

# AGM GUIDE

2024

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**KNOWLEDGE AND RESOURCES**



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## 1. AIMED AT PUBLIC COMPANIES LIMITED BY GUARANTEE

- 1.1. This edition of Associations Forum's Annual General Meeting (AGM) Guide has been written for public companies limited by guarantee under the Commonwealth of Australia's *Corporations Act 2001 (Cth)*.
- 1.2. Rules of General Meetings for public companies limited by guarantee are often applied to varying degrees to associations incorporated under the Associations Incorporation Acts of Australian states and territories.
- 1.3. Companies limited by guarantee that are also charities are subject to the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act), where there are different requirements.

## 2. INTRODUCTION

- 2.1. Associations Forum's AGM Guide has been written to assist the smooth and appropriate running of an association's General Meeting. A General Meeting is a meeting of the members of the association, which is convened according to Part 2G.2 – 2G.4 of the *Corporations Act 2001* (the Act) and the procedures for general meetings in the association's constitution. These procedures include giving notice of the meeting to members. General Meetings cover both the 'annual general meeting' and any 'special' or 'extraordinary' general meetings convened throughout the year. The Act only requires a company to hold one general meeting per year, being the annual general meeting (AGM). Holding additional general meetings is as determined by the specific needs of the company and its members.
- 2.2. During the Covid-19 pandemic, the Treasurer issued the *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020* to temporarily allow public companies, including companies limited by guarantee, to use technology to hold general meetings as either:
  - 'virtual' meetings (a meeting where all members participate via online facilities); or
  - 'hybrid' meetings (a small physical meeting linked with online facilities that allow remote participation).
- 2.3. Subsequently the *Corporations Amendment (Meetings and Documents) Act 2022 (Amending Act)* amended the *Corporations Act 2001 (Cth)* to make permanent changes allowing companies to hold hybrid meetings (giving members the option of either attending in person or remotely) and the use technology to execute company documents, sign meetings-related documents and provide those documents to their members.
- 2.4. Charities and incorporated associations should check their constitution and regulator websites to determine if a hybrid or virtual AGM is allowed.

- 2.5. Associations that are public companies limited by guarantee, and almost all other associations, must have an Annual General Meeting once per year, and the Board of Directors must report to the members on specific matters at this meeting. It is good governance for Directors to report to others. Hence associations that have only the Board as its members are only reporting to themselves and have less than an ideal governance arrangement.
- 2.6. A key governance principle is that an association has members who appoint a Board of Directors to make decisions on the running of the association, including the appointment, where appropriate, of a CEO. Therefore, AGMs involve reporting processes and approval of substantive changes such as to the association's constitution, appointment of auditors, director appointment or endorsement, and should not focus on operational matters.
- 2.7. A special or extraordinary general meeting is simply any other unscheduled meeting of an association's members. These general meetings are typically only convened so that members can decide on specific resolutions relating to matters of urgency that cannot be deferred till the next AGM. Hence, the business of a general meeting will be limited to discussion of and voting on the proposed resolutions.
- 2.8. Calling for a General Meeting should be for a proper purpose – i.e. a proposed resolution requiring members approval. The role of members is generally limited to approving a change to the association's constitution, receiving reports (Chair, CEO and Financial), appointing or endorsing the appointment of Directors, removal of Directors and appointing the auditor. Directors are not required to hold a general meeting if requested by members whose only intention is to harass the association or express their grievances.
- 2.9. For a valid General Meeting to be held proper notice must be provided and a quorum of members must be achieved.
- 2.10. As well as the relevant legislation, the key document regarding the governance of the association is its constitution, which can only be changed by a 75% or greater vote in favour, of those members attending the General Meeting in person or by proxy (see item 9).
- 2.11. The running of a General Meeting is significantly different to the running of a meeting of the Board of Directors.
- 2.12. The Board of Directors is accountable to the members of the association. If the members are not satisfied with the Board of Directors, the members may by ordinary resolution remove one or more of the Directors by following the General Meeting procedure and complying with the notice requirements.

