

Associations Forum's AGM Guide

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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.
- 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.
- 2.2. Based on restrictions on movement and large gatherings remaining in place for the foreseeable future, organisations are strongly encouraged to hold either:
 - 'virtual' meetings (a meeting where all members participate via online facilities)
 - where circumstances permit, 'hybrid' meetings (a small physical meeting linked with online facilities that allow remote participation).
- 2.3. For companies limited by guarantee, the Treasurer issued the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020 to temporarily allow virtual meetings until 21 March 2021. If your constitution allows you to use technology to run general meetings, you can conduct a virtual AGM.
- 2.4. Charities and incorporated associations should check their constitution and regulator websites to determine if a virtual AGM is allowed.
- 2.5. The key governance principle in this document 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.
- 2.6. Almost all associations must have an Annual General Meeting once per year, and occasionally Special General Meetings are held to consider matters of urgency that cannot be deferred till the AGM. The Board of Directors must report to the members on specific matters.
- 2.7. It is good governance for Directors to report to others. Hence associations that have only the Board as members are only reporting to themselves and have less than ideal governance.
- 2.8. As well as the relevant law, the key document regarding the governance of the association is its constitution, which can only be changed by a 75% or greater vote of members attending the General Meeting in person or by proxy. For a valid meeting to be held proper notice must be provided and a quorum of members must be achieved.

- 2.9. 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 and appointing the auditor.
- 2.10. The running of a General Meeting is significantly different to the running of a meeting of the Board of Directors.
- 2.11. 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 set out 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 he or she 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. 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.
- 4.4. A company limited by guarantee with 1 member only does not have to hold an AGM.

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. A member of a Company Limited by Guarantee may, by notice in writing to the Company elect to receive a hard copy or electronic copy of the following reports - financial reports, directors' reports and auditor's reports.
- 5.6. At least 21 clear days' notice of a General Meeting must be given except in certain circumstances.
- 5.7. The law allows the AGM to deal with the reports, electing Directors and appointing the auditor even if it is not included in the Notice of Meeting, but it is recommended that all matters to be considered be included in the Notice of Meeting.
- 5.8. 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.
- 5.9. 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.
- 5.10. The Directors Report, Directors Declaration, Auditors Report and Financial Statements are often included in an overall annual report.
- 5.11. Whilst they are 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 and other requirements.
- 5.12. Matters that can be addressed 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.
- 5.13. Subject to the constitution, members generally cannot propose resolutions relating to the management of the association.
- 5.14. 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.
- 5.15. The annual reports including financial reports & directors reports need only to be sent to members prior to the AGM if they have elected to receive them. This election needs to be provided in writing by the member (which could be done on the membership application form) and remains in place until such time as the member communicates in writing a change in election.

- 5.16. 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 hard copy, free of charge, to any member who requests it.

6. GENERAL MEETINGS CAN MENTION OTHER NON-SUBSTANTIVE MATTERS

- 6.1. The only substantive matters that can be addressed are those on the Notice of Meeting or the standard items allowed by the law.
- 6.2. The proceedings will normally 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 27).
- 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 General Meeting.
- 7.2. As the Notice of Meeting will state what motions are to be voted on, members filling in a proxy form can direct their proxy to vote in a certain way on each motion. 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 physically 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.

- 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 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.
- 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 need to be notified to ASIC.

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 paper 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 association Directors should be seated in the front rows, in the event the Chair directs a question to them in the course of the meeting.
- 11.2. Have a process in place to register attendees. Ready on-line 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 bona-fide member [fully paid up] to be able to participate and vote in the meeting.
- 11.3. If not all attendees have a right to vote, have a process for identifying the voters, e.g. a coloured card or such needs to be issued to voters.
- 11.4. Have spare copies of the Notice of Meeting, reports, finances 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.
- 11.5. The Chair should review the schedule for the General Meeting including any planned activities prior to or following the General Meeting.
- 11.6. 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. As minutes should be signed by the Chair within a few weeks 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) 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 adopted unless required in 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' 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 support as a guide for future decision.

18. AMENDMENTS TO RESOLUTIONS

- 18.1. Resolutions at General Meetings are generally not changed but sometimes changes will be required, even with special resolutions. For example, spelling mistakes or changing a time period that does not change the essence of the meaning can be accepted and voted on as amendments. However, the scope for amendments of special resolutions is very limited.
- 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 hold and conclude their Director election process well before an AGM, with a clearly defined nomination process leaving the results to be reported at the AGM.

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 of 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.

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 (usually nominated as 7 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 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 ASIC consent letter is received from 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 despatched 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 and rarely to fix their remuneration.
- 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. The level of auditor 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 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 and mention 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 a physical location/s and online facilities. A 'virtual' AGM is conducted solely online.
- 24.2. Section 249S of Corporations Act allows a general meeting to be held at "2 or more venues using any technology that gives the members as a whole a reasonable opportunity to participate". Hybrid AGMs are considered permitted under the Corporations Act, subject to any restrictions in the constitution about meetings being held in this way.
- 24.3. The wording in s249S means that there is some doubt as to whether virtual AGMs are permitted under the Act. In response to the COVID-19 pandemic, temporary modifications were made to the Corporations Act¹. The temporary modifications apply until 21 March 2021 and allow virtual AGMs to be held.

¹ Corporations (Coronavirus Economic Response) Determination (No. 3) 2020

25. PREPARING FOR A 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 members.
- 25.2. The aim should be to hold a meeting that facilitates effective interaction between members and the board 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. Back up 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. 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 virtual AGM. Also, encourage members not attending the virtual AGM to send in questions.

At the 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 to be 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 on how to use the technology.

The Role of the Chair at the Virtual AGM

- 25.12. The role of the Chair is even more important at a virtual AGM. The Chair & 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 audience engaged;
- how to transfer the skill of 'reading' (gauging) the room where you can see people's faces, to a 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 must be taken on a poll, and not 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 and, where practicable, by recording their vote in advance of the meeting.²

25.18. The chair must carefully explain the procedure to be followed and how the electronic voting process will work if it is to be used. The chair should appoint a person to be responsible for scrutineering and counting of votes.

25.19. For the virtual member meeting, 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 free 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 and 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 the constitution should also clarify how double voting can be avoided if the vote is also taken at the General Meeting.

² Corporations (Coronavirus Economic Response) Determination (No. 3) 2020 – Part 2, s5(1)(c)

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 dissatisfaction by members.
- 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
 - d) Acknowledge the appointment and acceptance of a new patron
 - e) Thank the Board for their work, continuing commitment and support of the Chair
 - f) Thank the staff of the association for their work and contribution.

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. FOR FURTHER INFORMATION

For assistance with AGM and governance matters, please contact Kathy Nguyen, Manager Client Services, Associations Forum on +61 2 9904 8200 or kathy@associations.net.au.

31. DISCLAIMER AND FURTHER INFORMATION

This is practical advice based on Associations Forum's work with associations and charities. The contents of this AGM Guide do not constitute legal advice, are not intended to be a substitute for legal advice and should not be relied upon as such. You should seek specialist advice in relation to any particular matters you or your organisation may have.

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