

The Senate Committee on Judiciary offered the following substitute to SB 168:

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 1 of Article 7 of Chapter 2 of Title 14 of the Official Code of Georgia
2 Annotated, relating to meetings, so as to provide that a corporation may hold annual
3 shareholders' meetings and special shareholders' meetings by means of remote
4 communication; to provide for requirements for such meetings by remote communication;
5 to provide for related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Part 1 of Article 7 of Chapter 2 of Title 14 of the Official Code of Georgia Annotated,
9 relating to meetings, is amended by revising subsection (b) of Code Section 14-2-701,
10 relating to annual meeting, as follows:

11 "(b)(1) Except as provided for in paragraph (2) of this subsection, annual ~~Annual~~
12 shareholders' meetings may be held in or out of this state at the place stated in or fixed
13 in accordance with the bylaws. If no place is stated in or fixed in accordance with the
14 bylaws, annual shareholders' meetings shall be held at the corporation's principal office.

15 (2) Unless the articles of incorporation or the bylaws provide otherwise, the board of
16 directors may determine that an annual shareholders' meeting be held wholly or partially
17 by means of remote communication as authorized by Code Section 14-2-708."

18 **SECTION 2.**

19 Said part is further amended by revising subsection (c) of Code Section 14-2-702, relating
20 to special meeting, as follows:

21 "(c)(1) Except as provided for under paragraph (2) of this subsection, special Special
22 shareholders' meetings may be held in or out of this state at the place stated in or fixed
23 in accordance with the bylaws. If no place is stated or fixed in accordance with the
24 bylaws, special shareholders' meetings shall be held at the corporation's principal office.
25 (2) Unless the articles of incorporation or the bylaws provide otherwise, the board of
26 directors may determine that a special shareholders' meeting be held wholly or partially
27 by means of remote communication as authorized by Code Section 14-2-708."

28 **SECTION 3.**

29 Said part is further amended by adding a new Code section to read as follows:

30 "14-2-708.

31 When authorized by the board of directors, and subject to such guidelines and procedures
32 as the board of directors may adopt, shareholders and holders of proxies of any class or
33 series designated by the board of directors not physically present at a meeting of
34 shareholders may, by means of remote communication:

35 (1) Participate in a meeting of shareholders; and

36 (2) Be deemed present in person and vote at a meeting of shareholders, whether such
37 meeting is held at a designated place or held solely by means of remote communication,
38 provided that:

39 (A) The corporation implements reasonable procedures to verify that each person
40 deemed present and permitted to vote at the meeting by means of remote
41 communication is a shareholder or holder of a proxy;

42 (B) The corporation implements reasonable procedures to provide such shareholders
43 and holders of proxies a reasonable opportunity to participate in the meeting and to vote
44 on matters submitted to such shareholders and holders of proxies, including, but not
45 limited to, an opportunity to read or hear the proceedings of the meeting substantially
46 concurrently with such proceedings; and

47 (C) When any shareholder or holder of a proxy votes or takes other action at the
48 meeting by means of remote communication, a record of such vote or other action shall
49 be maintained by the corporation."

50 **SECTION 4.**

51 All laws and parts of laws in conflict with this Act are repealed.