

AMENDED IN SENATE JULY 19, 2004

AMENDED IN SENATE JUNE 29, 2004

AMENDED IN ASSEMBLY APRIL 28, 2004

AMENDED IN ASSEMBLY APRIL 14, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2752**

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**Introduced by Assembly Member Chu**  
(Coauthor: Senator Escutia)

February 20, 2004

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An act to add Section 301.2 to the Corporations Code, relating to corporations.

LEGISLATIVE COUNSEL'S DIGEST

AB 2752, as amended, Chu. Corporations: elections.

Existing law, the General Corporation Law, generally provides for the election of a corporation's directors at its annual shareholders' meeting.

This bill would require a publicly traded domestic corporation or foreign corporation, as defined, to file a copy of its corporate election procedures with the Secretary of State, and to make them available to a shareholder upon his or her written request to the corporation's investor relations department.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. This act shall be known and may be cited as the  
2 Corporate Elections Fairness Act of 2004.

3 SEC. 2. Section 301.2 is added to the Corporations Code, to  
4 read:

5 301.2. (a) For purposes of this section, the following  
6 definitions shall apply:

7 (1) "Corporate election procedures" means those portions of  
8 the corporation's articles of incorporation and bylaws that relate  
9 to the nomination and election of the corporation's directors.

10 (2) "Publicly traded domestic corporation or foreign  
11 corporation" means a corporation that is an issuer, as defined in  
12 Section 3 of the Securities Exchange Act of 1934 as amended (15  
13 U.S.C. Section 78c), and has at least one class of securities listed  
14 or admitted for trading on a national securities exchange or on the  
15 National or Small-Cap Markets of the NASDAQ Stock Market or  
16 on the OTC-Bulletin Board or on the electronic service operated  
17 by Pink Sheets, LLC. This term does not include a foreign  
18 association.

19 (b) A publicly traded domestic corporation or foreign  
20 corporation qualified to transact intrastate business shall file a  
21 copy of its corporate election procedures with the Secretary of  
22 State within 120 days after the end of its 2004-05 fiscal year or  
23 within 120 days of the effective date of this section, whichever is  
24 later, and again whenever the corporate election procedures are  
25 changed or amended.

26 (c) A corporation described in ~~subdivision (e)~~ *paragraph (2) of*  
27 *subdivision (a)* shall make available a copy of its corporate  
28 election procedures to a shareholder upon receipt of a written  
29 request from the shareholder by the investor relations department  
30 of the corporation.

