

CORPORATE LAW

EXAM NOTES

CONVENE A MEETING

Member's Meetings (chp 8 and lecture 4)

- All public co's must hold an annual general meeting (AGM): s250N
- Other meetings are called extraordinary general meetings (EGMs)

Who can convene a meeting?

- s198A - generally, board of directors (in their powers)
- s249C - single director (RR) - s249CA (listed co by single director)
- s249D - board of directors when requisitioned by members with either 5%+ votes or 100 members
- s249E - if director do not call meeting, shareholders can then hold their own meeting
 - Whereby directors/co have to reimburse for shareholder expenses (director have to pay co)
- s249F - member (directly convene) with at least 5% of votes - incur expenses themselves
- s249G - court

Meeting held for proper purpose

- s249Q - overriding requirement that meetings of members must be held for proper purpose
 - Something members entitled to vote on (*NRMA v Parker*)
 - Motive irrelevant (*NRMA v Scandrett*)
 - Members cannot, by ordinary resolution, substitute their judgement for that of directors (*Automatic Self-Cleansing Filter Syndicate Co Ltd v Cunningham; John Shaw & Sons (Salford) Ltd v Shaw*)
 - Directors, within their management powers, may take decisions against the will of the majority shareholders and the majority shareholders cannot control the exercise of these powers while they remain in office (*Howard Smith Ltd v Ampol Petroleum Ltd*)

Agenda

- Only matters that have been included in the notice of meeting can be considered at the meeting
- The directors determine the agenda when they are calling a meeting
- Members can request the inclusion of resolutions to be put to the members at next meeting: s249N
- Co must send out notice of member resolutions, statements - ss 249O 249P

Notice Requirements

- s249J - notice must be given to each director and shareholder individually; and auditor - s249K