

ISSUE #1

Section 1: [Article II, Section 3] Dispensing with Statutory Shareholder Meeting Notice

The notice provided for in the two foregoing sections is not indispensable and any shareholders' meeting shall be deemed validly called for all purposes if all the outstanding shares of the corporation are represented thereat in person or by proxy, or if a quorum is present and waivers of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by those shareholders not so represented and not given such notice.

MARKUP #1 ->

MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING

BOARD & COUNSEL REVIEW

Sec. Article II, Section 3 (p. 1): Permits a shareholder meeting to be deemed validly called without advance statutory notice if a mere quorum is present and post-meeting waivers are obtained, and allows proxy attendance without prior notice to cure defective notice even over a shareholder's objection.

Statutory / Legal Reference: N.Y. Bus. Corp. Law §§ 605(a) & 606

Statutory Comparison: Under N.Y. Bus. Corp. Law § 605(a), written notice of shareholder meetings must be given between 10 and 60 days before the meeting. Under BCL § 606, attendance only waives notice if the shareholder attends without protesting the lack of notice prior to the conclusion of the meeting, and unnotified absent shareholders cannot have their statutory right to prior notice dispensed with unless every single unnotified shareholder executes a waiver.

CURRENT WORDING IN DOCUMENT:

[Article II, Section 3] Dispensing with Statutory Shareholder Meeting Notice - The notice provided for in the two foregoing sections is not indispensable and any shareholders' meeting shall be deemed validly called for all purposes if all the outstanding shares of the corporation are represented thereat in person or by proxy, or if a quorum is present and waivers of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by those shareholders not so represented and not given such notice.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Amend Section Article II, Section 3 ([Article II, Section 3] Dispensing with Statutory Shareholder Meeting Notice - The notice provided for in the two foregoing sections is not indispensable and any shareholders' meeting shall be deemed validly called for all purposes if all the outstanding shares of the corporation are represented thereat in person or by proxy, or if a quorum is present and waivers of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by those shareholders not so represented and not given such notice.) to conform with N.Y. Bus. Corp. Law §§ 605(a) & 606 and the manual attorney audit recommendations for Patricia Gardens Owners, Inc..