



Bill Number: S.B. 1141

Worsley Floor Amendment

Reference to: CWD amendment

Amendment drafted by: Legislative Council

FLOOR AMENDMENT EXPLANATION

Requires any actions taken without a meeting of shareholders by a public corporation or by a corporation formed before the effective date of this legislation be taken by all shareholders, rather than a majority of voting shareholders, and evidenced by written consent. Any corporation may institute this requirement for any action taken without a shareholder's meeting through corporate bylaws or articles of incorporation.

Any action taken by any corporation that pertains to the election or removal of directors must also be taken by all shareholders and evidenced by written consent. In all cases electronic transmission satisfies requirements for written consent.

Corrects a statutory reference.

Amendment explanation prepared by Kaitlyn Neff

2/26/2015

WORSLEY FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1141
(Reference to CWD amendment)

1 Strike page 14

2 Page 15, strike lines 1 through 20, insert:

3 "Sec. 6. Section 10-704, Arizona Revised Statutes, is amended to read:

4 10-704. Action by shareholders without meeting

5 A. EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION, AN action
6 required or permitted by chapters 1 through 17 of this title to be taken at a
7 shareholders' meeting may be taken without a meeting if ~~the action is taken~~
8 ~~by all of the shareholders entitled to vote on the action~~ THERE IS WRITTEN
9 CONSENT BY THE HOLDERS OF OUTSTANDING SHARES THAT HAVE AT LEAST THE MINIMUM
10 NUMBER OF VOTES NECESSARY TO AUTHORIZE OR TAKE THE ACTION AT A MEETING AT
11 WHICH ALL SHARES ENTITLED TO VOTE ON THE ACTION ARE PRESENT AND VOTED. The
12 action TAKEN BY THE WRITTEN CONSENT OF THE SHAREHOLDERS must be evidenced by
13 one or more written consents describing the action taken, ~~AND~~ signed by ~~all~~
14 ~~of the shareholders entitled to vote on the action and~~ HOLDERS OF OUTSTANDING
15 SHARES THAT HOLD AT LEAST THE MINIMUM NUMBER OF VOTES NECESSARY TO AUTHORIZE
16 OR TAKE THE ACTION AT A MEETING AT WHICH ALL SHARES ENTITLED TO VOTE ON THE
17 ACTION ARE PRESENT AND VOTED. THE ACTION MUST BE delivered to the
18 corporation for inclusion in the minutes or filing with the corporate
19 records.

20 B. AN ACTION TAKEN BY SHAREHOLDERS WITHOUT A SHAREHOLDERS' MEETING
21 MUST BE TAKEN BY ALL SHAREHOLDERS AND MUST BE EVIDENCED BY WRITTEN CONSENT OF
22 ALL SHAREHOLDERS OF THE CORPORATION IF ANY OF THE FOLLOWING APPLIES:

23 1. THE ACTION INVOLVES THE ELECTION OF DIRECTORS OR THE REMOVAL OF ONE
24 OR MORE DIRECTORS.

25 2. THE ARTICLES OF INCORPORATION OR BYLAWS OF THE CORPORATION REQUIRE
26 THAT AN ACTION TAKEN BY SHAREHOLDERS WITHOUT A SHAREHOLDERS' MEETING MUST BE
27 TAKEN BY ALL SHAREHOLDERS OF THE CORPORATION.

1 3. THE CORPORATION IS AN ISSUING PUBLIC CORPORATION, AS DEFINED IN
2 SECTION 10-2701, UNLESS OTHERWISE PROVIDED IN ITS ARTICLES OF INCORPORATION
3 OR BYLAWS.

4 4. THE CORPORATION WAS FORMED IN THIS STATE BEFORE THE EFFECTIVE DATE
5 OF THIS AMENDMENT TO THIS SECTION UNLESS ITS ARTICLES OF INCORPORATION OR
6 BYLAWS ARE AMENDED AFTER THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION
7 TO PROVIDE THAT ANY ACTION THAT IS REQUIRED OR ALLOWED TO BE TAKEN AT A
8 SHAREHOLDERS' MEETING MAY BE TAKEN WITHOUT A MEETING IF THERE IS WRITTEN
9 CONSENT SETTING FORTH THE ACTION BY THE HOLDERS OF OUTSTANDING SHARES THAT
10 HAVE AT LEAST THE MINIMUM NUMBER OF VOTES NECESSARY TO AUTHORIZE OR TAKE THE
11 ACTION AT A MEETING AT WHICH ALL SHARES ENTITLED TO VOTE ON THE ACTION ARE
12 PRESENT AND VOTED. FOR THE PURPOSES OF THIS PARAGRAPH, A CORPORATION THAT
13 BECOMES A CORPORATION IN THIS STATE BY DOMESTICATION, CONVERSION OR DIVISION
14 BEFORE THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION IS DEEMED FORMED
15 IN THIS STATE BEFORE THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION.

16 C. THE WRITTEN CONSENTS DESCRIBED IN SUBSECTIONS A AND B OF THIS
17 SECTION INCLUDE ELECTRONIC TRANSMISSION. ALL WRITTEN CONSENTS MUST BE
18 INCLUDED IN THE MINUTES OR FILED WITH THE CORPORATE RECORDS. THE FILING MUST
19 BE IN A PAPER FORMAT IF THE MINUTES ARE MAINTAINED IN A PAPER FORMAT AND MUST
20 BE IN AN ELECTRONIC FORMAT IF THE MINUTES ARE MAINTAINED IN AN ELECTRONIC
21 FORMAT.

22 ~~B.~~ D. If not otherwise fixed under section 10-703 or 10-707, the
23 record date for determining shareholders entitled to take action without a
24 meeting is the date the first shareholder signs the consent under subsection
25 A of this section.

26 ~~C.~~ E. A consent signed under this section has the effect of a meeting
27 vote and may be described as such in any document.

28 ~~D.~~ F. Unless otherwise specified in the consent or consents, the
29 action is effective on the date that the last shareholder signs the consent
30 or consents, except that if chapters 1 through 17 of this title require that
31 notice of proposed actions be given to shareholders not entitled to vote and
32 the action is to be taken by unanimous consent of the shareholders entitled

1 to vote, the effective date is not before ten days after the corporation
2 gives its shareholders not entitled to vote written notice of the proposed
3 action. The notice must contain or be accompanied by the same material that
4 under chapters 1 through 17 of this title would have been required to be sent
5 to shareholders not entitled to vote in a notice of meeting at which the
6 proposed action would have been submitted to the shareholders for action.

7 ~~E.~~ G. Any shareholder may revoke its consent by delivering a signed
8 revocation of the consent to the president or secretary before the date that
9 the last shareholder signs the consent or consents."

10 Page 23, line 7, strike "：presumption"

11 Page 26, lines 6 and 10, strike "10-841" insert "10-842"

12 Amend title to conform

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