

Company Resolutions

Coffee Break Briefing - 10 November 2025

Malcolm Niekirk

Shareholder resolutions



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Company constitutional law

- Companies Act 2006
- Articles of association
 - Model articles
 - Table A
- Shareholders' agreements
- Investors' agreements

Written resolutions

The same effect as a resolution passed at a G&A



Meetings



Sole members





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Take advice if there
is a conflict!

All companies have:

- Directors
- Members (aka
 - Shareholders
 - Contributories)



Directors

- Agents of the company
- Power to delegate
- Management of the company
 - May be hands-on
 - May be supervisory
- Collective decisions by the board



Members

- Owners of the company
- Financial contributors
- Constitutional decision makers
 - *Don't make management decisions*



The general meeting is their forum

On the board, the chairman represents them

Their collective interest is the (solvent) company's interest

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Shareholder resolutions



Examples of some shareholder resolutions:

- Putting the company into voluntary liquidation
- Appointing voluntary liquidators
- Appointing administrators
 - (The board can also do this)
- Changing terms in the articles of association
- Changing the company's name
 - (The articles may allow other ways of doing this)
- Approving distributions in specie
 - (The articles may already allow this)
- Approving directors' long-term service contracts (ss188-189)
- Approving loans (etc) to directors (s197, and others)
- Approving loss of office payments to directors (s217)
- Approving substantial property transactions with directors (s190)

Types of resolution

- Ordinary resolutions
 - Pass by a simple majority
- Special resolutions
 - Pass by a 75% majority
 - Any resolution can be proposed as a special resolution
 - Some resolutions can only be passed as special resolutions

Most resolutions
(special or ordinary)
need 14 days notice

Obsolete types of resolution

(AI may try to tell you about them; some old companies' articles may refer to them)



- *Extraordinary resolutions*

- 75%
- *But shorter notice than a special resolution*



- *Elective resolutions*

- *Minor deregulatory issues*

Special resolutions

These can only be passed as special resolutions:

(Examples only; not a full list!)

- Company name change (s77(1))
 - (But articles may allow other methods)
- Changing terms in the articles of association (s21(1))
- Purchase of the company's own shares (s716(1))
- Reducing the company's share capital (s641(1))

These can only be passed as special resolutions:

(Examples only; not a full list!)

- Company name change (s77(1))
 - (But articles may allow other methods)
- Changing terms in the articles of association (s21(1))
- Purchase of the company's own shares (s716(1))
- Reducing the company's share capital (s641(1))
- Re-registration (eg, as a plc) (s90(1) / s97(1) / s105(1))
- Welsh companies moving (Wales \Leftrightarrow England & Wales) (s88(3))
- Putting the company into voluntary liquidation (s84(1)(b) IA'86)

Special notice

These resolutions need special notice (28 days, not 14)

They can't be passed as written resolutions

- Removing a director from office (s168)
- Removing an auditor (ss510-511)
- Replacing an auditor (s515)



**Shareholder
resolutions**

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Meetings



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Meetings



It's the board's job to call meetings of members

Companies may have an annual general meeting

Companies may call other general meetings



It's the board's job to call meetings of members

Companies may have an annual general meeting

Companies may call other general meetings



Shareholders can force a general meeting

- 5% of members can call for a GM
- The directors have to call it within 21 days
 - And if it's set for more than 28 days after the members' notice, they're in default
- The members can call the GM themselves if the directors default
 - The GM called by the members must be within three months after their own first notice
 - The company reimburses the members' expenses
 - And takes them from the defaulting directors remuneration

Giving notice of a general meeting

14 clear days notice* to:

- **Members**
- **Directors**
- **Auditor** (if any)

(Check the articles!)

*unless it must be special notice



Include:

- A proxy form
- Information about appointing a proxy

Corporations can appoint authorised representatives instead of a proxy

- Then the corporation is treated as present in person (not by proxy)
- It could be elected to chair the meeting
- It does not need to give advance notice that it will attend

Giving notice of a general meeting

14 clear days notice* to:

- **Members**
- **Directors**
- **Auditor (if any)**

(Check the articles!)

***unless it must be special notice**



Members

The register of members is definitive



ECCTA will standardise
the contents of
registers of members

**Most companies
don't have one.**

**Get a written
representation and
warranty from the
instructing directors**



Notices are deemed delivered after 48 hours.