### 3. CONSTITUTIONS, CHAIR AND COMPANY SECRETARY KNOWLEDGE

- 3.1. The constitution can add to the statutory requirements of the Corporations Act by setting additional parameters for the Notice of Meeting and conduct of the AGM that must be followed.
- 3.2. The Company Secretary needs to be familiar with the association's constitution and the laws related to General Meetings.
- 3.3. The Chair is often a volunteer with limited knowledge of General Meetings, so it should be the Company Secretary, the person assisting the Chair, who guides the Chair on what they should know regarding the General Meeting.

### 4. AGMS AND SPECIAL GENERAL MEETINGS

- 4.1. All formal meetings of members of a company limited by guarantee are General Meetings.
- 4.2. There is usually only one General Meeting per year, and this is the AGM.
- 4.3. For associations that are public companies limited by guarantee, the AGM must be held within five months of the end of the financial year or within 18 months of a company limited by guarantee being registered.

### 5. NOTICE OF MEETING CALLING A GENERAL MEETING

- 5.1. The Board of an association that is a company limited by guarantee will set the time and date of the AGM and the business to be considered, with the time and date often set many months in advance.
- 5.2. The notice will also specify whether electronic engagement of members, proxies and voting will be allowed at the AGM. If permitted details of the connection methods and validation of membership processes should be outlined.
- 5.3. The notice of meeting must specify how to complete and authorise proxies and the time and method for proxies to be lodged with the association to be valid.
- 5.4. Closer to the time of the AGM and more than 21 days beforehand, but not more than 4 months after the end of the financial year, the Board should approve the Directors Report and Financial Statements and receive the Auditors Report (if applicable) prior to their circulation to members.
- 5.5. The *Amending Act* introduces a requirement for members of a public company (which would include companies limited by guarantee) to be sent a notice of their right to elect to receive documents electronically or in physical form, and of their right to elect not to receive documents. The notice must be given at least once in each financial year or be available on the association's website.

- 5.6. Associations that are companies limited by guarantee should let members know about their right to elect to receive meeting related documents in their preferred format. This could be done via email before the next AGM or as part of the membership application form. Once the initial notice is given, an ongoing notice about the right to election could be posted on the website.
- 5.7. The member's election remains in place until such time as the member communicates in writing a change in election. The company must then take reasonable steps to provide the member with the document or class of documents in the format requested by the member. This includes notices of meeting, financial reports, directors' reports and auditor's reports.
- 5.8. At least 21 clear days' notice of a General Meeting must be given except in certain circumstances.
- 5.9. Notices of Meeting will state the date, time, place and business for the General Meeting and be accompanied by a proxy form customised to the agenda items on the Notice of Meeting.
- 5.10. The Corporations Act allows the AGM to deal with the reports, electing Directors and appointing the auditor even if these items are not expressly included in the Notice of Meeting, but it is recommended that all matters to be considered be included in the Notice of Meeting.
- 5.11. Subject to the size of the company limited by guarantee, the following documents must be circulated to voting members with the Notice of Meeting 21 clear days prior to the AGM:
  - a) Directors Report
  - b) Directors Declaration
  - c) Auditors Report
  - d) Financial Statements
  - e) Election material for Directors (if separate election is conducted outside the AGM)
  - f) Proxy form.
- 5.12. The Directors Report, Directors Declaration, Auditors Report and Financial Statements are often included in an overall Annual Report.
- 5.13. Whilst limited in scope, member resolutions can be proposed if the proposing members follow the correct procedure and they are for a proper purpose, as determined by the Board in accordance with the constitution. For example, members may propose a resolution to remove a Director with a two-month notice period.
- 5.14. Matters that can be addressed through resolutions at a General Meeting normally include approval of changes to the constitution, changes to the name of the entity, removal of Directors, appointment or re-appointment of auditors and rare matters that the Board is prohibited from deciding for various reasons specified in the association's constitution.



