

SENATE BILL NO. 174

BY SENATOR REESE

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AN ACT

To amend and reenact R.S. 12:1-1435(I) and to enact R.S. 6:518, 908, and 1153, relative to oppressed shareholders; to provide for shareholder's remedies regarding holding companies; to provide for shareholder's rights to withdraw shares; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 6:518, 908, and 1153 are hereby enacted to read as follows:

§518. Oppressed shareholder's remedies

A. For the purposes of R.S. 12:1-1435(I), if the corporation is a bank holding company, any obligation to purchase a withdrawing shareholder's shares shall be subject to any policy, limitation, requirement, order, plan, directive, or enforcement action of any regulatory agency having jurisdiction over the bank holding company or any subsidiary insured by the Federal Deposit Insurance Corporation and shall not cause the bank holding company or any subsidiary insured by the Federal Deposit Insurance Corporation to cease to be sufficiently capitalized under applicable law and regulations, or otherwise jeopardize the safety and soundness of the bank holding company or any of its subsidiaries insured by the Federal Deposit Insurance Corporation.

B. For the purposes of this Section, the term "bank holding company" has the meaning as set forth in 12 U.S.C. 1841.

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§908. Oppressed shareholder's remedies

The provisions of R.S. 6:518 shall be applicable to savings and loan holding companies and their subsidiaries insured by the Federal Deposit Insurance Corporation.

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§1153. Oppressed shareholder's remedies

The provisions of R.S. 6:518 shall be applicable to savings and loan holding companies and their subsidiaries insured by the Federal Deposit Insurance Corporation.

Section 2. R.S. 12:1-1435(I) is hereby amended and reenacted to read as follows:

§1-1435. Oppressed shareholder's right to withdraw

* * *

I. A corporation's obligation to purchase a withdrawing shareholder's shares as provided in this Section or R.S. 12:1-1436 is subject to any limitation or requirement respecting a corporation's acquisition of its own shares as imposed by R.S. 12:1-631, R.S. 12:1-640, **R.S. 6:518**, or any other provision of state or federal law applicable to the corporation, including any order, plan, directive, or enforcement action issued by an administrative or regulatory agency pursuant to state or federal law.

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PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____