

2021 Regular Session

HOUSE BILL NO. 298

BY REPRESENTATIVE THOMAS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

BANKS/BANKING: Provides relative to stockholders' meetings and use of remote communication

1 AN ACT

2 To amend and reenact R.S. 6:272(A)(1), (B)(2), and (D)(1), 273(B)(1), 274(C)(1), 709(E)
3 and (F), 1182(B), 1183(A), 1185(A), and 1187(A) and R.S. 12:1-709(D), relative to
4 the use of remote communication in certain meetings; to provide for remote
5 communication; to provide for notice; to provide for meetings of savings banks; to
6 provide for annual meetings; to provide for special meetings; to provide for voting;
7 to provide for proxies; to provide for an effective date; and to provide for related
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 6:272(A)(1), (B)(2), and (D)(1), 273(B)(1), 274(C)(1), 709(E) and
11 (F), 1182(B), 1183(A), 1185(A), and 1187(A) are hereby amended and reenacted:

12 §272. Stockholders' meetings

13 A.(1) Unless otherwise provided in the articles or bylaws, stockholders'
14 meetings may be held anywhere in this state or by remote communication as
15 provided in R.S. 12:1-709.

16 * * *

17 B.

18 * * *

19 (2) At any time upon written request of any stockholder or stockholders
20 holding in the aggregate one-fifth, or such lesser or greater proportion as may be

1 fixed in the articles or in a bylaw adopted by the stockholders, of the total voting
 2 power, the secretary shall call a special meeting of stockholders to be held at the
 3 registered office, or by remote communication as provided in R.S. 12:1-709 at such
 4 time as the secretary may fix, not less than fifteen nor more than sixty days after the
 5 receipt of said request, and if the secretary shall neglect or refuse to fix such a time
 6 or to give notice of the meeting, the stockholder or stockholders making the request
 7 may do so.

8 * * *

9 D.(1) Unless otherwise provided in the articles or bylaws and except as
 10 otherwise provided in this Chapter, the authorized person or persons calling a
 11 stockholders' meeting shall cause written notice of the time, place, and purpose of
 12 the meeting to be given to all stockholders entitled to vote at such meeting at least
 13 ten days and not more than sixty days prior to the day fixed for the meeting. Notice
 14 of the annual meeting need not state the purpose thereof, except as otherwise
 15 provided in this Chapter, if a specified action is to be taken at the meeting. If the
 16 state bank has authorized participation at a stockholders' meeting by means of remote
 17 communication, as provided in R.S. 12:1-709, notice of the place shall include the
 18 means of remote communication to be used and any required access instructions.

19 * * *

20 §273. Quorum

21 * * *

22 B. Except as otherwise provided in this Chapter or in the articles or bylaws:
 23 (1) The presence, in person, by remote communication as provided in R.S.
 24 12:1-709, or by proxy, of the holders of the majority of the total voting power shall
 25 constitute a quorum, except that in no event shall a quorum consist of less than
 26 one-fourth of the total voting power.

27 * * *

28 §274. Voting of stockholders

29 * * *

1 C.(1) A stockholder shall have the right to cast his vote either in person, by
2 remote communication as provided in R.S. 12:1-709, or, subject to the following
3 provisions, by proxy duly authorized in writing, signed by the stockholder, and filed
4 with the secretary at or before the meeting.

5 * * *

6 §709. Members or stockholders meeting

7 * * *

8 E. Unless otherwise provided in the articles of incorporation or bylaws,
9 voting at any meeting of the members or stockholders may be in person, by means
10 of remote communication as provided in R.S. 12:1-709, or by written proxy signed
11 by the member or stockholder or his duly authorized agent. However, no proxy may
12 be voted at any meeting unless the proxy was filed with the secretary of the
13 association for verification at least five days prior to the date of the meeting at which
14 the proxy is to be voted. When shares of stock, or accounts are registered in the
15 name of two or more persons, a proxy signed by any one or more of them shall be
16 deemed valid unless the association receives written notice to the contrary from a
17 nonsigning registered member or stockholder before the proxy is voted.

18 F. Unless otherwise provided in the articles of incorporation or bylaws, at
19 an annual meeting or at any special meeting of members or stockholders, any number
20 of persons present in person, attending by means of remote communication as
21 provided in R.S. 12:1-709, or by eligible proxy shall constitute a quorum and a
22 majority of all votes cast at any meeting shall determine any question unless this
23 Chapter specifically provides otherwise.

24 * * *

25 §1182. Annual and special meetings

26 * * *

27 B. Special meetings may be called with not less than twelve hours' written
28 or oral notice, by the board of directors, the holders of not less than twenty-five
29 percent of the outstanding capital stock shares, by such other person as the bylaws

1 D. Notwithstanding the requirements of R.S. ~~6:272, 647, 648, 709, or 1182,~~
 2 6:647, 648, or any other provision of law to the contrary, banks, savings banks,
 3 savings and loan associations, and credit unions may permit shareholders or
 4 members of the financial institution to participate in any meeting of shareholders or
 5 members by means of remote communication, or unless the bylaws expressly require
 6 the meeting of shareholders or members to be held at a place, hold any meeting
 7 solely by means of remote communication. Any such participation by means of
 8 remote communication shall be subject to such guidelines and procedures as the
 9 board of directors adopts, and shall be in conformity with Subsection B of this
 10 Section. Participation by remote communication may include but is not limited to
 11 any telephonic or internet form of communication.

12 Section 3. This Act shall become effective upon signature by the governor or, if not
 13 signed by the governor, upon expiration of the time for bills to become law without signature
 14 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 15 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 16 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 298 Engrossed

2021 Regular Session

Thomas

Abstract: Allows for participation in certain savings bank and stockholders' meetings through remote communication.

Present law provides parameters and conditions for remote participation in meetings. Proposed law retains present law.

Present law allows stockholders' meetings to be held anywhere in the state. Proposed law retains present law and also allows the meetings to be held by remote communication as provided for in present law.

Present law allows for a special meeting of stockholders to be held at the registered office when certain conditions are met. Proposed law retains present law and also allows the meeting to be held by remote communication as provided for in present law.

Present law requires an authorized person calling a stockholders' meeting to provide written notice which states the time, place, and purpose of the meeting. Proposed law retains present law and specifies that for purposes of a meeting held by remote communication, the notice

is to describe the place by including the means of remote communication to be used and any required access instructions.

Present law provides that a person may be counted for purposes of a quorum if the person is participating in person or by proxy. Proposed law retains present law and also allows a person to be counted for purposes of a quorum if the person is attending by remote communication as provided in present law.

Present law allows members and stockholders to vote in person or by proxy. Proposed law retains present law and also allows a member or stockholder to vote by remote communication as provided for in present law.

Present law requires special meetings of the members of savings banks to be held at the business office of the savings banks, or if that space is inadequate, in a designated space in the same parish. Proposed law retains present law and also allows the meeting to occur by remote communication as provided for in present law.

Present law requires notice be provided for an annual meeting of a savings bank. The notice is required to contain the time, place, and purpose of the meeting. Proposed law retains present law and specifies that for purposes of a meeting held by remote communication, the notice is to describe the place by including the means of remote communication to be used and any required access instructions.

Proposed law makes technical changes to citations in present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 6:272(A)(1), (B)(2), and (D)(1), 273(B)(1), 274(C)(1), 709(E) and (F), 1182(B), 1183(A), 1185(A), and 1187(A) and R.S. 12:1-709(D))