



EXTRAORDINARY OR SPECIAL MEETINGS

Reviewed May 2011

Limited Company

Sooner or later most secretaries will have to face up to an Extraordinary or Special Meeting at their club. If the meeting is called by the committee to either change the rules or for some other major reason then generally the drawing up of the Resolutions of Proposals are done by the club's solicitors. The secretary will be responsible for sending out the notices and other matters concerning the meeting. The problems usually arise when a group of members decide to call a meeting under the rules and the resolution drawn up leaves much to be desired.

The procedure if the club is a limited company whether with shares or by guarantee is set out in the Companies Act 1985. Sections 369, 370, and 378 define the procedure to call the meeting by the Directors and Section 368 by Members of the company.

Meeting called by the Board of Directors

If the meeting is called by the Board of Directors then the following procedures should be adopted:

- a) The Board of Directors should meet and resolve to convene an Extraordinary General Meeting and authorise the secretary to issue a notice convening the member, stating the date, time and place of the meeting.
- b) A notice should be issued to the members allowing fourteen days' clear notice where the meeting is to consider an Ordinary Resolution, and twenty-one days' clear notice where the meeting is to consider a Special or Extraordinary Resolution.

Note: The meeting can be held with shorter notice if 95% of the members entitled to attend and vote agree.

If the resolutions are approved copies must be sent for filing with the Registrar of Companies within 15 days.

Meeting called by the Members

The procedure for members to call such a meeting is set out in the Articles of Association and Rules of the Club. In the event of a company with share capital then a member or members with not less than 10% of the paid-up share capital and carrying the right to vote may requisition a meeting of the members. In the case of a company limited by guarantee it will state in the

Articles the number of members required to call a meeting and those stated must carry the right to vote.

The procedures are as follows:

- a) A letter of Requisition and the text of the desired resolution must be sent to the company's Registered Office.
- b) The directors must convene the meeting within 21 days of receipt.
- c) If the directors fail to convene a meeting within 21 days the members requesting the meeting may convene a meeting themselves for a date not more than three months hereafter.
- d) The directors are deemed not to have duly convened the meeting if convened for a date more than 28 days after the date of the notice.

Note: The procedures for calling for the removal of a club director or the auditor are different to those shown above.

Unincorporated Club

The situation for calling an Extraordinary or Special Meeting in the case of an Unincorporated club can vary according to the club rules but certain procedures are necessary. Under Schedule 7 of the Licensing Act it requires the rules of the club to make a provision for calling additional general meetings by the committee or by the members. The rules of the club will specify the number of members required to be capable of summoning a general meeting at any time with reasonable notice. A meeting called in this way, by either the committee or the members, is generally referred to as a "Special Meeting", although they are in fact merely general meetings of the club with no special importance. However, invariably the meeting is called to discuss matters vital to the club like changes in the rules that the actual resolution requires to be a "special" resolution with the extra majority that will be required to pass it.

By the same token the word "extraordinary" to describe the meeting gives it no legal status, it is merely another general meeting. Again if the meeting is being called by the committee then it is advisable to consult the club solicitor in drawing up the necessary resolutions or proposals. Study the club rules carefully and make certain you follow them to the letter. Make sure you send out any notices within the timescale demanded by the club rules, it is better that they go out a few days in advance rather than left to the last minute. If possible get a certificate of posting so that you have proof of the postage date.

A meeting called under the rules by a group of members can invariably cause problems, often the resolution or matter to be discussed is badly worded and it is best to talk to the leader or spokesman and if necessary suggest that the club solicitor draws up the notice for the meeting in a correct way. It is the duty of the committee to call a meeting as soon as possible but they are not under the same obligation as in the case of the club being a limited company. Committees often regard the decision by a group of members to call a meeting as almost questioning their manhood resulting in a negative response being taken. There is of course nothing to prevent the committee from proposing an amendment to any proposal or resolution the members have put

up, and skilfully done this can have the exact opposite effect to the original resolution or proposal. But again it is usually best to have any amendment drawn up by a solicitor.

Summary

1. Study the rules carefully and follow the correct procedure. Never take anything for granted whether you are told by committee members or others, look it up yourself and take advice as necessary.
2. Leave all the legal side to a solicitor.
3. If you suspect a group of members are going to call a meeting on a subject try to get the committee to call one themselves. It is far better for the committee to call one on their terms rather than on others.
4. Always check that on any notice from members requesting a meeting, there are sufficient signatures and that they are all entitled to attend a meeting and vote.
5. Try and talk informally to the spokesman for the signatories and see if you can suggest the club solicitor drafts the notice of the meeting including the matter to be discussed.
6. Talk it over with the legal officer prior to a meeting of the committee to see if an amendment can be drawn up.
7. Keep the spokesman for the meeting informed of progress, it is better to keep them satisfied than to give them the impression that the committee is trying to wriggle out of it.
8. Sometimes an unofficial meeting with representatives of the members, with the club chairman and perhaps yourself and the treasurer can help mend bridges.
9. If the meeting is likely to be well attended then it may be necessary to find a venue other than the golf club, perhaps a large hall nearby.
10. Make sure you have a good public address system for the meeting if the attendance is likely to be large.
11. Make sure you have plenty of helpers for the meeting, it is usually better not to have committee members helping you, ex-committee members and club members of long standing are usually the best in these circumstances.
12. If voting slips are given out ensure they are only given to members entitled to vote. You will need to have a printed list of members so that they can be crossed off when signing in. If voting by Proxy is allowed within the rules then you must make certain any Proxy votes cast conform to the club rules and these are given to the tellers.
13. As members usually arrive late you will have to make sure the chairman is aware that if they are still waiting to sign in it is better to delay the start of the meeting until everybody is seated.
14. Arrange for someone to take the minutes of the meeting for you or have them tape recorded, but remember to have someone in charge of this in case the tape runs out.
15. Never appoint any tellers yourself to count any voting slips, it is far better to have them appointed by the meeting and always include some from the other side. Make out a form for the tellers to put the votes cast for or against on and make sure they all sign it.

16. It goes without saying that you must brief the chairman fully for the meeting, it is usually best to give him a detailed agenda to follow. Remember to see that the chairman is fully conversant with the rules with regards to voting, whether he has a casting vote in the case of a tie, what majority is required to pass any resolution or proposal, and how to proceed with an amendment and any other rules concerning the meeting.
17. It is generally best to have the club solicitor present at the meeting but make sure he is well briefed on the club rules.
18. If the meeting gets out of hand make sure the chairman knows the procedure for adjourning it.
19. Finally if all else fails then pray for a power cut!

Remember good preparation is the key to a satisfactory meeting.

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