

SENATE, No. 3266

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED DECEMBER 14, 2020

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator VIN GOPAL

District 11 (Monmouth)

Co-Sponsored by:

Senators Lagana, Thompson and A.M.Bucco

SYNOPSIS

Allows corporations to hold remote shareholder meetings.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/6/2021)

1 AN ACT allowing corporations to hold remote shareholder meetings
2 and amending N.J.S.14A:5-1.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

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7 1. N.J.S.14A:5-1 is amended to read as follows:

8 14A:5-1. Place of shareholders' meetings.

9 (1) Meetings of shareholders of every corporation organized for
10 any purpose under any general or special law of this State may,
11 unless otherwise provided by law, be held at such place, within or
12 without this State, as may be provided in the by-laws or as may be
13 fixed by the board pursuant to authority granted by the by-laws. In
14 the absence of any such provision, all meetings shall be held at the
15 registered office of the corporation. **During a state of emergency**
16 **declared by the Governor, a** A meeting of shareholders may be
17 held solely or in part by means of remote communication to the
18 extent the board authorizes and adopts guidelines and procedures
19 governing such a meeting.

20 (2) One or more shareholders may participate in a meeting of
21 shareholders by means of remote communication to the extent the
22 board authorizes that participation , including the authorization of a
23 meeting of shareholders held solely by means of remote
24 participation. Shareholder meetings conducted in part or solely by
25 means of remote communication **in reliance upon this subsection**
26 and any shareholder's remote participation in those meetings shall
27 be subject to those guidelines and procedures as the board adopts,
28 and shall be in conformity with subsection 14A:5-1(3).

29 (3) A shareholder participating in a meeting of shareholders by
30 means of remote communication in reliance upon subsection 14A:5-
31 1(1) shall be deemed present in person and shall be entitled to vote
32 at the meeting regardless of whether that meeting is held at a
33 designated place or solely by means of remote communication. In
34 any shareholder meeting conducted in part or solely by means of
35 remote communication in reliance upon subsection 14A:5-1(1), the
36 corporation shall implement reasonable measures to:

37 (a) verify that each person participating remotely is a
38 shareholder or a proxy of a shareholder;

39 (b) provide each shareholder participating remotely with a
40 reasonable opportunity to participate in the meeting, including an
41 opportunity to vote on matters submitted to the shareholders, and to
42 read or hear the proceedings of the meeting substantially
43 concurrently with those proceedings; and

44 (c) record and maintain a record of any shareholder votes or
45 other actions taken by remote communication at the meeting.

46 (cf: P.L.2020, c.15.)

EXPLANATION – Matter enclosed in bold-faced brackets **thus** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 2. This act shall take effect immediately.

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STATEMENT

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6 This bill authorizes a corporation to conduct a meeting of
7 shareholders solely by means of remote participation. Under current
8 law, such meetings are authorized only for the duration of the
9 coronavirus disease 2019 pandemic.