House Bill 306

By: Representatives Gunter of the 8th, Kelley of the 16th, Holcomb of the 81st, Reeves of the 34th, Momtahan of the 17th, and others

A BILL TO BE ENTITLED

AN ACT

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

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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

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

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

SECTION 2.

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

″(c)(1) Except as provided for under paragraph (2) of this subsection, special ~~Special~~ shareholders' meetings may be held in or out of this state at the place stated in or fixed in accordance with the bylaws. If no place is stated or fixed in accordance with the bylaws, special shareholders' meetings shall be held at the corporation's principal office.

(2) Unless the articles of incorporation or the bylaws provide otherwise, the board of directors may determine that a special shareholders' meeting be held solely or partially by means of remote communication as authorized by Code Section 14-2-708.″

SECTION 3.

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

″14-2-708.

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

(1) Participate in a meeting of shareholders; and

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

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

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

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

SECTION 4.

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