

## RÉSUMÉ DIGEST

ACT 356 (HB 743)

2015 Regular Session

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Relative to the law governing corporations, new law defines "votes entitled to be cast", when used in specifying the proportion of votes required to provide shareholder approval of an action, as the number of votes in a voting group that would be cast at a meeting at which all shares in the voting group were present and voting.

Prior law provided criteria for a "qualified director". New law makes changes to provide that a "qualified director" includes a director who is neither of the following: (1) A director as to whom the transaction is a director's conflicting interest transaction or (2) A director who has a material relationship with another director as to whom the transaction is a director's conflicting interest transaction.

Existing law provides that articles of incorporation may permit or obligate corporate indemnification of a director for "liability", as defined in existing law, for any action taken or for failure to take any action as a director. Provides for exceptions. New law adds a corporate officer for whom the articles may permit or obligate indemnification.

Existing law authorizes a registered agent to be a domestic or foreign corporation or other eligible entity. Requires such registered agent to make certain filings with the secretary of state. New law adds the filing requirement of a statement setting forth the name of at least 2 individuals at the registered agent's address in the state of La., each of whom is authorized to receive process served on it as such agent.

Existing law authorizes a corporation to change its registered office or the identity or address of its registered agent by requiring the corporation to file a statement with the secretary of state setting forth certain information. New law requires the corporation to file with the secretary of state the name of at least 2 individuals at its address in the state of La., each of whom is authorized to receive process served on it as such registered agent.

Existing law provides for a corporation's registered agent to be the corporation's agent for service of process. New law authorizes service of process to be made on an individual identified as authorized to receive service for the registered agent, if there is a statement to this effect filed with the secretary of state.

New law provides for a shareholder's or oppressed shareholder's fair value of shares to be determined as of the effective date of the shareholder's notice of withdrawal pursuant to existing law (R.S. 12:1-1435(D)).

Existing law (R.S. 12:1-1301(4)) provides for the context of transactions requiring appraisal. New law modifies existing law to define the context of transactions requiring appraisal as a sale of the entire corporation in an arm's-length transaction by a person who owns all of the shares in the corporation.

Existing law provides for the right of shareholders and oppressed shareholders to withdraw from a corporation. Existing law (R.S. 12:1-1436) provides for judicial determination of a withdrawing shareholder's fair value of shares. New law requires such judicial determinations to be made as follows:

- (1) In favor of the shareholder and against the corporation for the fair value of the shareholder's shares.
- (2) In favor of the corporation and against the shareholder to: (a) terminate the shareholder's ownership of corporate shares, and (b) order the shareholder to deliver to the corporation any certificate issued by the corporation or an affidavit specifying certain information within 30 days of the judgment.

Existing law provides for the secretary of state to terminate the existence of a corporation by filing a certificate of termination stating the grounds for termination. Prior law required the secretary of state to serve a copy of the certificate of termination to the corporation removes the service requirement of the secretary of state.

Effective August 1, 2015. Provides for retroactive application to January 1, 2015.

(Amends R.S. 12:1-143(A)(3), 1-202(B)(5)(intro. para.), 1-501(2)(b), 1-502(A)(5), 1-504(A), 1-1435(C), 1-1436(D), (E)(intro. para.), (1)(intro. para.), and (2), and 1-1442(A)(2) and (C); Adds R.S. 12:1-140(25B) and 1-502(A)(7))