

Senate Bill 168

By: Senators Walker III of the 20th, Strickland of the 17th, Butler of the 55th, Miller of the 49th, Parent of the 42nd and others

AS PASSED

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 provide for an effective date; to repeal conflicting laws; and
6 for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

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

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

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

19 **SECTION 2.**

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

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

29 **SECTION 3.**

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

31 "14-2-708.

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

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

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

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

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

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

51 **SECTION 4.**

52 This Act shall become effective upon its approval by the Governor or upon its becoming law
53 without such approval.

54 **SECTION 5.**

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