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# Draft Legislation to Amend the Companies Act 2014 Published

06/08/2024

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The [Companies \(Corporate Governance, Enforcement and Regulatory Provisions\) Bill 2024](#) was published on 24 July 2024 (together with an [Explanatory Memorandum](#)) and has completed the first stage in Dáil Éireann. This follows publication of the General Scheme of the Bill in March 2024.

The Bill will amend certain provisions of the Companies Act 2014 (the **Act**), the Industrial and Provident Societies Act 1893 and the Registration of Business Names Act 1963. Key proposed amendments to the Act include:

- **Common Seal:** A new Section 43A is proposed, reinstating the temporary measure which was previously available for the duration of the “interim period”, facilitating the execution of instruments under seal on separate counterparts. For more on this provision, see our recent [Insights: Execution of Documents under Seal: Update](#).
- **Virtual General Meetings:** A new section 176A is proposed, largely modelled on section 174A which was introduced for the duration of the “interim period” (due to expire on 31 December 2024), which will give companies the option to conduct general meetings in fully virtual or in hybrid format, where not expressly prohibited by the constitution.
- **Shareholder Resolutions and SAP Declarations:** It is proposed that certain types of shareholder resolution and Summary Approval Procedure declarations will be required to be delivered to the Registrar in the prescribed form and manner.
- **Domestic Mergers:** Proposed amendments include providing that a merger may take place between two (or more) DACs and, where a group of subsidiary companies is owned by the same parent company, a merger by absorption may be facilitated in one transaction.
- **Involuntary Strike-Off:** Three additional grounds are proposed for involuntary strike-off of a company by the Registrar: (1) failure to deliver notice of change of registered office; (2) where there is no company secretary recorded in the CRO; and (3) failure to file beneficial ownership information with the RBO.
- **New Category 2 Offence:** A new category 2 offence will be added where a person obstructs or interferes with an officer of the Corporate Enforcement Authority.
- **Board Gender Diversity:** A new provision will be inserted into the Act which permits a company to voluntarily submit, with its annual return, information to the Registrar on the composition of its board by reference to gender. Such information may be provided by the Registrar to the Minister for Enterprise, Trade and Employment who may publish it (while ensuring no individual or company is identifiable from the information provided).

- **PLCs: Record Date for Adjourned Meetings of “relevant issuers”** – proposed amendments to Section 1087G provide that the “record date” for an adjourned meeting shall be the record date of the original meeting, subject to the adjourned meeting occurring within 14 days of the original meeting.

A number of changes were made to the draft legislation as was originally set out in the General Scheme including:

- **Proxies:** The proposal to amend Section 183(6) of the Act to exclude weekends and any public holidays from the time counted towards the minimum 48-hour notice required to appoint a proxy has not been included in the Bill.
- **PLCs:**
  - **Alternative Special Majority for Schemes of Arrangement** – proposed amendments to Section 1087D to provide for alternative ways of reaching a special majority when voting on a scheme of arrangement have not been included in the Bill.
  - **Record Date for Adjourned Meetings of “relevant issuers”**– the proposed amendments to Section 1087G no longer provide that weekends and public holidays are to be excluded for the purposes of computation of the record date.

The Bill also provides for enhanced powers for the Corporate Enforcement Authority, the CRO and IASSA and amendments to provisions related to corporate insolvency and regulation of receivers.

The Department of Enterprise, Trade and Employment [anticipates](#) that the Bill will be enacted before the end of 2024.