- 5.15. Subject to the constitution, members generally cannot propose resolutions relating to the management of the association.
- 5.16. Members may be encouraged to provide any formal questions regarding information within the Annual Report ahead of the meeting. Some associations will only address the questions received ahead of the meeting and will not take questions from the floor or defer these for a separate forum once the AGM has concluded.
- 5.17. The annual reports including financial reports and directors reports need only to be sent to members prior to the AGM if they have elected to receive them (see item 5.4).
- 5.18. Organisations can satisfy the requirement for the distribution of annual reports and financial statements by providing an electronic version of the annual reports and financial statements on their corporate websites, with a statutory obligation to deliver a hardcopy, free of charge, to any member who has elected to receive these documents in physical form.

## 6. GENERAL MEETINGS CAN MENTION OTHER NON-SUBSTANTIVE MATTERS

- 6.1. The only substantive matters that can be addressed in a General Meeting are those on the Notice of Meeting or the standard items allowed by the Act.
- 6.2. The proceedings can also cover a few items other than those on the formal Notice of Meeting. These may include acknowledgement of senior members or special guest observers present and the Vote of Thanks (see item 28).
- 6.3. Minutes need to cover the decisions and proceedings of the General Meeting, therefore matters such as a vote of thanks would be included in the minutes.
- 6.4. Following the completion of the formal General Meeting, the meeting should be closed before other matters are raised or discussed. It is common for a General Meeting to be followed by a separate informal members' forum or training.

## 7. PROXIES

- 7.1. Proxies allow a member to appoint a person as their agent to vote on their behalf and participate in the General Meeting without the member needing to be physically present at the meeting.
- 7.2. As the Notice of Meeting will state what resolutions are to be voted on, members filling in a proxy form can direct their proxy to vote in a certain way on each resolution. These are called directed proxies. If the proxy is not a directed proxy, the proxy holder can vote as they wish or abstain at the General Meeting.
- 7.3. The likelihood that proxies will be submitted by members increases if it is easy for a member to submit a directed proxy.

- 7.4. As the Chair is the only person at the meeting who must exercise a directed proxy if a poll is called, constitutions that by default direct proxies to the Chair simplify the administration of any poll. This is because directed proxies held by others at the meeting that are not exercised do not then need to be checked and transferred to the Chair prior to the poll closing.
- 7.5. Subject to the constitution, a General Meeting can be held with as few as two individuals present, including electronically, if quorum requirements are met.

## 8. MINUTES

- 8.1. Minutes of the General Meeting should state when and where the General Meeting was held, record of presence of quorum, who was present, who chaired, summary of opening remarks of Chairperson, the proceedings and the resolutions passed, how the vote was taken, and whether the vote met any specific requirements. Minutes should be consistent with the agenda or notice provided for the meeting.
- 8.2. The Corporations Act requires minutes be in the minute book within 1 month of the meeting and signed by the Chair or Chair of a subsequent directors meeting within a reasonable time (usually next Board Meeting) and to be available to members.
- 8.3. Therefore, contrary to common practice, minutes of the previous General Meeting are not normally approved at the General Meeting. As minutes for a company do not need to be confirmed at the General Meeting unless the constitution requires it, the acceptance of minutes should not be on the Notice of Meeting.
- 8.4. It is good practice to support minutes with an attendance register as proof of who attended the meeting. This can be a suitably columned book, or sheets of paper that can be securely filed, where attendees record their name, address, member's name (if they are representing a body corporate) and signature. For relatively small meetings the names can be included in the minutes. For larger meetings, minutes can make reference to the attendance register.

