

RCW 23B.30.040 Ratification—Quorum—Voting. (1) The quorum and voting requirements applicable to the adoption by the board of directors of the resolution required by RCW 23B.30.030(1) are the quorum and voting requirements that would be applicable if the defective corporate action was being approved at the time the resolution required by RCW 23B.30.030(1) is adopted.

(2) Except as provided in subsection (3) of this section, the quorum and voting requirements applicable to the approval by shareholders of the ratification of the defective corporate action required by RCW 23B.30.030(3) are the quorum and voting requirements that would be applicable if the defective corporate action was being approved at the time the ratification of the defective corporate action is approved.

(3) The approval by shareholders of the ratification of a defective corporate action under this chapter involving the election of directors requires that the votes cast within a voting group favoring such ratification exceed the votes cast within the voting group opposing such ratification at a meeting at which a quorum is present.

(4) Putative shares on the record date for determining the shareholders entitled to vote on any matter submitted to shareholders in accordance with RCW 23B.30.030(3) (and without giving effect to any ratification of a defective corporate action involving the purported issuance of putative shares that would become valid shares as a result of the approval of such matter) are neither entitled to vote nor to be counted for quorum purposes in any vote to approve the ratification of any defective corporate action.

(5) If the ratification of a defective corporate action involving the purported issuance of putative shares would result in an overissue, in addition to the approval required by RCW 23B.30.030, the board of directors and shareholders must approve an amendment to the articles of incorporation in accordance with chapter 23B.10 RCW to increase the number of shares of a class or series that the corporation is authorized to issue or to create a class or series of shares that the corporation is authorized to issue so there would be no overissue. [2017 c 28 § 4.]