

<b>Explanatory Notes</b>		
<p><b>N.B.</b> before adopting the below resolutions please review these explanatory notes to: (1) establish suitability and (2) for hints / tips on other pertinent matters that should be observed before adopting such resolutions. Alternatively, speak to your legal advisor before adopting.</p>		
1.	<b>Document Title:</b>	LKS Template Directors' Written Resolutions to delegate general corporate authority to persons other than the director's to act on behalf of company during COVID-19 in accordance with the relevant provisions of the Companies Act 2014 (the "CA 2014").
2.	<b>Circumstances in which this document should be used:</b>	<p>Subsections 40(1) and 40(2) of the CA 2014 provide that the board of directors of a company shall be deemed to have authority to exercise any power of the company and to 'authorise others to do so' and subject to some limited restrictions contained in subsections 40(5)-(8), these powers apply regardless of any limitations on the board's authority in the company's constitution.</p> <p>Subsection 43(2) of the CA 2014 further provides that save as otherwise provided by the CA 2014 or by the constitution of the company, the company seal can be used by the authority of the company's director's and an instrument / document to which the company seal is to be affixed can be signed by a director, or an 'authorised person', and countersigned by the secretary, a second director, or an 'authorised person'.</p> <p>Therefore, based on the information set out in the two preceding paragraphs this document can be used by the director's of a company to delegate general authority to certain individuals to act on behalf of the company where, for example, due to COVID-19, the company is:</p> <ul style="list-style-type: none"> <li>(1) logistically hampered in signing documents and / or validly executing deeds; or</li> <li>(2) where the company is encountering operational difficulties due to the lack of a decision maker; or</li> <li>(3) for any other COVID-19 related reasons.</li> </ul>
3.	<b>Notes, hints, observations and warnings:</b>	<p>(1) The below resolutions are only intended to be adopted as a short-term measure during emergency situations like COVID-19 or in respect of specified matters or transactions. Appointing new director's or appointing an attorney under a lasting power of attorney (see Section 41 of the CA 2014) should be considered if the identified difficulties in signing documents or decision making are likely to be more permanent in nature; and</p>

		<p>(2) Importantly, Subsection 40(4)(a) of the CA 2014 provides that the appointment of an 'authorised person' by the director's will not absolve the director's from complying with their director's duties (including a director's duty to observe any limitations in the company's constitution on the board's authority), or his or her liability in respect of any breach of those duties. Accordingly, before appointing any 'authorised person' under the below resolutions the director's should ensure that they exercise caution in making such an appointment(s) and to put appropriate oversights in place to monitor the use of such authority as they will be liable if the 'authorised person' uses his / her authority in a way that results in a breach of director's duties. A senior manager or trusted family member in smaller companies might well be the most appropriate candidates.</p>
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(NAME OF COMPANY)

(COMPANY NUMBER [●])

(THE “COMPANY”)

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**RESOLUTIONS OF THE DIRECTORS OF THE COMPANY**

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**NOTED:** due to ongoing logistical and operational difficulties [**or insert details of any other difficulties**] that the Company is encountering due to the corona virus crisis (the “**COVID-19 Business Challenges**”) it is proposed that the Company will delegate authority to persons other than its directors to bind the Company (the “**Authorised Person(s)**”) including the execution of transactional and business documents for and behalf of the Company.

We the undersigned being all the directors of the Company (the “**Directors**”), hereby resolve in writing pursuant to Section 161 of the Companies Act 2014 (the “**2014 Act**”) and the constitution of the Company, to pass the following resolutions:

**RESOLVED THAT:**

1. **[NAME]** and **[NAME]** be and are hereby appointed as Authorised Persons of the Company in accordance with Section 40(1) of the 2014 Act until such a time as the Directors, acting in their absolute discretion, are satisfied that the COVID-19 Business Challenges have subsided, and the Directors revoke such authorisation (orally or in writing); and
2. While so authorised, in conjunction with any general powers of execution delegated to the Directors and company secretary, any of the Authorised Persons are authorised to approve, and execute any document for and on behalf of the Company whether under hand or as a deed and if required or expressed to be executed as a deed to witness the affixing of any seal of the Company in accordance with the Company’s constitution<sup>1</sup> and Section 43(2) of the 2014 Act.

These resolutions may be executed in any number of counterparts, and by the several Directors on separate counterparts, each of which when so executed will constitute an original but all of which together will evidence the same resolutions.

**NB: These resolutions are not effective until signed by all of the Directors. The effective date will be the date on which the last Director signs.**

**SIGNED** by the following being together all of the Directors of the company

**SIGNED** by**[DIRECTOR NAME]:** )

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**DATED:** \_\_\_\_\_ 2020

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<sup>1</sup> **LKS Note:** the company’s constitution should be reviewed to ascertain if there are any express restrictions in place preventing the use of the company’s seal by Authorised Persons.

**SIGNED** by **[DIRECTOR NAME]:** )

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**DATED:** \_\_\_\_\_ 2020

**SIGNED** by **[DIRECTOR NAME]:** )

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**DATED:** \_\_\_\_\_ 2020