



## MEMO

To: Board of Directors  
From: Company Secretary  
Subject: **ADJOURNMENT OF MEETINGS**

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A board or general meeting at which the business on the agenda is not – or cannot – be concluded may be adjourned to another time, date or place.

Obviously, an adjournment is subject to certain conditions, qualifications or rules depending primarily on the Company's Constitution.

In particular, a meeting may be adjourned:

- by resolution of the meeting
- where a meeting becomes inquorate during proceedings, or for other procedural reasons
- by the Chairman if, for example:
  - for proper purpose\* (eg, to ensure meeting participants have adequate information to decide on a matter); or
  - necessary to maintain order\*; or
  - empowered by the Constitution.

\*whilst at common law a Chairman has no right to adjourn a meeting, he is generally regarded as having an inherent power to adjourn in circumstances such as these.

Under the Corporations Act no formal notice of the adjourned meeting is required. However, if a company is governed by the Replaceable Rules, the Act does provide that, for general meetings, a new notice must be sent if the adjournment is for one month or more [sec. 249M]. A Constitution may also deal with such matters.

The basic principle is that the (two) parts of the meeting actually comprise the one meeting. Therefore, the only business that may be conducted at the resumption is that left unfinished when the meeting was adjourned. This is also a RR [sec. 249W(2)] for general meetings.

In this regard, normally any proxy votes received for a general meeting (in due time prior to the original commencement of the meeting) would carry over to the adjourned meeting. However, in some circumstances, such as where additional information is sent to shareholders for the adjourned part of the meeting, it may be prudent to give shareholders the opportunity to revise their proxy votes (or withdraw proxies or send them in if not previously submitted) – although any unaltered proxy votes would stand.



Also, only one set of minutes is prepared for the complete meeting. The resolution or declaration that brings about the adjournment should be recorded.

While the minutes are a continuous record of the whole meeting, the proceedings of each session would ideally be in separate parts repeating (or re-stating, particularly if changed) the names of the Chairman, those present and the place, date and times of the adjourned and re-convened sessions.

Importantly, a resolution passed at the resumed meeting is passed that day [sec. 249W(1)]; ie, it is not taken to be passed as at the date the meeting originally began.

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**DISCLAIMER**

*The comments in this memo reflect some commercial aspects and observations on the matter experienced or observed by the writer in practice as he understands them. The information is given as a guide only and does not represent a definitive or legal view of any of the issues raised, covered or referred to and the reader is urged to seek his own professional advice on all aspects of, or pertaining to, this and any related matter.*