## 9. RESOLUTIONS AND SPECIAL RESOLUTIONS

- 9.1. A resolution is a decision made at a General Meeting requiring a simple majority of greater than 50% of the votes cast of those present or by proxy. This is also known as an 'ordinary resolution'.
- 9.2. Special resolutions are required for changes to the constitution, to the entity's name, to the status such as legislation under which the association is incorporated, and other matters specifically referred to in the constitution that require a special resolution.
- 9.3. In order to pass a special resolution, 21 days' notice must be given and at least 75% of the votes cast must be in favour provided the number attending the meeting meet the quorum requirements.
- 9.4. Special resolutions carried may need to be notified to ASIC (within 14 days after meeting)



## 10. CHAIR'S SCRIPT

- 10.1. A script for the Chair, which is more than a running sheet, is good practice. A Chair's script reduces the risk of errors or omission of key matters or statements being overlooked.
- 10.2. The order of business in the Notice of Meeting should be followed and expanded upon, with the script detailing what should be said or what should happen at every stage of the General Meeting.
- 10.3. The Chair's script should specify the legal or constitutional basis for actions as informing the General Meeting of this improves understanding of why actions are taken.
- 10.4. The Chair's script should use large type and a narrow column to make it easier for the Chair to read the script. It can help the Chair if the contents of the Notice of Meeting are in one colour and the prompts or notes are in another.
- 10.5. As the crucial event is the General Meeting, it is more productive to schedule complementary activities like member education before or after the General Meeting has formally commenced or closed.

## 11. BEFORE THE GENERAL MEETING

- 11.1. Check that audio-visual equipment works and seating is adequate. It is customary for the Chair, the Chair of Audit & Risk, the Chief Executive Officer, and Company Secretary to be seated at the main table. Other Directors should be seated in the front rows, in the event the Chair directs a question to them during the meeting.
- 11.2. Have a process in place to register attendees. Ready real-time access to the association's Membership database is recommended to assist members that may not know their membership number, or to verify that the attendee is a bon-fide [fully paid up] member to be able to participate and vote in the meeting.
- 11.3. Have spare copies of the Notice of Meeting, the annual reports and minutes of last General Meeting available and have a copy of the constitution available in addition to the one held by the CEO or Chair.
- 11.4. The Chair should review the schedule for the General Meeting including any planned activities prior to or following the General Meeting.
- 11.5. The Chair should specify in detail to the attendees the voting rights and the process to be followed in voting on resolutions.

## 12. QUORUM

- 12.1. Subject to the constitution, the General Meeting cannot start or continue unless at least the specified number of members that constitute a quorum is present in person or by proxy.
- 12.2. Therefore, to ensure the quorum is reached, particular attention needs to be given to counting how many valid proxies have been received before the General Meeting and how many eligible voting members are present at the General Meeting.
- 12.3. As a General Meeting cannot be held without a quorum being reached, an association may need to have a campaign to ensure there will be enough members attending in person or by proxy, if the constitution allows proxies to be counted.
- 12.4. General Meetings should start with a secure and empty room and a disciplined process is required to vet those entering the room qualifying their voting rights as a bona-fide member or the representative of a bona-fide member. This may require their details to be verified against the association's database.
- 12.5. If non-voting members or observers are allowed to attend the General Meeting, it is good practice to give the voting members an identifying marker such as a uniquely marked piece of coloured card.
- 12.6. Subject to the constitution, it is the Chair's discretion to allow observers. The auditor always has the right to attend.

## 13. CHAIR'S OPENING REMARKS

- 13.1. The Chair should inform the General Meeting of the formal authority by which they are the Chair. They may refer to the relevant rule in the constitution.
- 13.2. The Chair should introduce individuals whom members should be aware of - such as the Directors, senior staff, patrons, special advisers, auditor etc - to the General Meeting.
- 13.3. The Chair should advise the attendees that the Notice of Meeting was sent in accordance with the rules in the constitution and refer to any other explanatory material that was made available.
- 13.4. The Chair should remind the General Meeting that the only substantive matters that can be considered by the General Meeting are those listed on the Notice of Meeting.
- 13.5. The Chair should remind the General Meeting that participants will have an opportunity to ask questions or make comments during the General Meeting.
- 13.6. The Chair should specify the quorum as per the relevant rule in the constitution and confirm that a quorum is present. The achievement of a quorum should be noted by the Secretary to the meeting and recorded in the minutes.