- Whether sent by post (in the UK) or email.
- Don't count non-working days.

Check the articles!

- (They might say something different)

The general principle behind electronic communications is consent.

- Use email if the recipient is OK with it

s1147

Giving notice of a general meeting

14 clear days notice* to:

- **Members**
- **Directors**
- **Auditor** (if any)

(Check the articles!)

***unless it must be special notice**

Short notice (less than 14 clear days)



In some cases, the 90% may be increased to 95%:

- Some articles say 95%
- Table A (with 95% in) is still be used by some older companies

• Majority in number

• + at least 90%

voting rights

s307(4)-(6)

• (Auditor's consent not needed)

s307 &
s505(2)

Giving notice of a general meeting

14 clear days notice* to:

- **Members**
- **Directors**
- **Auditor (if any)**

(Check the articles!)

***unless it must be special notice**

Running a general meeting

First, appoint a chair.
Make sure the meeting is quorate.
Then deal with the resolutions.

Some older companies
still give the chair a
casting vote

Virtual (and hybrid) meetings
are allowed (model articles).

It's for the directors to decide
how to run them.

Meetings



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Companies may have an annual general meeting

Companies may call other general meetings



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Written resolutions

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as a resolution
passed at a GM

s281(1)(a)



It is for the board to circulate the resolution

Shareholders can force a resolution



**Procedural
irregularities:**

- Won't invalidate s291(7)
- Unless they do

Sprout Land Holdings

It goes to:

- All eligible members
- Auditors (s502(1))

With statutory information (s297)

Electronic communications?

- Probably OK
- If members OK with it
- Check the articles

The members sign and return the resolution

- (They don't all have to sign the same copy)

The resolution passes when enough have signed

- A majority (of eligible members), if an ordinary resolution
- 75%, if a special resolution

So the process can be very quick

- But the resolution lapses if not passed within 28 days

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s281(1)(a)



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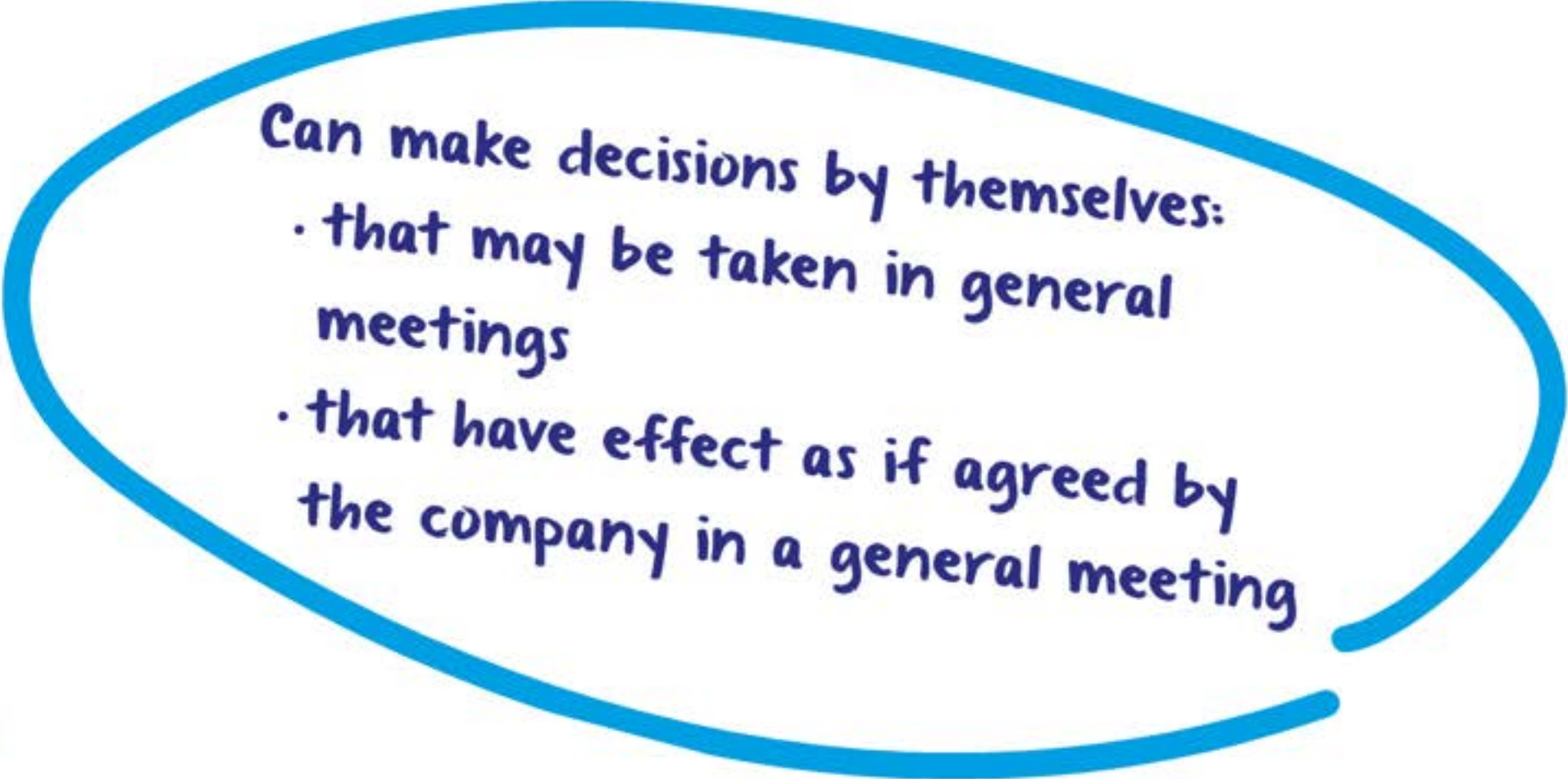
Sole members



