

No. 2258

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SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1989



ENROLLED

HOUSE BILL No. 2258

(By Mr. Del. Warner + Jones)



Passed April 5, 1989

In Effect Ninety Days From Passage

ENROLLED
H. B. 2258

(By DELEGATES WARNER AND 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.

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

10 all shareholders or members entitled to vote at a
11 meeting of the shareholders or members duly called and
12 legally held.

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

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

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

40 (d) In the event that the action which is agreed to, as
41 provided for in subsection (a), (b) or (c) of this section,
42 is an action which would have required the filing of any
43 articles, documents or certificates with the secretary of
44 state under any provision of this article if the action had
45 been voted upon by the shareholders or members or by
46 the directors at a meeting, the articles, documents or
47 certificates so filed shall state that a written agreement
48 has been executed in lieu of stating that the share-
49 holders, members or directors voted upon the corporate

50 action in question. The articles, documents or certifi-
51 cates shall have the same force and effect under all
52 provisions of law as if the action had been taken by the
53 unanimous vote of all shareholders or members entitled
54 to vote, or of all the directors, at a meeting duly called
55 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 V. Kelly
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

Isaac C. Wells
Clerk of the Senate

Donald L. Kopp
Clerk of the House of Delegates

Parsons
President of the Senate

Robert C. Bell
Speaker of the House of Delegates

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

Gaston Caperton
Governor

PRESENTED TO

GOVERNMENT

Date

4/14/87

Time

5:00