

An Act

ENROLLED SENATE
BILL NO. 620

By: Montgomery of the Senate

and

Echols and McDugle of the
House

An Act relating to business entities; amending 18 O.S. 2021, Sections 803, 804, 807, 808, 809, 810, 811, and 815, which relate to the Professional Entity Act; modifying definitions; modifying requirements for formation or qualification of professional entity to render professional services; clarifying requirement for name of domestic professional entity; requiring designation of principal office in qualification instrument; requiring owners of certain professional entity to be licensed or permitted to render certain services; requiring managers of certain professional entity to be licensed or permitted to render certain services; clarifying persons authorized to render certain services for certain professional entity; clarifying professional corporation authorized to purchase or redeem certain shares; amending 18 O.S. 2021, Sections 1004.1, 1006, 1012, 1014, 1014.3, 1022, 1025, 1027, 1031, 1033, 1034, 1038, and 1041, which relate to formation, registered office and agent, directors and officers, and stocks and dividends under the Oklahoma General Corporation Act; updating statutory references; modifying requirements for personal liability of certain directors and officers; authorizing documentation, signature, and delivery of consent by electronic means; allowing adoption of emergency bylaws without quorum; establishing certain emergency powers of directors; clarifying signature requirements for certain documents; removing reference to foreign general partnership; removing requirement for issuance of certain certificate by

the Secretary of State; requiring filing of certain consents with minutes of certain proceedings; authorizing indemnification of certain persons for defense of certain claims; defining term; requiring captive insurance to include certain terms; establishing requirements for certain captive insurance policies; construing provisions; authorizing board of directors to delegate authority to enter into transactions to issue stock; authorizing board of directors to delegate disposition of treasury shares in certain manner; authorizing board of directors to delegate authority to issue rights or options to acquire stock; prohibiting shares of capital stock of a corporation to be voted or counted for quorum purposes under certain circumstances; authorizing issuance of new certificates of stock in place of lost, stolen, or destroyed certificates; providing for application to district court to require issuance of certain shares or certificates; amending 18 O.S. 2021, Sections 1057, 1058, 1064, 1067, 1073, 1075.2, 1081, 1090.4, 1090.5, 1091, 1096, 1097, and 1120, which relate to meetings, elections, voting, and notice, merger or consolidation, dissolution and winding up, and revival of certificate of incorporation under the Oklahoma General Corporation Act; authorizing documentation, signature, and delivery of authorization of a proxy by electronic means under certain circumstances; conforming language related to delivery of consent; eliminating requirement for availability of shareholder list for inspection during certain meetings; clarifying calculation of certain time period; authorizing application to district court for examination of shareholder list; establishing burden of proof; authorizing court to issue certain orders; modifying notice requirements for shareholder meetings; conforming language; modifying requirements for documentation, signature, and delivery of consent of shareholders; clarifying validity of consent executed by non-shareholder; authorizing certain reproduction of written consent; clarifying acceptable forms of delivery of written or

electronic transmissions; authorizing electronic transmission of certain notice; prohibiting electronic transmission of notice under certain circumstances; allowing certain affidavit to be prima facie evidence of certain facts; defining terms; modifying certain exceptions; modifying requirements for organizational documents of surviving entity following merger; requiring certain approvals before certificate of conversion becomes effective; modifying requirement for shareholder approval to a majority of outstanding shares of stock for conversion of corporation to another entity; requiring approval of each shareholder becoming a general partner in conversion to partnership; requiring certificate of conversion to contain certain agreement for enforcement of obligations of converted entity; defining term; prohibiting availability of certain appraisal rights on certain date; modifying requirements to perfect certain appraisal rights; permitting beneficial owner of stock to demand appraisal directly under certain circumstances; modifying procedures for filing petition in district court for determination of value of stock; modifying certain notice requirements; requiring court to determine persons entitled to appraisal; authorizing court to issue certain orders; authorizing order for pro rata share of certain expenses to a shareholder or beneficial owner participating in appraisal proceedings; modifying requirements for dismissal of appraisal proceedings; authorizing reservation of jurisdiction for certain applications to the court; establishing requirements for execution of certain certificate of dissolution of corporation; stating effect of failure to timely file certification of dissolution of corporation; clarifying effective date of dissolution of corporation; establishing requirements for execution of certain certificate of dissolution of nonstock corporation; stating effect of failure to timely file certification of dissolution of nonstock corporation; making language gender neutral; deleting obsolete

language; updating statutory references; providing for codification; and providing an effective date.

