

SENATE BILL NO. 279

BY SENATOR MORRIS

1 AN ACT

2 To amend and reenact R.S. 6:255(A) and (G) and 1204 and R.S. 12:1-625(A) and to enact
3 R.S. 6:707(E), relative to banks; to provide for certificates of stocks; to provide for
4 uncertificated shares; to provide for terms, conditions, exceptions, and procedures;
5 and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 6:255(A) and (G) and 1204 are hereby amended and reenacted and
8 R.S. 6:707(E) is hereby enacted to read as follows:

9 §255. Certificates of stock **and uncertificated shares**

10 A. Shares ~~must~~ **shall** be represented by certificates of stock unless the issuing
11 corporation is a participant in the Direct Registration System, or its successor, of the
12 Depository Trust & Clearing Corporation, **or as provided in Subsection G of this**
13 **Section**, then shares need not be represented by certificates of stock. Unless
14 expressly provided elsewhere, the rights and obligations of shareholders are not
15 affected regardless of whether the shares are represented by certificates of stock.

16 * * *

17 G.**(1)** Unless the articles of incorporation or bylaws provide otherwise, the
18 board of directors of a corporation may authorize the issue of some or all of the
19 shares of any or all of its classes or series of shares ~~without certificates~~ **as**
20 **uncertificated shares, including but not limited to the use of a book entry or any**

1 other electronic method for documenting shareholder ownership. The
2 authorization does not affect shares already represented by certificates until they are
3 surrendered to the corporation.

4 (2) The board of directors of a corporation may by a majority vote
5 authorize by resolution the conversion of some or all of the shares of any or all
6 classes or series of its stock from stock certificates to uncertificated shares.

7 (3) Notwithstanding any other law to the contrary, the provisions of this
8 Subsection apply to any state-chartered bank and any bank holding company.

9 * * *

10 §707. Capital stock; types of stock; consideration for issuance; security for loan

11 * * *

12 E. The provisions of R.S. 6:255 apply to any capital stock association and
13 its holding company.

14 * * *

15 §1204. Capital stock; authorization of issuance

16 A. A savings bank may provide for the issuance of capital stock, either by its
17 original articles of incorporation or by an amendment thereto authorized by this
18 Chapter.

19 B. Notwithstanding any provision of law to the contrary, the provisions
20 of R. S. 6:255 apply to any Louisiana state-chartered savings bank and its
21 holding company.

22 Section 2. R.S. 12:1-625(A) is hereby amended and reenacted to read as follows:

23 §1-625. Form and content of certificates

24 A. Shares shall be represented by share certificates unless the issuing
25 corporation is a participant in the Direct Registration System of the Depository Trust
26 & Clearing Corporation or of a similar book-entry system used in the trading of
27 shares of public corporations or as otherwise provided in R.S. 6:255 relative to
28 financial institutions and their holding companies. If the issuing corporation is a
29 participant in the Direct Registration System or a similar book-entry system, shares
30 may but need not be represented by certificates. Unless this Chapter or another

1 statute expressly provides otherwise, the rights and obligations of shareholders are
2 identical whether or not their shares are represented by certificates.

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PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____