

CHAPTER 15

AN ACT concerning corporations and remote shareholders' meetings and amending N.J.S.14A:5-1.

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

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

Place of shareholders' meetings.

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

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

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

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

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

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

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

2. This act shall take effect immediately.

Approved March 20, 2020.