of those who vote in person or by proxy (*Bushell v Faith* [1970] AC 1099).
- If passed as a majority written resolution under section 194 of the CA 2014 (see *Written resolutions of members*).
- If passed as a unanimous written resolution under section 193 of the CA 2014.

A **special resolution** is passed:

- At a meeting on a show of hands if it is passed by a majority of not less than 75% of the votes cast by those entitled to vote (*section 191(3), CA 2014*).
- On a poll taken at a meeting if it is passed by shareholders representing not less than 75% of those who vote in person or by proxy.
- If passed as a majority written resolution under section 194 of the CA 2014.
- If passed as a unanimous written resolution under section 193 of the CA 2014.

PLCs cannot use the majority written resolution procedure, nor can the procedure be used to remove a director or statutory auditor (*section 195, CA 2014*).

## Amending a resolution

The terms of any resolution (whether special or otherwise) before a general meeting may be amended by ordinary resolution moved at the meeting as long as the terms of the resolution as amended will still be such that adequate notice of the intention to pass the same can be deemed to have been given (*section 191(6), CA 2014*).

The constitution will sometimes clarify or supplement this position, usually by requiring notice of the amendments.

## Voting at general meetings

Shareholders may cast their votes at general meetings by voting:

- On a show of hands where every member present in person has one vote. Subject to the constitution, every proxy has one vote (*section 188(2)(a), CA 2014*).
- On a poll where every member has one vote for each share owned (*section 188(2)(b), CA 2014*). A member who has more than one vote does not have to use all their votes or cast them in the same way. This allows registered holders of shares to give effect to the different wishes of *nominees* for whom they hold the shares. The constitution will usually set out the procedure for taking a poll.

Unless a poll is demanded, a resolution proposed at a general meeting will be decided on a show of hands (*section 187(7), CA 2014*).

If a member has unpaid calls or sums payable by them on the share, they cannot vote until those sums have been paid (*section 188(6), CA 2014*).

For further general guidance, see Practical Law Corporate UK Practice notes:

- *General meetings: Resolutions and voting: Voting at general meetings.*
- *General meetings: Running an effective meeting (including an adjourned meeting): Voting.*

## Results of vote

### Results of votes on a show of hands

The chairperson's declaration of the result on a show of hands is conclusive evidence without proof of the number or proportion of votes in favour of or against the resolution (*section 187(7), CA 2014*).

### Voting results requirements under the Code

The 2018 version of the UK Corporate Governance Code (applied to Irish listed companies under the Code) includes the following provisions relating to voting results:

- For PLCs listed in London, Provision 4 of the Code provides that when 20% or more of votes have been cast against the board recommendation for a resolution, the company should explain, when announcing voting results, what actions it intends to take to consult shareholders to understand the reasons behind the result. The company is required to publish an update on the views received from shareholders and actions taken no later than six months after the meeting.
- The annual directors report, and if applicable the explanatory notes to resolutions at the next shareholder meeting, should include a final summary on what impact the feedback has had on the decisions the board has taken and any actions or resolutions proposed.

For further information, see Practical Law Corporate UK, *Standard document, Annotated 2018 UK Corporate Governance Code*.

### Results of votes on a poll

A company should ensure that the votes cast on a poll are properly received and recorded and shareholders are informed of the outcome of the vote as soon as practicable. There are additional disclosure requirements for traded PLCs, including the requirement to publish the results on the company's website. For further information, see *Practice note, General meetings, Members Rights (Ireland): Recording and counting of votes*.

## Running an effective general meeting

For general guidance on the issues to be considered when running a general meeting, see Practical Law Corporate UK, *Practice note, General meetings: running an effective meeting (including an adjourned meeting)*.

## Chairperson

Subject to any contrary provisions in a company's constitution, the chairperson of the board of directors will act as chairperson of a general meeting (*section 187(2), CA 2014*).

If there is no chairperson of the board of directors, or that person does not want to act or is more than 15 minutes late for the meeting, the directors present at the meeting or, if no directors are present, those present at the meeting must appoint a director or shareholder to chair the meeting (*section 187(3), CA 2014*).

The role of the chairperson at a general meeting is to preside over the meeting and ensure that it is conducted in an orderly fashion. For further general guidance about the duties and powers of the chairperson, see Practical Law Corporate UK, *Practice note, General meetings: running an effective meeting (including an adjourned meeting): Chair*.

### **Chairperson's script and preparing the board**

Ahead of a general meeting, the chairperson should be briefed on the role and powers as chairperson of the meeting and the key provisions in the constitution governing the organisation and procedure of, and voting at, the meeting. A script should be prepared which includes an opening and closing statement, a summary of the resolutions proposed at the meeting and an explanation of key procedural issues. For further information, see the following Practical Law Corporate UK resources:

- *Practice note, General meetings: running an effective meeting (including an adjourned meeting): Role of the chair.*
- *Checklist, Preparing for a general meeting: Chair and preparing the board.*
- *Standard document, Chair's AGM script: voting on a poll.*
- *Standard document, Chair's AGM script: voting on a show of hands.*

### **Logistics**

As the chairperson is responsible for ensuring that the meeting is conducted efficiently, it is essential that the following matters are considered before to the meeting:

- Venue and overflow rooms.
- Security arrangements.
- Seating.
- For meetings conducted by electronic means, making sure that the necessary procedures are in place to ensure that members have a reasonable opportunity to participate.
- For large meetings, the use of attendance cards to control entry.

