

A-Engrossed
House Bill 2353

Ordered by the House February 4
Including House Amendments dated February 4

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim Committee on Judiciary)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires publicly traded corporation to hold special meeting of shareholders only if articles of incorporation or bylaws authorize shareholders to demand special meeting.

A BILL FOR AN ACT

1
2 Relating to special meetings of shareholders; creating new provisions; and amending ORS 60.204.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 60.204 is amended to read:

5 60.204. (1) A corporation shall hold a special meeting of shareholders:

6 (a) On call of *[its]* **the board of directors of the corporation** or *[the person or persons]* **a person**
7 authorized to do so by the articles of incorporation or bylaws; or

8 (b) Except as provided in this paragraph **and in subsection (2) of this section**, if the holders
9 of at least 10 percent of all votes entitled to be cast on any issue proposed *[to be considered]* **for**
10 **consideration** at the proposed special meeting sign, date and deliver to the corporation's secretary
11 one or more written demands for the meeting describing the purpose or purposes for which *[it]* **the**
12 **meeting** is to be held. The articles of incorporation may fix a lower percentage or a higher per-
13 centage not exceeding 25 percent of all the votes entitled to be cast on any issue proposed *[to be*
14 *considered]* **for consideration**. Unless otherwise provided in the articles of incorporation, *[a written*
15 *demand for a special meeting may be revoked by a writing to that effect signed by]* a shareholder who
16 signed the original demand **for a special meeting may revoke the shareholder's demand by**
17 **signing a writing that contains a revocation. The revocation is effective if [, and received by**
18 *the corporation prior to the receipt by]* **the corporation receives the writing before** the corporation
19 *[of]* **receives** a demand sufficient to require the *[holding of]* **corporation to hold** a special meeting.

20 **(2) A publicly traded corporation shall hold a special meeting at the demand of share-**
21 **holders of the publicly traded corporation only if the articles of incorporation or bylaws au-**
22 **thorize the shareholders to demand a special meeting. The articles of incorporation or bylaws**
23 **may also specify what percentage of votes entitled to be cast on an issue proposed for con-**
24 **sideration at the special meeting will be necessary to require the publicly traded corporation**
25 **to hold the special meeting.**

26 *[(2)]* **(3)** If not otherwise fixed under ORS 60.207 or 60.221, the record date for determining
27 shareholders entitled to demand a special meeting is the date the first shareholder signs the demand.

28 *[(3)]* **(4)** Special shareholders' meetings may be held in or out of this state at the place stated

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 in or fixed in accordance with the bylaws. If no place is stated or fixed in accordance with the by-
2 laws, special meetings shall be held at the corporation's principal office.

3 [(4)] (5) Only business within the purpose or purposes described in the meeting notice required
4 by ORS 60.214 (3) may be conducted at a special shareholders' meeting.

5 (6) As used in this section, "publicly traded corporation" means a corporation the shares
6 of which are traded on an established exchange or securities market that is subject to the
7 regulatory authority of a state, the United States, a foreign government or an agency of a
8 state, the United States or a foreign government.

9 SECTION 2. The amendments to ORS 60.204 by section 1 of this 2009 Act apply to special
10 meetings called for or demanded on or after the effective date of this 2009 Act.

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