

## Insights

# UK COVID-19: EXTENSION FOR HOLDING AGMS

25 September 2020

## SUMMARY

The UK Government has announced that it is extending, until 30 December 2020, the provisions which allow companies to hold AGMs and other general meetings safely.

The Corporate Insolvency and Governance Act 2020 (the 'Act') allows (but does not require) companies to hold fully or partially virtual meetings (with attendance and voting occurring electronically), without any requirement for a physical location for the meeting. These provisions are currently due to expire on 30 September 2020.

In order to mitigate the effects of the continuing coronavirus pandemic, the UK Government has now extended this period until 30 December 2020.

If companies do intend to use the flexibilities under the Act they are encouraged to consider the [Best Practice Guidance for AGMs](#), issued by BEIS and the FRC, which encourage companies to engage with members and make use of conference calls, video calls, and email questions etc. As a minimum, it recommends that companies:

- issue communications in a timely fashion to ensure members can consider the matters to be voted on;
- ensure that clarity is given on proxy voting;
- explain the procedure for both the meeting and any communications prior to the meeting;
- give all members the opportunity to both ask questions and receive responses to those questions prior to voting either at a real time on-line meeting or via proxy;
- make answers to any questions raised available to all both in the meeting and in written form following the meeting. This could be in real-time in the case of virtual meetings; and
- offer a physical meeting to all shareholders once government restrictions are lifted.

## RELATED PRACTICE AREAS

- Securities & Corporate Governance
- M&A & Corporate Finance

## MEET THE TEAM



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