

# Alternative Arrangements for Companies' General Meetings

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COVID-19 RESOURCES

As a result of COVID-19 and the prescribed "circuit breaker" measures by the government on gathering and social distancing, general meetings requiring personal attendance cannot be conducted during this "circuit breaker" period.

We had previously written about the COVID-19 (Temporary Measures Act) and its provisions for the Minister of Law to prescribe alternative arrangements for, among others, the holding of general meetings during this "circuit breaker" period.

The COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (Order) was published in the *Gazette* on 13 April and is deemed to come into effect on 27 March 2020. The Order prescribes the alternative arrangements to personal attendance at general meetings of companies during the period of **27 March 2020 to 4 May 2020** (both dates inclusive) (Control Period).

In addition, the Accounting and Corporate Regulatory Authority (ACRA), the Monetary Authority of Singapore (MAS) and Singapore Exchange Regulation (SGX RegCo) have released a joint statement on 13 April 2020 (Statement) to guide companies on the conduct of general meetings during this period.

These alternative arrangements apply to the following companies:

- (A) Companies where the date for the general meeting falls within the Control Period (regardless on when notice is/was given); and
- (B) Companies that serve the notice for general meeting during the Control Period and the date for the general meeting falls within 30 days after the Control Period.

A summary of the various alternative arrangements in relation to the holding of general meetings of companies, based on the guidance given in the Order and the Statement, is set out in the table below.

Subject	Alternative arrangement
<p><b>1. The convening, holding or conducting of a general meeting of a company</b></p>	<p>A meeting of a company may be convened, held or conducted <b>by electronic means</b>.</p> <p>In the case of a listed company, the company must publish the minutes of the meeting on SGXNET and the website of the listed company (if available) within <b>one month</b> after the date of the meeting.</p> <p>Companies if conducting general meetings through electronic means, should do so at no cost to the shareholders and members.</p>
<p><b>2. Attendance at a general meeting of a company</b></p>	<p>A company may provide that a member or person may only attend a meeting <b>by observing and listening to the proceedings of the meeting by electronic means</b>.</p> <p>Attending by electronic means can be achieved by providing the member or person access to <b>both</b> audio broadcast and audio-visual broadcast. In addition, companies must also provide for contemporaneous observation of the meeting proceedings by audio only means. (e.g a telephone number).</p> <p>Directors and auditors of companies may also attend and be heard at general meetings through electronic means.</p>
<p><b>3. The right or entitlement to be heard or to require representations to be read at a general meeting of a company</b></p>	<p>A company may provide that a member or person may only be heard at a meeting by electronic means in the manner provided in item 4.</p> <p>A representation may be read out at a meeting by electronic means.</p>
<p><b>4. The right or entitlement to speak on a resolution at a general meeting of a company</b></p>	<p>A company may require that a member or person send to the chairman of the meeting the matters which the member or person wishes to raise at the meeting by post or electronic mail prior to the meeting.</p> <p>Each matter, if substantial and relevant, and sent within a reasonable time before the meeting, is to be responded to at or before the meeting by electronic means.</p>
<p><b>5. Quorum at a general meeting of a company</b></p>	<p>A quorum may be formed by <b>2 members of the company</b> (or one member if permitted by the legal instrument of the company) <b>personally or electronically present</b>.</p> <p>A member is electronically present at a meeting if the member —</p> <ul style="list-style-type: none"> <li>(a) attends the meeting by observing and listening to the proceedings via electronic means as prescribed;</li> <li>(b) is verified by the share registrar of the company as attending the meeting in such a manner; and</li> <li>(c) is acknowledged by electronic means by the chairman of the meeting as present at the meeting.</li> </ul>
<p><b>6. Voting at a general meeting of a company</b></p>	<p>A company may require a member to appoint the chairman of the meeting as the member's proxy to vote at the meeting.</p>

