

The **Covid-19 Act** has made temporary amendments to the Companies Act 2014 ("CA2014") for an interim period, due to end on 31 December 2020, unless extended by way of Government Order thereafter. The Covid-19 Act has been introduced to provide assistance to Companies in complying with their obligations under the CA2014 whilst operating within Government Health guidance.

## WHAT CHANGES HAS THE COVID 19 ACT MADE?

### AGMS

Regardless of the current provisions of the CA2014 and/or a Company's Constitution:

- a Company has until the **31 DECEMBER 2020** to hold their AGM;
- a Company is permitted to convene and hold AGMs by Electronic means (either wholly or partly);
- the AGM may be held more than 9 months later than the company's financial year end; and
- each member/proxy participating by the use of electronic means shall be counted in the Quorum of the meeting.

**NOTICE OF AGM** to be held virtually must specify:

- a) the method by which the attendees participate (e.g. Webex/ Zoom);
- b) details for access to the electronic platform (e.g. software required, log on details etc.);
- c) the time and manner by which an attendee must confirm his her/her intention to attend the AGM;
- d) any requirements or restrictions which the company has put in place in order to identify attendees who intend to attend the AGM;
- e) the procedure for attendees to communicate questions/ comments during the AGM; and
- f) the procedure to be adopted for voting on resolutions proposed to be passed at the AGM (i.e. show of hands).

### FLEXIBILITY TO CHANGE AGM

Up to the day prior to the day of an AGM, where the directors of a Company deem so necessary in order to comply with the Government's public health guidance or restrictions of movement are permitted to postpone; change the venue of; change the means of holding; or cancel the AGM.

Except where all members agree in writing to the cancellation, change of venue or means of holding the meeting or to dispensing with Notice of a rescheduled AGM, Notice shall be given in the same way as the meeting was first notified to members. Where that is not reasonably practical, notice shall be given:

- (i) on the website of the company if the company has one;
- (ii) by email to all members for whom the company has email addresses; and
- (iii) in a national newspaper.

### DIVIDEND RESOLUTIONS

Where Directors form the opinion that due to "actual or perceived consequences of Covid-19 on the affairs of the Company" the dividend should be cancelled or reduced they may, no later than 3 days before the AGM and with Shareholder approval in writing, withdraw the resolution to approve the dividend; or propose an amendment to the resolution to provide a reduced dividend. The Notice of any such withdrawal or amendment must include the background to the formation of that opinion.



**Other amendments introduced by the Covid-19 Act for the interim period are:**

### COMPANY SEAL

Documents to be executed under Company Seal can be done so in counterpart.

### DEBT THRESHOLD FOR WINDING-UP APPLICATIONS

The debt threshold for the commencement of a winding up by the Court has been increased. For the interim period the amount at which a statutory demand can be issued (by one or more creditors) has been increased from €10/20k to €50k.

### CREDITORS' MEETINGS

Creditors' Meetings can be held virtually provided all those entitled to attend have reasonable opportunity to participate.

### EXAMINERSHIP PROCESS

In exceptional circumstances and where the Court so approves, an Examiner can be granted an extension to the period of protection by the Court from Creditors to a total of 150 days. Exceptional circumstances include (but are not limited to) the nature and potential impact of Covid-19 on Companies.

**If you have any queries in relation to the Covid-19 Act or your Company's Annual General Meeting please contact us on 00353 (0)91 704818**