REPUBLIC OF THE MARSHALL ISLANDS
CONFIDENTIAL
C.M. 103 (2020)

FOR ACTION
Minister-in-Assistance-to-the-President & Environment

FOR INFORMATION
All Ministers

SUBJECT: Proposed Shareholder Meeting Regulations, 2020, promulgated pursuant to Section 129.5(1) of the Business Corporations Act.

At its meeting on May 7, 2020, the Cabinet:

1. **approved** the attached Shareholder Meeting Regulations, 2020, promulgated pursuant to Section 129.5(1) of the Business Corporations Act on an emergency basis in response to the COVID-19 pandemic.

David Kabua
President

Earlie Carter Bing
Clerk of the Cabinet

[Reference – C.P. 8440 (2020)]
Signed by the President on May 8, 2020.

REPUBLIC OF THE MARSHALL ISLANDS
SHAREHOLDER MEETING REGULATIONS, 2020

The Registrar of Corporations responsible for non-resident domestic entities promulgates the following regulations (the "Regulations") pursuant to the authority granted under § 129.5 (1) of the Business Corporations Act, Part I of Title 52 of the Marshall Islands Revised Code ("MIRC").

Section 1. Short Title and Effect.

(1) *Short title*. These Regulations may be cited as the "Shareholder Meeting Regulations, 2020."

(2) *Force and effect*. These Regulations come into force on [ ], 2020.

Section 2. Conduct of Shareholder Meetings pursuant to Division 7, Sections 64 and 70.

Unless otherwise explicitly prohibited by a corporation's articles of incorporation or bylaws, the corporation's board of directors may, in its sole discretion, permit shareholders and proxyholders to participate in any shareholder meeting by means of remote communications or determine that any meeting of shareholders may instead be held solely by means of remote communications.

If authorized by the board of directors and subject to such guidelines and procedures as the board of directors may adopt, shareholders and proxyholders not physically present at a meeting of shareholders may participate in such meeting by means of remote communications and be deemed present in person and vote at such meeting, whether or not such meeting is to be held at a designated place or solely by means of remote communications, provided that:

(i) the corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a shareholder or proxyholder;

(ii) the corporation shall implement reasonable measures to provide such shareholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the shareholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and

(iii) a record of any shareholder or proxyholder vote or other action taken at the meeting by means of remote communication shall be maintained by the corporation.

Section 3. Interpretation.

The adoption of these Regulations does not and shall not be deemed to expand the rights or authority of a board of directors pursuant to Division 7 of the Business Corporations Act to establish the manner, place or conduct of any shareholder meeting. Further, these Regulations do not imply shareholder and proxyholder participation in any shareholder meeting by means of remote communications was previously prohibited under the Business Corporations Act, nor that any meeting previously held with the use of remote communications equipment is invalid.

Section 4. Reserved Power to Alter or Repeal.

All provisions of these Regulations may be altered from time to time or repealed by the Registrar pursuant to the authority granted under § 129.5(1) of the Business Corporations Act.