For further information, see the following Practical Law Corporate UK resources:

- *Practice note, General meetings: Running an effective meeting (including an adjourned meeting): Logistics.*
- *Checklist, Preparing for a general meeting: Venue and other preparatory steps.*

## Attending and speaking

Entitlement to attend and speak at a general meeting is governed by the CA 2014 and the company's constitution. The following persons have the right to attend and speak at a general meeting:

- Shareholders.
- Proxies (*section 182(2), CA 2014*).
- Corporate representatives (*section 185(3), CA 2014*).
- Directors (*section 180(1)(d), CA 2014*).
- Auditors (*section 180(6), CA 2014*).

Strictly speaking, the company is entitled to exclude from a general meeting any person other than those entitled to receive notice. However, often a constitution of a company will provide that the chairperson may exercise their discretion and admit non-shareholders to attend and speak at a general meeting.

For further general guidance, see Practical Law Corporate UK Practice notes:

- *General meetings: Running an effective meeting (including an adjourned meeting)*.
- *Proxies*.
- *Corporate representatives*.

## Starting the meeting

If a quorum is present, the chairperson should attempt to start the meeting at the time specified in the notice. If this is not possible, the chairperson should open the meeting and then adjourn it for a short period (see *Adjourning a general meeting*).

## Shareholders' debate and questions

For information on shareholders' debate and questions, see Practical Law Corporate UK, *Practice note, General meetings: running an effective meeting (including an adjourned meeting): Shareholders' debate and questions*.

### Debate encouraged

On any motion before a meeting, shareholders should be allowed to express a point of view or attempt to influence how other members should vote. It is the chairperson's responsibility to ensure that shareholders are given the opportunity for debate and to ascertain the view of the meeting on matters under consideration. They cannot simply decline to allow debate at all. For further information generally, see Practical Law Corporate UK *Practice note, General meetings: Running an effective meeting (including an adjourned meeting): Shareholders' debate and questions: All companies*.

### **Traded companies: electronic participation**

Traded PLCs may allow members to attend, speak and vote electronically at general meetings (*section 1106(1), CA 2014*). If they do, they must not impose any more requirements or restrictions than are necessary to ensure the identification of those taking part and the security of the electronic communication, to the extent that these requirements and restrictions are proportionate to the achievement of those goals (*section 1106(2), CA 2014*). The members must be informed of any of these requirements or restrictions (*section 1106(3), CA 2014*).

The company must, if it allows electronic participation, ensure to the extent possible that these means:

- Guarantee the security of any electronic communication by the member.
- Minimise the risk of data corruption and unauthorised access.
- Provide certainty as to the source of the electronic communication.

Should any failure or disruption of these means occur, it must be remedied as soon as possible.

(*Section 1106(4), CA 2014.*)

### **Limiting discussion**

Discussion at a general meeting should be limited if, for example, the discussion could lead to the disclosure of information which would amount to:

- Market abuse.
- Insider dealing.
- Inside information.

For further information generally, see Practical Law Corporate UK, *Practice note, General meetings: running an effective meeting (including an adjourned meeting): Limiting discussion*.

### **Dealing with obstructive and disorderly people**

If an obstructive or disorderly person has no right to attend the meeting they may be asked to leave. If they refuse to do so, they may be ejected with such reasonable force as may be necessary.

If a person who is entitled to attend the meeting is being so obstructive or disorderly as to interfere with the proper conduct of the meeting, best practice is for the chairperson to:

- Ask the person to refrain from that action.
- Offer the person a separate discussion outside the meeting.
- Consider adjourning the meeting for a short period to try and set up a basis for continuing the meeting in good order.
- If the person continues to act in a disorderly manner, they should be asked to leave the meeting.
- If the person refuses, they may be expelled using reasonable force.

For further guidance, see Practical Law Corporate UK, *Practice note, General meetings: running an effective meeting (including an adjourned meeting): Dealing with obstructive and disorderly people*.

### **Voting process**

The chairperson should be familiar with the voting process in advance of the meeting, particularly if the vote is to be conducted by way of a poll or if there is a chance that a poll may be demanded. They should also be informed of the number of votes cast by way of proxy and a breakdown of those votes, including the number of votes for which the chairperson has been appointed proxy. This is relevant if the outcome of the vote on a show of hands differs from the outcome had the vote been conducted by way of a poll. In this instance, the chairperson is required to use their powers as chairperson and demand a poll so that the vote represents the voting intentions of those shareholders who have appointed the chairperson as proxy as well as those present at the meeting.

## **Adjourning a general meeting**

The chairperson may adjourn a meeting:

- In accordance with the constitution.
- With the consent of the meeting by way of an ordinary resolution.
- If, in the chairperson's opinion, it is not practicable to obtain the consent of the meeting, but it appears to them necessary to adjourn to help the business of the meeting.
- Without the consent of the meeting only if it is necessary to re-establish order.

At common law, it is not possible to postpone or cancel a meeting once it has been called. However, a company's constitution may give the board the power to postpone a general meeting between the time of sending out the notice of meeting and the designated time of the meeting where it is unreasonable or impractical to hold it at the appointed time, date or place.

For further information, see Practical Law Corporate UK, *Practice note, General meetings: Running an effective meeting (including an adjourned meeting): Adjourning a meeting*.

## **Post meeting formalities**

After the general meeting, the company must ensure that it has complied with all the necessary post-meeting formalities. This includes preparing minutes, filing resolutions and relevant Companies Registration Office forms with the Registrar, amending and updating registers, making announcements to the market and publishing information on the company's website.

## **Impact of COVID-19**

The Irish government has enacted special legislation to make certain changes to company law which were needed as a result of various practical difficulties for companies caused by the COVID-19 pandemic. This legislation is the *Companies (Miscellaneous Provisions) (Covid-19) Act 2020*. For an analysis of how it affects the subject matter of this note, see *Practice note, COVID-19: corporate FAQs (Ireland)*.

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