	<p>A member may not vote at the meeting otherwise than by way of appointing the chairman of the meeting as the member's proxy.</p> <p>Where a proxy is delivered by a member to the company <b>before 13 April 2020</b>, the company may treat the proxy instrument as appointing the chairman as the member's proxy to vote at the meeting, if (i) the member indicated how the member wished to vote on each such resolution; and (ii) the member has been given an opportunity to withdraw the appointment and has not withdrawn the appointment. This applies to adjourned or postponed meetings too, if the resolutions in that meeting at the same as that in the original meeting.</p> <p>CPF and SRS investors should be informed that if they wish to vote, they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven working days before the general meeting</p>
<p><b>7. The laying and production of documents at a general meeting of a listed company</b></p>	<p>A document required to be laid or produced before a general meeting of a listed company may be laid or produced by being —</p> <ul style="list-style-type: none"> <li>(a) published along with the notice of meeting; and</li> <li>(b) published at an online location, the address of which is sent with the notice of the meeting, or published on the website of the listed company.</li> </ul>
<p><b>8. Laying and production of documents at a general meeting of an unlisted company</b></p>	<p>A document required to be laid or produced before a general meeting of an unlisted company may be so laid or produced by being sent with the notice of the meeting or published online with its address included in the notice of the meeting.</p>
<p><b>9. Giving of notice of a general meeting of a company</b></p>	<p>A notice of a meeting may be sent by electronic means and —</p> <ul style="list-style-type: none"> <li>(a) must set out the date and time of commencement of the meeting;</li> <li>(b) must set out the resolutions to be proposed;</li> <li>(c) must describe the means by which the meeting can be electronically accessed (including the online location, if the meeting is held at an online location);</li> <li>(d) must set out how the chairman of the meeting may be appointed by a member entitled to vote at the meeting as the member's proxy to vote at the meeting. Shareholders must be allowed to submit proxy forms through electronic means (e.g. an email enclosing signed PDF copies of the proxy form), as an alternative to physical delivery of the instrument of proxy.</li> <li>(e) must state how a member may send to the chairman of the meeting the substantial and relevant matters which the member wishes to raise; and</li> <li>(f) may be accompanied by any other documents relevant to the meeting or instructions to members on how to access such documents.</li> </ul> <p>If the notice is sent electronically, the notice should be sent to all the members of the company to an email address notified by the members to the company,</p>

	and the notice should be published on the website of the company (if available).
<b>10. Where provisions are made for giving a notice of a general meeting of a listed company</b>	<p>A notice of a general meeting (including an adjourned or postponed meeting) of a listed company may be called by notice in writing of not less than 14 days, published on —</p> <p>(a) SGXNET; and</p> <p>(b) the website of the listed company (if available).</p> <p>However, this does not affect the period of notice required to pass a special resolution (i.e. not less than 21 days).</p>
<b>11. Rights of relevant intermediaries</b>	<p>Persons, who would have been able to be appointed as proxies by relevant intermediaries under Section 181(1C) of the CA, such as CPF and SRS investors, must be given the same extent of rights as shareholders or members.</p> <p>Such rights include the right to participate in the meeting through “live” webcast and submit questions prior to the meeting and have substantial and relevant questions answered.</p> <p>This would be applicable for companies with relevant intermediaries as its shareholders, being broadly, banks, funds, and the CPF board. If a person is appointed as a proxy by such relevant intermediaries (which may happen if, e.g. a bank holds shares in the company for such person’s benefit), they will be given the same extent of rights set out here.</p>

### **Time-limited exemptions for certain essential persons to gather to facilitate a meeting**

When holding meetings during this “circuit breaker” period, companies may require certain essential persons to be in the same physical location to facilitate the conduct of a ‘virtual’ meeting, such as the chairman of the meeting, chairman of the meeting, the CEO, the company secretary, a cameraman or other technical administrator, the share registrar or the scrutineer (as may be relevant for listed companies).

According to the Statement, the Ministry for Trade and Industry will grant an automatic time-limited exemption to permit temporary operations at the same physical location for the purposes of holding a general meeting, provided that the number of persons does not exceed 6, and safe distancing measures are complied with at the venue.

The company must notify the Ministry for Trade and Industry of the date, time and venue of the meeting, by submitting a notification for time-limited exemption, no later than one day before the conduct of the general meeting.

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**For More Information**

If you have any questions about this *Alert*, please contact Derrick Boo, Evan Teoh Ye Oon, any of the attorneys in our Singapore office or the attorney in the firm with whom you are in regular contact.

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