- 13.7. The Chair should declare the General Meeting open at a specific time that is recorded in the minutes.
- 13.8. The Chair should list apologies received and call for any additional apologies.
- 13.9. The Chair should advise the number of proxies they have received.
- 13.10. As minutes should be signed by the Chair within a reasonable time frame (next Board Meeting) following a General Meeting, the Chair should advise the General Meeting that the previous minutes have been signed in accordance with the Corporations Act and are available at the General Meeting for any member who wishes to review them.

## 14. CHAIR'S ADDRESS

- 14.1. Some associations take the opportunity for the Chair to deliver an address to the meeting.
- 14.2. A Chair's address often covers matters addressed by the annual report but in a more personal style.
- 14.3. A Chair's address is also a valuable opportunity to raise strategic issues likely to affect the future of the association.

## 15. OTHER REPORTS

- 15.1. The meeting will provide an opportunity for the Chief Executive to provide an overview of the operations of the association and highlight any significant achievements or new initiatives that have been implemented or planned to be implemented.
- 15.2. It is usual for the Chair of the Audit Committee (Association's Treasurer) to provide an overview of the Association's financial results for the year completed and the current overall financial position.
- 15.3. The Association's Auditor (if there is one appointed and in attendance) may also provide their independent assessment of the association's financial position and state of financial systems and reporting.

## 16. REPORTS DO NOT HAVE TO BE VOTED ON

- 16.1. Contrary to common practice, reports are not normally approved at the General Meeting. Reports can be noted as being received but are not normally voted on unless this is required by the constitution.

## 17. NO GENERAL BUSINESS OR RANDOM SUBSTANTIVE MOTIONS

- 17.1. The AGM is a strict and formal process covering only substantive matters on the Notice of Meeting. Therefore, 'general business' or 'other business' should not be an agenda item on the Notice of Meeting.
- 17.2. Putting forward and voting on substantive motions randomly proposed by attendees at the General Meeting would be unfair to members who chose not to attend the General Meeting following their reading of the Notice of Meeting.
- 17.3. However, as associations are mutual organisations that often exist to serve the interests of their members, it is common for a 'members' open forum' or similarly named event to follow the closure of the Annual General Meeting.
- 17.4. A members' open forum is conducted in a less formal manner. Motions should not be proposed or formally voted on as they would have no validity to the governance of the association but many Chairs may seek an indication of members' support as a guide for future decisions.

## 18. AMENDMENTS TO RESOLUTIONS

- 18.1. Resolutions at General Meetings are generally not changed but sometimes minor changes will be required, even with special resolutions, that do not change the essence of the meaning and can be accepted and voted on as amendments. However, the scope for amendments of special resolutions is very limited. For example, spelling mistakes or changing a time period.
- 18.2. The Chair can decide if a proposed amendment is a valid amendment. Where an amendment is valid, it needs to be voted on by the General Meeting separately to the resolution itself and the amended resolution then becomes the resolution before the General Meeting.

## 19. ELECTION OR ANNOUNCEMENT OF DIRECTORS

- 19.1. Matters at an AGM relating to Directors will depend on how Directors are appointed in the constitution. For example:
  - A ballot result may be announced at the AGM
  - A ballot may be held at the AGM
  - Directors may be elected by resolution at the AGM.
- 19.2. Associations Forum recommends that associations with broad-based membership should have a clearly defined nomination process that enables the Director election process to be held and concluded well before the AGM, leaving the results to be reported at the AGM.
- 19.3. Any change of Directors following the AGM must be notified to the regulator (e.g. ASIC or ACNC) within the prescribed timeframe, usually 28 days from the date of the election/appointment.

