

HB 525 -- Corporations

Sponsor: Byrd

This bill makes several changes relating to the rights of shareholders, officers, and directors of a corporation. In its main provisions, the bill:

- (1) Provides that on a motion to dismiss, a person challenging an exculpation provision must plead facts with particularity and on a motion for summary judgment has the burden of proving the provision is inapplicable;
- (2) Allows a corporation to confer the power to vote upon holders of bonds, debentures, or other obligations;
- (3) Gives a shareholder with voting shares who objects to a merger or consolidation the right to appraisal if the objection is filed prior to the meeting of shareholders; and
- (4) Allows a corporation to adopt a provision in its articles renouncing any interest in specified business opportunities.