



The Annual Meeting

Although an Annual Meeting may only last a few hours, planning for it can require several months. A well-organized meeting, where shareholders come away feeling they've actively participated in the affairs of a well-run corporation, can leave a very positive impression. This calendar will give you some idea of the time required to prepare the different components of a successful meeting.

To-Do	Responsibility	Time-Frame
Set Record Date	Company	Company By-Laws
File PRE 14A with SEC (Proxy)	Company SEC Attorney	60 Days Prior to Record Date
Wait for SEC Comments	Company SEC Attorney	Respond to Comments
If OK, File DEF 14A	Company SEC Attorney	As Soon as Possible
Inform Transfer Agent of Record Date & Other Information	Company	At Least 25 business days prior to the Record Date
Request Omnibus Proxy and Disposition List from DTC	Company	At Least 20 business days prior to the Record Date
Set Annual Meeting Date	Company	Based on Company By-Laws & State Law, (typically held 60-90 days after the Record Date)
Set Mailing Date	Company	At least 10 business days prior to the Meeting Date, (more time is required if the broker cannot vote a shareholder's position)
Inform Brokers, Banks and Bank Nominees of the Record Date	Transfer Agent	At Least 20 business days prior to the Record Date
Printed meeting material is sent to Transfer Agent or Mailing House	Printer	At least 3 business days prior to Mailing Date
Distribute Annual Meeting Material	Transfer Agent or Mailing House	On the Mailing Date

Record Date:

The date at which a person must be a shareholder to vote on corporate business is called the Record Date. It is set in accordance with the laws of the state in which a company is incorporated.

Meeting Date:

The Meeting Date is set in accordance with the laws of the state in which your company is incorporated. For example, Delaware law states that the meeting date cannot be less than 10 or more than 60 days after the Record Date.

Omnibus Proxy

The Omnibus Proxy is issued by DTC and gives banks, brokers and their nominees the authority to directly vote their share positions. An accompanying list and electronic transmission to the transfer agent of share positions gives the number of votes to which each "street name" is entitled. Those figures will be used by the proxy solicitor and the transfer agent to tally the vote

The Actual Meeting

The preparation, proxies, motions and mailings all lead up to the actual shareholders' meeting. A successful shareholders' meeting requires planning. First, plan the order of the events that will take place. Then, plan the most efficient way to guide the meeting through those events. Virtually all meetings encompass these four areas:

1. **The Business Portion**--where shareholders vote on proposals
2. **Management Presentation**--showing the gains made during the preceding year, the plans for the future, new products or services the corporation is pursuing or other items of particular interest to shareholders
3. **Question-and-Answer Period**—where shareholders ask what they want
4. **Proxy Voting Results**—announced by the Inspector of Elections

Shareholder "Greeting"

Shareholders should be greeted at a reception desk staffed by enough people to keep the flow moving smoothly. Often, beneficial owners come to the meeting without proof that they are holders as of the record date. You should establish a policy prior to the meeting to deal with this situation. A complete list of all shareholder accounts, including those of banks, brokers and nominees, will be prepared by the transfer agent. This list also serves as a handy reference if any shareholder needs assurance that his or her vote was tallied according to the submitted proxy.

The Agenda

A successful shareholders' meeting requires a good agenda and a good "script", because it arranges the events in a sequence that helps you keep the meeting under control. For those who are comfortable speaking "off the cuff," it may simply be an outline that leaves a lot of room for improvisation.

Order of Meeting

1. Introduction of the Board of Directors and key management personnel
2. Secretary of the Corporation reviews the business functions, making a formal statement attesting to the presence of a quorum, presents the shareholders list and an affidavit that attests to the mailing of the proxy material, and indicates the appointment of the Inspector(s) of Election.
3. The Chair proceeds with the business portion of the meeting, putting forth management proposals and calling for balloting on them.
4. The meeting is opened up for shareholders to discuss the proposals and related issues. When the discussion is closed, ballots will be distributed to those wishing to vote in person.
5. The Chair closes the polls and instructs the Inspector to collect and tally the ballots.
6. While the votes are being counted, the Chair will continue the meeting with the management presentation, followed by an open discussion and shareholders' questions. The management presentation and Q&A portion give the Inspector the time he/she needs to count the votes.

Conclusion

The majority of the audience will side with management against any disruptive shareholders. For that reason, the Chair will usually find it best to let the questions run their course. However, if extensive questioning is anticipated, it may be advisable to set a one-question or three-minute limit per speaker, so that everyone wishing to speak has a chance. When the question period is over, the Chair will call for results of the voting, which is announced to the shareholders by the Inspector of Elections. The Inspector will also prepare the necessary forms and reports attesting to the validity of the tabulation, and file those reports with the Secretary of the Corporation.