## 20. CHAIR TO SIGN COPY OF NEW CONSTITUTION

- 20.1. Signing/initialling a copy of a new constitution being considered by members at a General Meeting is a prudent step in proof of document.
- 20.2. Signing does not need to occur when a Notice of Meeting includes relatively simple or extensive amendments to the constitution that are spelled out in the Notice of Meeting as the notice itself provides proof of the change.
- 20.3. Most Chairs will sign the copy as part receiving positive acclamation/s of the resolution/s. To save time they may move the special resolution, deliberately sign the first page and hold it up for the meeting to see. After the meeting closes, they may then initial every page. The signed copy is then included in the formal minute record of the meeting and stands as the legal proof of what was agreed by the meeting.
- 20.4. A company must notify ASIC of any changes made to its constitution within 14 days of the resolution being passed.

## 21. AUDITOR

- 21.1. Independent external auditors, often a Chartered Accountant or CPA, report to the members on the financial reports, not to the Board.
- 21.2. In most years, appointment of auditors will not arise as the auditors will continue in office. However, there should be consideration of the rotation of the audit firm's audit engagement partner responsible for conducting the audit.
- 21.3. Removal of auditors is not common, but it is good governance practice to change auditors after a number of years of their service (typically this is 5-10 years) of them being initially appointed. Any new appointment must follow procedures in the Corporations Act (per below) Calling for tenders to do the audit services will initiate such a process. The next steps would include:
  - (a) Board to ask the current auditor to resign and agree on the name of the new auditor.
  - (b) The existing auditor resign by lodging Form 342 with ASIC, giving reasons and seeking consent.
  - (c) When an ASIC consent letter is received from the outgoing auditor, lodge Form 315 with ASIC within 14 days.
  - (d) Obtain written nomination of a proposed new auditor from a member.
  - (e) Obtain the new auditor's written consent.
  - (f) Include a resolution in the AGM Notice for members to approve the new auditor (and the nomination notice must be dispatched with the Notice).
  - (g) When members approve, the process is complete.
- 21.4. When needed, a resolution will be required to appoint the auditor or to confirm their appointment by the Board.

- 21.5. In the event there was a vacancy in the position of the auditor and this was filled by a Board appointment since the last AGM a resolution approving the auditor appointment will need to be passed at the next AGM.
- 21.6. Usually, the auditor's remuneration will be approved by the Board and does not need to go to the members.

## 22. VOTING ON MOTIONS AND CALLS FOR A POLL

- 22.1. The business of the General Meeting is on the Notice of Meeting so there is no need to move or second any motion.
- 22.2. The only other matters that can be moved are procedural motions. Normally the Chair would not rely upon procedural motions but would just act. Where a member of the audience moves a procedural motion e.g. 'I move that the matter be put' then the Chair could second it and put it to the vote or call for a seconder and if a seconder is not forthcoming rule the motion out of order.
- 22.3. The Chair should outline debate protocols before inviting discussion.
- 22.4. After discussion the Chair should explain the voting process as determined by the constitution, nominate the tellers who are the individuals to count the votes, and again read the motion to the General Meeting.
- 22.5. The Chair should then invite those in favour to vote, then those against. In most cases this will be on a show of hands. The Chair should then, having confirmed the vote with the tellers, declare the result.
- 22.6. If a poll, which is a vote in writing, is required, the Chair should inform the General Meeting and advise when the poll is to be taken.
- 22.7. For practical reasons, polls are commonly held later in the General Meeting. As they require paper, pens and collection boxes and the issuing of proxies, polls are more complicated.

