

## In-House Corner: Virtual Annual Meetings – Part 4

This feature of our blog is where our in-house readers share tips, anecdotes and thoughts about things that come up in their daily practice. We received so much feedback on the [first blog](#), [second blog](#) and [third blog](#) about the practice of holding virtual annual meetings of shareholders that we now have this Part 4 [feel free to ping me and share your thoughts – they will be posted anonymously or with attribution, whichever you desire]: 1. "Really demonstrate the importance of being prepared for every contingency when conducting an annual meeting. It seems commonplace to build in contingencies within the script for shareholder proponents who are unable to connect, but it's also worth building in contingencies for other scenarios, such as an inspector of elections or other key participants who lose audio. These contingencies can raise legal issues that should be analyzed in advance (such as need for designation of an alternate inspector)." – Bella Thorne Doe

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2. "Keep asking the service provider for your virtual annual meeting about the steps that they are taking to improve the platform. For example, does the virtual annual meeting platform provide simultaneous "closed captioning" services – in some format - for your shareholders who are deaf or hard of hearing? That service is readily available from television providers. It may not be perfect for every word but provides an opportunity for all participants to more fully participate in the annual meeting. Similarly, does the platform include a feature that allows a short video, highlighting events from the past year, to be embedded into the presentation? Many "in person" shareholder meetings included such short videos. However, many of the current vendor platforms do not support the transition from a "live" presentation in the virtual format, to a pre-recorded video, then back to the live presentation. That's unfortunate. Those videos often do a great job of recapping the company's story, particularly in terms of highlighting events from the past year. Shareholders really appreciate that recap." – Lizzie Borden Doe

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3. "Demand that your platform service provider) provide resources to do trial runs of the meeting – the way it will be run the day of the meeting. The company should get as many of these as needed until everything works perfectly." – Ziggy Marley Doe

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4. "The only way to have a smooth meeting is if the service provider and the company are aligned on what will occur at the virtual meeting, such as: placement of the screen to view the content in the room; how questions will be monitored and answered on the virtual meeting tool; if the content is pre-recorded the timing of when the virtual meeting agent hits play, what happens if there are technology glitches during the meeting; what happens if the phone line goes down before the meeting; how the Board and other invited guests will join the virtual meeting, etc. Have a plan and back-up plans ready and rehearsed. The virtual meeting platform provider needs to be a partner in this!" – Albert Einstein Doe

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5. "Be aware of your optionality. Not all "virtual" meetings are the same. There are strategic and reasons for proceeding on a "virtual-only" or "hybrid" basis. If your state law doesn't generally allow virtual meetings (or only allows hybrid or in-person – there is a good state law survey in this article) – make sure that any temporary relief in response to COVID-19 covers every aspect of your AGM (from notice to the actual meeting). Also ensure that your governing documents allow you to take advantage of any temporary relief." – Sammie Cimarelli Doe

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6. "Once you have a good feel for the legal and regulatory landscape, be cognizant of over-communicating – or under-communicating – with your board, management participants and independent auditor regarding about

what to expect. If they've been through the process a few times, you might not need to conduct the entire fire drill this year. Communication is particularly important if this is the first virtual meeting and the participants have never utilized a virtual platform. Scheduling dress-rehearsals with the vendor is not a bad idea. Know that with any change of practice that impacts the board, the key to the preservation of your job is communication, communication and communication." – Tally Ho Doe

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7. "Make sure to appropriately refresh the rules for the meeting and related documentation. These documents are typically pulled forward from year to year, but there will be substantive changes that are needed in connection with a virtual meeting. Be very clear with the participants about how shareholder questions are going to be handled. This is important not only because it is an area of particular focus for proxy advisors and institutional shareholders, but also because there is a real need for being very clear as to the process of how questions are selected to be addressed during the meeting (particularly those that come in during the meeting) and who has the mic for various types of questions. One way to handle questions is to "bucketize" the questions that come in prior to the meeting (rather than to try and answer each question) and prepare responses to the subjects covered by the bucketized questions. That way, you can filter out questions that come in during the meeting if they fall within one of the buckets for which you have already prepared responses and allocated the speakers for same." – "Planner" Suez Canal Doe

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