WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1989

-- • --

ENROLLED

HOUSE BILL No. 2258

(By Mr. Del. Hannan & Jones)

-- • --

Passed April 5, 1989

In Effect Ninety Days From Passage
AN ACT to amend and reenact section seventy-three, article one, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating generally to actions by shareholders, members or directors of a corporation without a meeting; allowing same to conference by telephone or other electronic equipment; allowing action by electronic conference when action is later reduced to writing; and the manner of approval of such action.

Be it enacted by the Legislature of West Virginia:

That section seventy-three, article one, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 1. BUSINESS AND NONPROFIT CORPORATIONS.

§31-1-73. Action by shareholders, members or directors without a meeting.

(a) Whenever the vote of shareholders or members at a meeting thereof is required or permitted to be taken in connection with any corporate action, the meeting and vote of the shareholders or members may be dispensed with if all of the shareholders or members who would have been entitled to vote upon the action agree in writing to the corporate action being taken. The agreement shall have like effect and validity as though the action were duly taken by the unanimous action of
all shareholders or members entitled to vote at a
meeting of the shareholders or members duly called and
legally held.

(b) Unless otherwise provided in the articles of
incorporation or the bylaws, whenever the vote of
directors at a meeting thereof is required or permitted
to be taken in connection with any corporate action, the
meeting and vote of the directors may be dispensed with
if all the directors agree in writing to the corporate
action being taken. The agreement shall have like effect
and validity as though the action were duly taken by the
unanimous action of all directors at a meeting of the
directors duly called and legally held.

c) If the articles of incorporation or the bylaws so
provide, one or more directors or shareholders may
participate in a meeting of the board, a committee of
the board or of the shareholders by means of conference
telephone or similar electronic communications equip-
ment by means of which all persons participating in the
meeting can hear each other.

Whenever a vote of the shareholders or directors is
required or permitted in connection with any corporate
action this vote may be taken orally during this
electronic conference. The agreement thus reached shall
have like effect and validity as though the action were
duly taken by the action of the shareholders or directors
at a meeting of shareholders or directors if the agree-
ment is reduced to writing and approved by the
shareholders or directors at the next regular meeting of
the shareholders or directors after the conference.

(d) In the event that the action which is agreed to, as
provided for in subsection (a), (b) or (c) of this section,
is an action which would have required the filing of any
articles, documents or certificates with the secretary of
state under any provision of this article if the action had
been voted upon by the shareholders or members or by
the directors at a meeting, the articles, documents or
certificates so filed shall state that a written agreement
has been executed in lieu of stating that the share-
holders, members or directors voted upon the corporate
action in question. The articles, documents or certificates shall have the same force and effect under all provisions of law as if the action had been taken by the unanimous vote of all shareholders or members entitled to vote, or of all the directors, at a meeting duly called and legally held.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Frederick L. Parker  
Chairman Senate Committee

Bernard N. Kelly  
Chairman House Committee

Originating in the House.
Takes effect ninety days from passage.

JOSEPH C. MILLER  
Clerk of the Senate

DONALD L. TOPP  
Clerk of the House of Delegates

PETER CONGO  
President of the Senate

ROBERT C. BERECHICK  
Speaker of the House of Delegates

The within is approved this the 24th day of April, 1989.

Governor