## 23. VOTING ON A SHOW OF HANDS

- 23.1. Most resolutions are determined on a show of hands, meaning voting without paper.
- 23.2. The issue of whether proxies should be included in a vote on a show of hands requires consideration in the constitution.
- 23.3. One viewpoint is that people holding proxies should be able to use these proxies in a vote.
- 23.4. However, it is administratively easier if proxies are excluded from voting on a show of hands.



- 23.5. If proxies are included in a vote on a show of hands, there needs to be a mechanism for managing this including where a single member has their own vote plus several proxies, some in favour, some against, some open (so the proxy decides) and some abstain.
- 23.6. The Corporations Act allows the constitution to exclude proxies in a vote on a show of hands.

## 24. HOLDING AN AGM USING TECHNOLOGY

- 24.1. A 'hybrid' AGM is one where there is both a physical location/s and online facilities. A 'virtual' AGM is conducted solely online.
- 24.2. The *Amending Act* permits General Meetings to be held at a physical venue or as a 'hybrid' (using one or more physical venues and virtual meeting technology). Wholly virtual meetings are also permitted but only if expressly provided for in the company's constitution.
- 24.3. All General Meetings, regardless of how they are held, must give the members a reasonable opportunity to participate. This includes holding the meeting at a reasonable time and place and using reasonable technology to conduct a virtual meeting or connecting different physical locations together. The *Amending Act* also makes explicit that the technology used to facilitate virtual attendance must allow members to exercise any pre-existing right that they may have to ask questions or make comments both verbally and in writing.

## 25. PREPARING FOR A HYBRID OR VIRTUAL AGM

### Planning

- 25.1. Establish early contact with your technology provider to discuss arrangements. Key to the successful execution of your AGM is a secure, robust platform that provides a seamless experience for all members.
- 25.2. The aim should be to hold a meeting that facilitates effective interaction between members and the Directors and 'feels' as much as possible like a physical meeting.
- 25.3. Incorporate a dedicated AGM section on your organisation's website that is easy for members to access. This area would include the details of arrangements for the meeting, instructions on how to use the technology platform, links for web-streaming and can be updated to reflect any changes to arrangements. Ensure technical support is ready to assist attendees in case any members encounter any problems accessing the meeting.
- 25.4. Ahead of the AGM, hold rehearsals to test the technology that will be used to facilitate the meeting and confirm that the Chair is comfortable with it. Also conduct a number of test scenarios with the Chair, the CEO and other board members and staff participating as members.

- 25.5. Backup plans need to be in place in case the technology supporting the AGM fails, for example as a result of widespread network outages. Alternative chair's script/AGM procedures should be prepared to communicate if required. Include in the communications with your members your plan B in the event something happens with the technology during the meeting.
- 25.6. For a virtual AGM, the Notice of Meeting will need to clearly state that the meeting will be held online and that there will be no physical meeting.
- 25.7. Encourage proxy voting for those members who will not attend the hybrid/virtual AGM. Also, encourage members not attending the hybrid/virtual AGM to send in questions.

### **At the Hybrid/Virtual AGM**

- 25.8. At least one hour prior to the meeting conduct a test of the presenter's login, microphones, images etc with important testing of connectivity.
- 25.9. Members are requested to login to the online platform at least 15 minutes before the scheduled start time for the meeting.
- 25.10. Directors to be available via video or telephone link to answer member questions and speak to their re-election where relevant.
- 25.11. It is important that the members are able to communicate during the meeting and ask questions/receive support on how to use the meeting technology.

### **The Role of the Chair at the Hybrid/Virtual AGM**

- 25.12. The role of the Chair is even more important at a hybrid or virtual AGM. The Chair and the Board should hold a preliminary briefing session to rework standard procedures, manage expectations and test scripts.
- 25.13. Procedures should be agreed in advance with the Chair on
  - how questions will be monitored, moderated and answered using the chosen technology;
  - how online voting will be conducted, and final results shared;
  - how presentation slides need to be framed and timed in order to keep a virtual attendees engaged;
  - how to transfer the skill of 'reading' (gauging) the room where you can see people's faces, to a hybrid/virtual environment that may not give similar face-to-face interaction.
- 25.14. A moderator should be appointed to assist the Chair in answering on-line member questions and to provide technical support.

