

Electronic Meeting Notices and Virtual Meetings

Recently enacted legislation, the *Corporations Amendment (Meetings and Documents) Act 2022*, permanently enables clubs to send meeting notices electronically and hold virtual or hybrid general meetings.

This guide details what the new laws mean for clubs.

Sending meeting notices electronically

Before the pandemic, clubs were required to send hard copy meeting notices to a member's physical address, unless the member explicitly consented to receiving the notice electronically.

The new legislation enables clubs to send meeting notices to members electronically as a default option. This means that clubs may send members a meeting notice for an AGM or other members' meeting (i.e. EGM) even if a member has not elected or consented to receive the notice electronically.

What does sending a notice electronically mean?

Sending a meeting notice electronically includes a variety of different options:

- Sending a soft copy of a meeting notice (e.g. PDF) to a member's electronic address (e.g. email address)
- Sending a hyperlink for the meeting notice to a member's electronic address (e.g. email address or mobile number)
- Sending a hard-copy document, such as a postcard, to a member's residential address which includes instructions on how to access the meeting notice (e.g. advising the member that the notice is available on the club's website).

Do members have to elect to receive meeting notices electronically?

No. If a club holds a member's email address or mobile number, the club may send the notice using this address even if the member has not opted or consented to their electronic address being used for this purpose.

Can members elect to receive hard copies?

Members may continue to receive hard copy meeting notices by mail, if they wish.

However, the member must first notify the club that they elect to receive their meeting notice by mail.

Members may also elect to receive a notice at an electronic address. Clubs must send a member a notice in line with their preference if they make the election at least 30 days before the notice is sent.

If a member has not elected anything, the club may choose to send the member a meeting notice electronically or by hard copy.

When does the new legislation apply?

The new rules begin from Friday, 1 April 2022. This means that a club may send AGM notices electronically, per the new rules, from this date.

Where a club member has elected to receive a notice by hard copy, or electronically, before 1 April 2022, the club must still observe the member's election.

Do clubs need to tell members they can opt to receive hard copy meeting notices?

Yes. In each of the club's financial years, the club must notify members that they may elect to receive meeting notices by hard copy or electronically. This means that clubs whose financial year ends on 30 June must notify members by 30 June 2022.

Clubs may send this notice to members once per financial year. Alternatively, clubs may display the notice on their website.

ClubsNSW is preparing a pro-forma notice for clubs to display on their website or send members. ClubsNSW will distribute this information to member clubs in due course.

Holding virtual or hybrid meetings

Before the pandemic, clubs were limited to holding members' meetings (e.g. AGMs) at a physical location.

The new legislation empowers clubs to hold a hybrid members' meeting regardless of any restrictions in the club's constitution. A hybrid meeting includes a meeting that is held at a physical location, but where members may access the meeting remotely.

The new legislation also empowers clubs to hold wholly virtual members' meetings. While the legislation only permits wholly virtual meetings if permitted by the constitution, section 30C of the *Registered Clubs Act* states that the club constitution is deemed to permit virtual meetings.

How can members vote in a virtual or hybrid meeting?

The legislation gives members a right to vote in real time. Thus, the club will need to facilitate voting whilst hosting the meeting via electronic means.

The legislation does not limit the voting options for members.

This means that if a voting option is available in a wholly physical meeting (e.g. show of hands), this

voting option is also available in a hybrid or virtual meeting.

The club's constitution will determine voting procedures and forms.

How can members be given a reasonable opportunity to participate?

By law, clubs must give their members a reasonable opportunity to participate in AGMs and other members' meetings.

Where a meeting is held virtually, clubs must ensure that the technology gives members an opportunity to:

- Vote in real time,
- Ask questions through a chat function
- Ask questions orally.

Giving members a reasonable opportunity to participate may also include the ability to observe the directors, thereby requiring videoconferencing technology, rather than just audio-only technology.

When does the legislation apply?

These laws apply to members' meetings held on or after 1 April 2022.