Electronic corporate records.

Sponsored by: Representative(s) Lindholm, Blackburn, Brown, Clem, Harshman, Larsen, Miller, Olsen, Salazar and Zwonitzer and Senator(s) Agar, Bebout, Driskill, Nethercott and Rothfuss

A BILL
for

AN ACT relating to the Wyoming Business Corporations Act; authorizing corporations to use electronic networks or databases for the creation or maintenance of corporate records; authorizing the use of a network address to identify a corporation's shareholder; authorizing corporations to accept shareholder votes if signed by a network signature that corresponds to a network address; specifying requirements for use of electronic networks or databases; requiring the secretary of state to review its rules for consistency with this act; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:
Section 1. W.S. 17-16-140(a)(ix), (xxxvii), (xxxix), by creating new paragraphs (xlvi) through (xlix) and by amending and renumbering (xlvi) as (l), 17-16-141(c)(i), by creating a new paragraph (ii) and by amending and renumbering (ii) as (iii), 17-16-142(a)(i), (ii), (iii) and by creating a new paragraph (iv), 17-16-626(b), 17-16-720(a), 17-16-724(a) and (b), 17-16-730(a) and 17-16-1601(c) and (d) are amended to read:

17-16-140. Definitions.

(a) In this act:

(ix) "Electronic transmission" or "transmitted electronically" means any process of communication that does not directly involve the physical transfer of paper, including a process of communication that uses one (1) or more distributed or other electronic networks or databases, and that is suitable for the retention, retrieval and reproduction of information by the recipient;

(xxxvii) "Shareholder" means the person in whose name shares are registered in the records of a corporation.
the beneficial owner of shares to the extent of the
rights granted by a nominee certificate on file with a
corporation or the owner of a private key that is uniquely
associated with a network address that facilitates or
records the sending and receiving of shares;

(xxxix) "Sign" or "signature" includes any
manual, facsimile, conformed or electronic signature or a
network signature;

(xlvi) "Identity" means the name of a
shareholder or the network address for which the
shareholder has knowledge or possession of the private key
uniquely associated with the network address;

(xlvii) "Network address" means the string of
alphanumeric characters on one (1) or more distributed or
other electronic networks or databases that may only be
accessed by knowledge or possession of a private key in
order to facilitate or record transactions on the
distributed or other electronic network or database;
(xlviii) "Network signature" means a string of alphanumeric characters that when broadcasted by a shareholder to the network address's corresponding distributed or other electronic network or database provides reasonable assurances to a corporation that the shareholder has knowledge or possession of the private key uniquely associated with the network address;

(xlix) "Record of shareholders" means one (1) or more records administered by or on behalf of a corporation that records the identity of all the corporation's shareholders and the number and class of shares held by each shareholder in accordance with W.S. 17-16-1601. "Record of shareholders" includes a record of all issuances and transfers of shares of a corporation at the discretion of the corporation;

(xlvi)(1) "This act" means W.S. 17-16-101 through 17-16-1820–17-16-1810.

17-16-141. Notice.
(c) Written notice by a domestic or foreign corporation to its shareholder, if in a comprehensible form, is effective:

(i) Upon deposit in the United States mail, if mailed postpaid and correctly addressed to the shareholder's address shown in the corporation's current record of the shareholders; or

(ii) When an electronic transmission has been made to a network address provided by the shareholder; or

(iii) When electronically transmitted to the shareholder in a manner otherwise authorized by the shareholder.

17-16-142. Number of shareholders.

(a) For purposes of this act, the following identified as a shareholder in a corporation's current record of shareholders constitutes one (1) shareholder:
(ii) A corporation, partnership, trust, estate, or other entity;

(iii) The trustees, guardians, custodians, or other fiduciaries of a single trust, estate, or account;

(iv) One (1) network address.

17-16-626. Shares without certificates.