Sole members



Sole members

- 
- Can make decisions by themselves:
- that may be taken in general meetings
 - that have effect as if agreed by the company in a general meeting



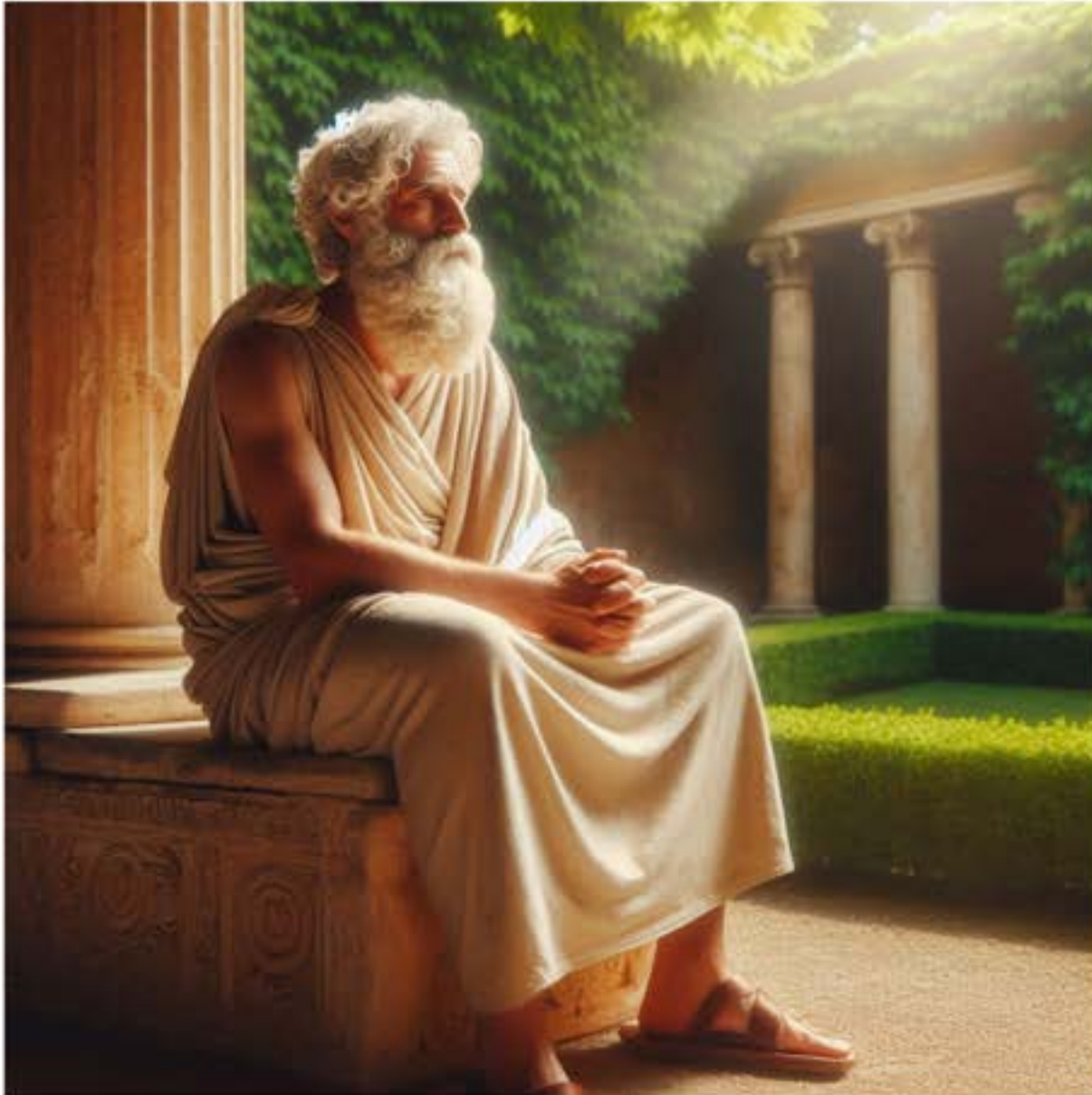
To do this...

