

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	9 - 1 - 0
Yeas:	Barton, Cameron, Garrett, Krieger, Olson, Shields, Stiegler, Whisnant, Barker
Nays:	Smith J.
Exc.:	0
Prepared By:	Bill Taylor, Counsel
Meeting Dates:	1/30

WHAT THE MEASURE DOES: Establishes that a “publically traded corporation” may hold a special meeting of shareholders only if the articles of incorporation or bylaws authorize the shareholders to demand a special meeting. Requires a special meeting called pursuant to the articles of incorporation or bylaws to be conducted in a manner called for in the articles of incorporation or by-laws. Defines “publicly traded corporation” as a corporation whose shares are traded on an established exchange or securities market that is subject to the regulatory authority of a state, the United States or a foreign government. Applies to special meetings called on or after the effective date of this measure.

ISSUES DISCUSSED:

- Protection for Oregon corporations in poor economic times when share prices are low
- Comparison to Delaware law

EFFECT OF COMMITTEE AMENDMENT: Removes the provision that would have required the articles of incorporation or bylaws to contain a provision that a special meeting could be called by 25 percent or fewer of the shareholders entitle to vote, and leaving this matter to the discretion of the article of incorporation or by-laws.

BACKGROUND: A special meeting of the board of directors of a corporation incorporated under the laws of Oregon may be called by the board of directors or by at least 10 percent of all shares entitled to vote. Currently, there are no separate provisions regarding special meetings for publicly traded corporations.