

RÉSUMÉ DIGEST

ACT 3 (SB 33)

2020 Second Extraordinary Session

Foil

Prior law, relative to business corporations, provided for remote participation in shareholders' meetings.

New law retains prior law and provides that the board of directors (board) may determine shareholders' meetings be held only by remote communication, unless the bylaws require meetings be held at a place, and such meeting does not conflict with prior law.

Prior law provided the board may adopt a corporation's name change by substitution of a similar word or abbreviation, or by adding, deleting, or changing a geographical attribution for the name without shareholder approval, unless approval is required by the articles of incorporation.

New law removes a corporation's name by substitution or a similar word or abbreviation or by adding, deleting, or changing a geographical attribution from the corporation's name from prior law and retains a corporate name change may be approved by the board without shareholder approval, unless approval is required by the articles of incorporation.

Prior law provided a domestic parent corporation owing at least 90% of the voting power of each class or series for a domestic or foreign subsidiary corporation, may merge the subsidiary into itself or another subsidiary, or merge itself into the subsidiary without board or shareholder approval.

New law retains prior law and adds, unless the corporation's articles of incorporation or the laws under which the subsidiary was organized requires approval, the domestic parent corporation may merge the subsidiary into itself or another subsidiary, without approval of the shareholders of the parent corporation or board or shareholders of the subsidiary.

New law adds to prior law that as a result of a merger, the articles of incorporation of the parent corporation may be amended only as provided by law.

Effective upon signature of the governor (October 16, 2020).

(Amends R.S. 12:1-1005(5) and 1-1105(A) and (C); adds R.S. 12:1-709(C) and 1-1105(D))