(b) Within a reasonable time after the issue or transfer of shares without certificates, the corporation shall send the shareholder a written statement of the information required on certificates by W.S. 17-16-625(b) and (c), and, if applicable, W.S. 17-16-627.

17-16-720. Shareholders' list for meeting.

(a) After fixing a record date for a meeting, a corporation shall prepare an alphabetical or numerical list of the names of all its shareholders who are entitled to notice of a shareholders' meeting. The list
shall be arranged by voting group, and within each voting
group by class or series of shares, and show the address of
number of shares held by each shareholder. The list
shall also show each shareholder's physical mailing
address, if the identity of a shareholder on the list
consists of the shareholder's name, and each shareholder's
authorized means of receipt for electronic transmissions,
if the identity of a shareholder on the list consists of
the shareholder's network address.

17-16-724. Corporation's acceptance of votes.

(a) If the name or network signature signed on a
vote, consent, waiver, or proxy appointment corresponds to
the name or network address of a shareholder, the
corporation if acting in good faith is entitled to accept
the vote, consent, waiver, or proxy appointment and give it
effect as the act of the shareholder.

(b) If the name or network signature signed on a
vote, consent, waiver, or proxy appointment does not
correspond to the name or network address of its
shareholder, the corporation if acting in good faith is
nevertheless entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the shareholder if:

(i) The shareholder is an entity and the name or network signature signed purports to be that of an officer or agent of the entity;

(ii) The name or network signature signed purports to be that of an administrator, executor, guardian, or conservator representing the shareholder and, if the corporation requests, evidence of fiduciary status acceptable to the corporation has been presented with respect to the vote, consent, waiver, or proxy appointment;

(iii) The name or network signature signed purports to be that of a receiver or trustee in bankruptcy of the shareholder and, if the corporation requests, evidence of this status acceptable to the corporation has been presented with respect to the vote, consent, waiver, or proxy appointment;
(iv) The name or network signature signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the shareholder and, if the corporation requests, evidence acceptable to the corporation of the signatory's authority to sign for the shareholder has been presented with respect to the vote, consent, waiver, or proxy appointment; or

(v) Two (2) or more persons are the shareholder as cotenants or fiduciaries and the name or network signature signed purports to be the name or network address of at least one (1) of the coowners and the person signing appears to be acting on behalf of all the coowners.


(a) One (1) or more shareholders may create a voting trust, conferring on a trustee the right to vote or otherwise act for them, by signing an agreement setting out the provisions of the trust, which may include anything consistent with its purpose, and transferring their shares to the trustee. When a voting trust agreement is signed, the trustee shall prepare a list of the names and addresses
identities of all owners of beneficial interests in the trust, together with the number and class of shares each transferred to the trust. The list shall also show each shareholder's physical mailing address, if the identity of a shareholder on the list consists of the shareholder's name, and each shareholder's authorized means of receipt for electronic transmissions, if the identity of a shareholder on the list consists of the shareholder's network address. Copies of the list and agreement shall be delivered to the corporation's principal office.

17-16-1601. Corporate records.

(c) A record of shareholders administered by or on behalf of a corporation or its agent shall maintain a record of its shareholders, be kept in a form that permits preparation of a list of the identities of all shareholders, in alphabetical or numerical order by class of shares showing the number and class of shares held by each. The list shall also show each shareholder's physical mailing address, if the identity of a shareholder on the list consists of the shareholder's name, and each shareholder's authorized means of receipt for electronic transmissions.
transmissions, if the identity of a shareholder on the list consists of the shareholder's network address. A record of shareholders may show both the shareholder's name and network address.

(d) Records administered by or on behalf of, or maintained by, a corporation shall maintain its may be kept on, or by means of, or be in the form of any information storage device or method or any one (1) or more distributed or other electronic networks or databases provided that the records are kept in written form or in another form capable of conversion into written form within a reasonable time.

Section 2. The secretary of state shall review its rules for consistency with this act.

Section 3. This act is effective July 1, 2018.

(END)