

## Company meetings - the virtues of virtual?

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It's hard to beat a face to face meeting as a means of conveying and receiving information and nuance. Although it has been legally and technically possible to hold meetings by audio, audio and visual, or electronic communication for some time, most companies have preferred the gold standard of face to face meetings.

With ongoing lockdowns this year and the continuing uncertainty around meeting planning and logistics has prompted a number of companies to revisit their position on virtual meetings. Generally speaking, people are much more conversant with virtual meeting platforms like Zoom or Teams and virtual meeting services like Link Market Services' Virtual Meetings. In addition, the technology itself (or our ability to operate it) seems to have improved significantly.

There are a few things that companies should consider before selecting virtual mode:

- Firstly, is it appropriate to run the meeting virtually? Difficult meetings or ones where extensive two way and nuance communications are likely to be required are almost always better face to face if at all possible. However, other than this, most online meeting platforms provide a full range of useful meeting functionality such as attendance registers, recording, ability to submit questions and online polling.
- Secondly, is it legally possible to hold a virtual meeting? The shareholder and director meeting provisions in schedules 1 and 3 of the Companies Act permit meetings by means of:
  - *audio, audio and visual, or electronic communication in the case of shareholder meetings;* and
  - *audio, or audio and visual, communication **by which all directors participating and constituting a quorum can simultaneously hear each other throughout the meeting** in the case of board meetings.*

As the bolded text highlights, the Companies Act requires a means of two-way communication in the case of board meetings. There is no such requirement for meetings of shareholders. However, schedules 1 and 3 are only the default provisions and are subject to anything a company's constitution says on the matter.

If, after having considered these matters, a company decides to proceed with a virtual meeting, it can then tackle the practical and technical matters required to stage the meeting. As with a face to face meeting, preparation and sound logistics will be important. It is usually desirable to rehearse and check that the appropriate meeting settings are in place before going live. The meeting agenda could include instructions on matters such as voting procedure and related tips and tricks of a virtual meeting. It is also important that the chair of the meeting is well prepared for any procedural and technical contingencies. Ideally, the chair will have a technical support person to run that aspect of the meeting so the chair can focus on the meeting content and procedure.

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