ICSA issues new guidance note on corporate representation and proxies at general meetings

20 January 2008: The Institute of Chartered Secretaries and Administrators (ICSA) has today published a guidance note which lends clarity to some of the debate surrounding the complexities of corporate representation and proxies at general meetings. Changes to company law, which took effect from 1 October 2007 as part of the Companies Act 2006, have necessitated a fresh look at how corporate and institutional shareholders can best be represented at general meetings and the companies in which they invest. The note is of particular relevance to registrars, lawyers and issuers who will be the first point of contact for shareholders seeking advice on these issues.

One of the main areas that the guidance note covers is that of corporate representation. There has been some discussion on what organisations should do in the event of the necessity for multiple corporate representatives to attend a meeting. In the exceptional circumstances when one or more shareholders do not appoint a single corporate representative, the note outlines an alternative method which can be used if this situation arises. Many of the top City law firms and the registrars have agreed that this is the best interim method until the law is updated.

Roger Dickinson ICSA's Chief Executive commented 'The ICSA is grateful to those who helped to develop this note which will assist in the smooth running of the AGM season this year'

A spokesman from the Department of Business Enterprise and Regulatory Reform (BERR) added 'This is a complex area and BERR welcomes ICSA's initiative in convening a working group to produce this practical guidance in time for the 2008 AGM season'.

The guidance note is one of a series that ICSA is publishing on the Companies Act.

For further information please contact Rosie Hamilton on 0207 612 7062 or Catherine Wright on 0207 612 7039

Editor's notes

The working group was comprised as follows:

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