

SENATE BILL NO. 33

BY SENATORS FOIL, ABRAHAM, BARROW, BOUDREAUX, CARTER, CATHEY, CLOUD, CONNICK, CORTEZ, FESI, HARRIS, HEWITT, JACKSON, LUNEAU, MCMATH, MILLIGAN, ROBERT MILLS, MORRIS, PRICE, REESE, SMITH, WARD, WHITE AND WOMACK AND REPRESENTATIVES GARY CARTER, ECHOLS, MCKNIGHT, ORGERON, RISER AND THOMPSON

1 AN ACT

2 To amend and reenact R.S. 12:1-1005(5) and 1-1105(A) and (C) and to enact R.S.
3 12:1-709(C) and 1-1105(D), relative to corporations; to provide for the holding of
4 annual and special shareholders' meetings solely by means of remote
5 communication; to provide relative to articles of incorporation; to remove certain
6 corporate name change requirements; to provide for additional provisions related to
7 mergers between the parent and subsidiary, or between subsidiaries; to provide for
8 certain terms, conditions, and procedures; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 12:1-1005(5) and 1-1105(A) and (C) are hereby amended and
11 reenacted, and R.S. 12:1-709(C) and 1-1105(D) are hereby enacted to read as follows:

12 §1-709. Remote participation in annual and special meetings

13 * * *

14 **C. Notwithstanding any provision of Subpart A of Part 7 of this Chapter**
15 **to the contrary, unless the bylaws expressly require the meeting of shareholders**
16 **to be held at a place, the board of directors may determine that any meeting of**
17 **shareholders shall be held solely by means of remote communication, in**
18 **accordance with the provisions of Subsection B of this Section and the**
19 **guidelines and procedures as the board of directors adopts.**

20 * * *

21 §1-1005. Amendment by board of directors

22 Unless the articles of incorporation provide otherwise, a corporation's board
23 of directors may adopt amendments to the corporation's articles of incorporation

1 without shareholder approval to do any of the following:

2 * * *

3 (5) Change the corporate name by substituting the word "corporation",
4 "incorporated", "company", "limited", or the abbreviation, with or without
5 punctuation, "corp", "inc", "co", or "ltd", for a similar word or abbreviation in the
6 name, or by adding, deleting, or changing a geographical attribution for the name.

7 * * *

8 §1-1105. Merger between parent and subsidiary or between subsidiaries

9 A. Unless the articles of incorporation of any of the corporations
10 otherwise provide, or unless, in the case of a foreign subsidiary, approval by the
11 subsidiary's board of directors or shareholders is required by the laws under
12 which the subsidiary is organized, ~~A~~ a domestic parent corporation that owns
13 shares of a domestic or foreign subsidiary corporation that carry at least ninety
14 percent of the voting power of each class and series of the outstanding shares of the
15 subsidiary that have voting power may do either of the following:

16 (1) merge Merge the subsidiary into itself or into another such subsidiary, ~~or~~
17 without the approval of the shareholders of the parent corporation or board of
18 directors or shareholders of the subsidiary.

19 (2) merge Merge itself into the subsidiary, without the approval of the board
20 of directors or shareholders of the subsidiary, ~~unless the articles of incorporation of~~
21 ~~any of the corporations otherwise provide, or unless, in the case of a foreign~~
22 ~~subsidiary, approval by the subsidiary's board of directors or shareholders is required~~
23 ~~by the laws under which the subsidiary is organized.~~

24 * * *

25 C. As a result of a merger pursuant to this Section, the articles of
26 incorporation of the parent corporation may be amended only as provided in
27 R.S. 12:1-1005.

28 D. Except as provided in Subsections A ~~and B,~~ B, and C of this Section, a
29 merger between a parent and a subsidiary shall be governed by the provisions of this
30 Part applicable to mergers generally.

1 Section 2. The provisions of this Act shall become effective upon signature by the
2 governor or, if not signed by the governor, upon expiration of the time for bills to become
3 law without signature by the governor, as provide by Article III, Section 18 of the
4 Constitution of Louisiana. If vetoed by the governor and subsequently approved by the
5 legislature, the provisions of this Act shall become effective on the day following such
6 approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____