



MEMO

To: Board of Directors
From: Company Secretary
Subject: **SHAREHOLDERS' ACCESS TO GENERAL MEETING MINUTES**

I understand a shareholder, Mr Jack O, has asked for a copy of the minutes of our last Annual General Meeting.

Sections 251A(1)(a) & (2) of the Corporations Act require that a company must keep minute books in which it records, within 1 month, proceedings¹ and resolutions² of meetings of the company's members [shareholders] and the company must ensure that minutes of a meeting are signed 'within a reasonable time' after the meeting bythe chair of that meeting or the chair of the next meeting.

The minute books must be kept at either the company's registered office, its principal place of business [provided it is within Australia] or at any other place [within Australia] as approved by ASIC – s.251A(5).

Shareholder Access to Minutes

Under s.251B all companies must ensure that the minute books containing minutes of shareholders' meetings are open for inspection by shareholders free of charge. Such inspection may be restricted [by the company] to where the minutes books are kept (as per s.251A(5) above).

In addition, that section provides that:

- a shareholder [of that company] may ask the company in writing for a copy of the minutes of a shareholders' meeting – or an extract of those minutes. Note: there is no provision for responding to a verbal request – that is up to the company but they can demand a written request if they want such before providing the copy
- the company may request payment for a copy of the minutes and must send out those minutes within 14 days of receipt of payment. Note: the amount of any payment cannot exceed 50¢ for each page – Corporations Regulations Schedule 4
- if the company does not require payment, the minutes must be sent out within 14 days of the request.

Therefore, subject to Mr O complying with the above, or such lesser requirement as the board allows, he must be provided with a copy of the AGM minutes – but I



suggest you ensure that the copy he gets is the signed minutes only. Also, as Mr O is not actually a shareholder – it's his private company (of which he's a director/shareholder) – then if you're not getting a written request [for the copy] from the actual shareholder (his private company – on company letterhead) then, in my opinion, you should at least send the copy of the minutes out with a covering letter addressed to the shareholder (i.e., Mr O's private company) so that it appears, on the record, that you have sent them to the shareholder.

With regard to my comment about sending out only signed minutes, I suggest this to provide *prima facie* 'evidence' that this is a true and correct record of the proceedings and resolutions of the meeting (as signed by the chairman of that meeting) so that the shareholder is not in a position to dispute their correctness.

Note: may be defined as –

¹ a series of related events occurring at one time or in one place

² a formal expression of the consensus at a meeting, arrived at after discussion and usually as the result of a vote

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.