May 14, 2020

COVID-19 Order: Connecticut Nonstock Corporations May Now Hold Remote Membership Meetings

Charities and other Connecticut nonstock corporations may hold their membership meetings online pursuant to emergency Executive Order No. 7NN (the order) issued by Gov. Ned Lamont on May 13. Prior to the issuance of the order, charities and other entities formed under the Connecticut Revised Nonstock Corporation Act (the CRNCA) could hold membership meetings only in person, with no authorization for remote participation.

Under the order, the directors of a Connecticut nonstock corporation can decide to hold a member meeting entirely by means of computers and smartphones. There will be no need to designate a place where members can go to speak with company officers and each other.

Other statutory provisions for holding membership meetings remain unchanged. For example, nonstock corporations still must follow the requirements for notice to members, quorum, access to membership lists and voting. The notice of meeting must describe the means of accessing the meeting. Any provision of the certificate of incorporation or bylaws that requires in-person meetings is suspended during the emergency.

The order creates a temporary new subsection 33-1061(e) to the CRNCA (the temporary amendment), allowing the board of directors to elect to hold a membership meeting by means of remote communication if the nonstock corporation implements reasonable measures to (i) verify that the remote participant is a member and (ii) allow members to participate and vote on matters submitted to the members and on which the members are entitled to vote. The duration of the temporary amendment is subject to the duration of the COVID-19 emergency. As long as a notice of an entirely remote meeting is set during the effective time of the emergency, the resulting meeting, even if conducted after the expiration of the temporary amendment, is deemed valid. Several services exist that can assist a Connecticut nonstock corporation in conducting a remote meeting.

Day Pitney attorneys participated in drafting the language of the executive order on a pro bono basis, and we are available to discuss its application.

For more Day Pitney alerts and articles related to the impact of COVID-19, as well as information from other reliable sources, please visit our COVID-19 Resource Center.

COVID-19 DISCLAIMER: As you are aware, as a result of the COVID-19 pandemic, things are changing quickly and the effect, enforceability and interpretation of laws may be affected by future events. The material set forth in this document is not an unequivocal statement of law, but instead represents our best interpretation of where things stand as of the date of first publication. We have not attempted to address the potential impacts of all local, state and federal orders that may have been issued in response to the COVID-19 pandemic.

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