- Set it out as a written resolution; or
- Give the company details of the decision

Breach?

- It's a crime.
- But the decision stands.





Has a decision truly been made...

- When there is no record of it;
- in words, or actions?

Sole members





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The summary slide



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- Directors' rights

Management and control

- Directors
- Members

Decisions reserved to members

Members decide by resolutions

- Ordinary (90%)
- Special (75%)
- Special (75%)



How members make decisions

Meetings (virtual or real)

- On call notice
- On short notice
- Attended by a majority of members
- In person
- By proxy
- By representatives
- Chairing
- By a director
- Or otherwise

Written resolutions

- Quorum
- With required procedural formalities

Flexibility

- 2 or more members
- Under the Default Provisions



Dates for your diary:

- 14-15 September 2025 – R3 SPG Forum (Stratford Upon Avon)
- 4 December 2025 – R3 Personal Insolvency Forum (London)
- 8 December 2025 – Coffee Break Briefing (The Barbican Theatre)
- February 2026 – R2 Southern & Thames Valley Regional Meeting - Emeralds of Reading, Caversham, Reading
- Thursday 18 March 2026 – R3 Southern Forum (London)
- Thursday 23 May 2026 – SECCA Insolvency Seminar (London)
- Friday 5 June 2026 – Frettons Fourth Annual Insolvency Conference (New Town)
- 18-19 September 2026 – SECCA Insolvency Conference (Reading)
- Thursday 15 October 2026 – SECCA Insolvency Seminar (London)

Contact the team



Company constitutional law

- Companies Act 2006
- Articles of association
 - Model articles
- [Shareholders' agreements]
- [Debt investors' rights]

Management and control



- Directors
- Members

Decisions reserved to members



Members decide by 'resolutions'

- Ordinary (>50%)
 - [some on special notice]
- Special (75%+)

How members make decisions

Meetings (virtual or real)

- On full notice
- On short notice
- Attended by a quorum of members
 - In person
 - By proxy
 - By representative
- Chaired
 - By a director
 - Or member

Written resolutions

- Quickly
- With important procedural formalities

Informally

- If a sole member
- Under the ***Duomatic Principle***

Dates for your diary:

- 19-21 November 2025 – R3 SPG Forum (Stratford Upon Avon)
- 4 December 2025 – R3 Personal Insolvency Forum (London)
- 8 December 2025 – Coffee Break Briefing (the ***Duomatic Principle***)
- February 2026 – R3 Southern & Thames Valley Regional Meeting - Empress of Blandings, Copythorne, Southampton.
- Thursday 18 March 2026 – R3 Southern Forum (London)
- Thursday 21 May 2026 – SESCA Insolvency Seminar (Denbies)
- Friday 5 June 2026 – Frettens Fourth Annual Insolvency Conference (New Forest)
- 10-11 September 2026 – SESCA Insolvency Conference (Reading)
- Thursday 15 October 2026 – SESCA Insolvency Seminar (Denbies)

Contact the team



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