### **Quorum requirements**

- 25.15. For those members participating in the virtual or hybrid meeting they will be taken, for all purposes, to be present at the meeting while participating. This means physical attendance for things like achieving a quorum may be met using technology.

## Appointing proxies

- 25.16. A proxy may be appointed using one or more technologies specified in the notice of the meeting.

## Voting and conducting a poll

- 25.17. A vote taken at the meeting can be taken on a poll or on a show of hands, by using one or more technologies to give each person entitled to vote the opportunity to participate in the vote in real time.
- 25.18. The chair must carefully explain the procedure to be followed and how the voting process will work for physical and virtual participants. The chair should appoint a person to be responsible for scrutineering and counting of votes.
- 25.19. For the virtual participants, the voting process must allow for the verification of the voter, designate the capacity in which the voter is voting and the number of votes represented.
- 25.20. Due to the challenges of verifying and tallying votes on some of the popular online platforms, we recommend organisations look into using specialised voting platforms or service providers.

## 26. DIRECT VOTING

- 26.1. Direct votes are where the member has exercised their vote by paper or electronically before the General Meeting if this is permitted by the constitution. Many constitutions give the Board the power to determine if direct voting is to be offered.
- 26.2. If direct voting is allowed under the constitution, then it should also clarify how double voting can be avoided if the vote is also taken at the General Meeting.

## 27. ATTENDANCE AT AGMs

- 27.1. The strict and formal nature of AGMs mean that they are not particularly appealing meetings, although they are crucial to the governance processes of an association.
- 27.2. Therefore, it is common for associations to report that their physical or proxy attendance at an AGM is poor. Whilst having high attendance at an AGM is positive, poor attendance should not necessarily indicate low engagement or member dissatisfaction.
- 27.3. In some instances, high attendance is an indication of dissatisfaction as AGMs are seen as an opportunity to change the constitution or the current Board.
- 27.4. Ways to increase positive attendance at an AGM include having a subsequent members' open forum, holding the AGM at the annual conference or connecting it to an appealing social gathering or prominent speaker function.

## 28. VOTE OF THANKS

- 28.1. The AGM provides a forum for formally thanking those individuals or stakeholders publicly for their contribution or to welcome new office-bearers or staff to the association.
- 28.2. The Chair may take the opportunity to:
- a) Introduce newly elected or appointed Board or Committee members;
  - b) Thank departing board or staff colleagues;
  - c) Acknowledge the bestowing of any life membership(s);
  - d) Acknowledge the appointment and acceptance of a new patron;
  - e) Thank the Board for their work, continuing commitment and support to the Chair;
  - f) Thank the staff of the association for their work and contributions.

## 29. CLOSING THE GENERAL MEETING

- 29.1. The General Meeting cannot close until it has dealt with all matters on the Notice of Meeting, although the General Meeting may be adjourned to a later time or later date and time.
- 29.2. In closing, the Chair should advise that all matters have been dealt with, invite any further comment or question but not introduce items not on the Notice of Meeting, remind the General Meeting of any subsequent events planned, then formally close the General Meeting at a specific time.
- 29.3. The Chair's closing remarks are commonly a cue for someone to move a vote of thanks to the Board, which will often have been arranged in advance.

## 30. DISCLAIMER AND FURTHER INFORMATION

*This is practical advice based on Associations Forum's work with associations and charities.*

*These guidelines do not constitute legal advice and are not intended to be a substitute for legal advice. You should seek specialist advice in relation to any particular matters you or your organisation may have.*

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*For assistance with AGM and governance matters, please contact Associations Forum on +61 2 9904 8200 or [info@associations.net.au](mailto:info@associations.net.au)*

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V.June2023