SUBJECT: Professional Entity Act

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 18 O.S. 2021, Section 803, is amended to read as follows:

Section 803. A. As used in the Professional Entity Act, unless the context clearly indicates that a different meaning is intended:

1. "Associated act" means the Oklahoma General Corporation Act, in the case of a corporation; the ~~Oklahoma Revised Uniform Limited Partnership Act~~ Uniform Limited Partnership Act of 2010, in the case of a limited partnership; or the Oklahoma Limited Liability Company Act, in the case of a limited liability company;

2. "Interest" means a share of stock in a corporation, a partnership interest in a limited partnership or a membership interest in a limited liability company;

3. "Owner" means a shareholder in the case of a corporation, a general or limited partner in the case of a limited partnership or a member in the case of a limited liability company;

4. "Manager" means a director or officer in the case of a corporation, a general partner in the case of a limited partnership or a manager in the case of a limited liability company;

5. "Professional entity" means a domestic or qualified foreign corporation, limited partnership or limited liability company formed for the purpose of rendering professional service or formed for the purpose of owning a professional entity rendering professional service;

6. "Professional service" means the personal service rendered by:

- a. a physician, surgeon or doctor of medicine pursuant to a license under Sections 481 through 524 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of medicine,
- b. an osteopathic physician or surgeon pursuant to a license under Sections 620 through 645 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of osteopathy,
- c. a chiropractic physician pursuant to a license under Sections 161.1 through 161.20 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of chiropractic,
- d. a podiatric physician pursuant to a license under Sections 135.1 through 160.2 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of podiatric medicine,
- e. an optometrist pursuant to a license under Sections 581 through 606 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of optometry,
- f. a veterinarian pursuant to a license under Sections 698.1 through 698.30b of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of veterinary medicine,
- g. an architect pursuant to a license under Sections 46.1 through 46.41 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of architecture,
- h. an attorney pursuant to his or her authority to practice law granted by the Supreme Court of ~~the State of Oklahoma~~ this state,
- i. a dentist pursuant to a license under Sections 328.1 through 328.53 of Title 59 of the Oklahoma Statutes,

and any subsequent laws regulating the practice of dentistry,

- j. a certified public accountant or a public accountant pursuant to his or her authority to practice accounting under Sections 15.1 through 15.38 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of public accountancy,
- k. a psychologist pursuant to a license under Sections 1351 through 1376 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of psychology,
- l. a physical therapist pursuant to a license under Sections 887.1 through 887.18 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of physical therapy,
- m. a registered nurse pursuant to a license under Sections 567.1 through 567.19 of Title 59 of the Oklahoma Statutes, and any other subsequent laws regulating the practice of nursing,
- n. a professional engineer pursuant to a license under Sections 475.1 through 475.22a of Title 59 of the Oklahoma Statutes, and any subsequent laws relating to the practice of engineering,
- o. a land surveyor pursuant to a license under Sections 475.1 through 475.22a of Title 59 of the Oklahoma Statutes, and any subsequent laws relating to the practice of land surveying,
- p. an occupational therapist pursuant to Sections 888.1 through 888.15 of Title 59 of the Oklahoma Statutes and any subsequent law regulating the practice of occupational therapy,
- q. a speech pathologist or speech therapist pursuant to Sections 1601 through 1622 of Title 59 of the Oklahoma

Statutes, and any subsequent law regulating the practice of speech pathology,

- r. an audiologist pursuant to Sections 1601 through 1622 of Title 59 of the Oklahoma Statutes, and any subsequent law regulating the practice of audiology,
- s. a registered pharmacist pursuant to Sections 353 through ~~366~~ 360 of Title 59 of the Oklahoma Statutes, and any subsequent law regulating the practice of pharmacy,
- t. a licensed perfusionist pursuant to Sections 2051 through 2071 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of perfusionists,
- u. a licensed professional counselor pursuant to Sections 1901 through 1920 of Title 59 of the Oklahoma Statutes, and any subsequent law regulating the practice of professional counseling,
- v. a licensed marital and family therapist pursuant to Sections 1925.1 through 1925.18 of Title 59 of the Oklahoma Statutes, and any subsequent law regulating the practice of marital and family therapy,
- w. a dietitian licensed pursuant to Sections 1721 through 1739 of Title 59 of the Oklahoma Statutes and any subsequent laws regulating the practice of dietitians,
- x. a social worker licensed pursuant to Sections 1250 through 1273 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of social work,
- y. a licensed alcohol and drug counselor pursuant to Sections 1870 through 1885 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of alcohol and drug counseling,

- z. a licensed behavioral practitioner pursuant to Sections 1930 through 1949.1 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of behavioral health services, or
- aa. a certified real estate appraiser licensed pursuant to Sections 858-700 through 858-732 of Title 59 of the Oklahoma Statutes or listed on the National Registry of Appraisers by the Appraisal Subcommittee in compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989, and any subsequent laws regulating the practice of real estate appraisal;

7. "Related professional services" means those services which are combined for professional entity purposes as follows:

- a. any combination of the following professionals:
 - (1) a physician, surgeon or doctor of medicine pursuant to a license under Sections 481 through 524 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of medicine,
 - (2) an osteopathic physician or surgeon pursuant to a license under Sections 620 through 645 of Title 59 of the Oklahoma Statutes, and any subsequent laws relating to the practice of osteopathy,
 - (3) a dentist pursuant to a license under Sections 328.1 through 328.53 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of dentistry,
 - (4) a chiropractic physician pursuant to a license under Sections 161.1 through 161.20 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of chiropractic,
 - (5) a psychologist pursuant to a license under Sections 1351 through 1376 of Title 59 of the

Oklahoma Statutes, and any subsequent laws regulating the practice of psychology,

- (6) an optometrist pursuant to a license under Sections 581 through 606 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of optometry,
- (7) a podiatric physician pursuant to a license under Sections 135.1 through 160.2 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of podiatric medicine,
- (8) a dietitian licensed pursuant to Sections 1721 through 1739 of Title 59 of the Oklahoma Statutes and subsequent laws regulating the practice of dietitians, or
- (9) an occupational therapist pursuant to Sections 888.1 through 888.15 of Title 59 of the Oklahoma Statutes and any subsequent law regulating the practice of occupational therapy, or

b. any combination of the following professions:

- (1) an architect pursuant to a license under Sections 46.1 through 46.41 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of architecture,
- (2) a professional engineer pursuant to a license under Sections 475.1 through 475.22a of Title 59 of the Oklahoma Statutes, and any subsequent laws relating to the practice of engineering, or
- (3) a land surveyor pursuant to a license under Sections 475.1 through 475.22a of Title 59 of the Oklahoma Statutes, and any subsequent laws relating to the practice of land surveying;

8. "Regulating board" means the board which is charged with the licensing and regulation of the practice of the profession which the professional entity is organized to render;

9. "Individual", "incorporator" and "shareholder" each include the trustee of an express trust created by a person duly licensed or otherwise permitted to render a professional service who has the right to revoke the trust and who is serving as the trustee of the trust. Any certificate required by the Professional Entity Act to be issued to an individual incorporator or shareholder may be issued to the grantor on behalf of a trust. All references in the Professional Entity Act to death and incapacity of a shareholder shall include the death and incapacity of the grantor of a trust which own stock in a professional corporation;

10. "Incapacity" of a shareholder means a determination by a court of competent jurisdiction, or otherwise by two independent licensed physicians, that the shareholder is fully incapacitated or is partially incapacitated to the extent that the shareholder is not capable of rendering the professional service for which the professional corporation was organized; and

11. "Other personal representative" includes the successor trustee of an express trust owning stock in a professional corporation, which trust was created by a person duly licensed or otherwise permitted to render the professional service for which the professional corporation was organized who has the right to revoke the trust and who is the original trustee of the trust.

B. The definitions of the applicable associated act shall apply to the Professional Entity Act, unless the context clearly indicates that a different meaning is intended.

SECTION 2. AMENDATORY 18 O.S. 2021, Section 804, is amended to read as follows:

Section 804. A professional entity may be formed or qualified to render professional services by filing the appropriate instrument required by the associated act with the Secretary of State. The individual or individuals forming ~~the~~ a domestic professional entity or qualifying a foreign professional entity shall be managers of the professional entity and duly licensed or otherwise permitted in

accordance with the provisions of this state's licensing laws for the profession and in good standing within the profession to be practiced through the professional entity. Such instrument shall meet the requirements of the applicable associated act, shall contain the profession or related professions to be practiced through the professional entity, and shall ~~also~~ contain one of the following:

~~1. The profession or related professions to be practiced through the professional entity; and~~

~~2. A certificate by the regulating board of the profession or related professions involved that each of the persons who ~~are to~~ will become owners or managers of the domestic professional entity and who ~~are to~~ will engage in the practice of the profession or related profession in this state is duly licensed or otherwise permitted in accordance with the provisions of this state's licensing laws for the profession or related profession to practice such profession; or~~

2. A certificate by the regulating board of the profession or related professions involved that the persons who will become the managers of the foreign professional entity and who will be responsible for the practice of the profession or related profession in this state are duly licensed or otherwise permitted in accordance with the provisions of this state's licensing laws for the profession or related profession to practice such profession.

SECTION 3. AMENDATORY 18 O.S. 2021, Section 807, is amended to read as follows:

Section 807. The name of every domestic professional entity shall end with one or more of the words or abbreviations permitted in the applicable associated acts; provided, that such words or abbreviations shall be modified by the word "professional" or some abbreviation of the combination, with or without punctuation, including, without limitation: "P.C.", "P.L.P." or "P.L.L.C.". Provided further, each of the regulating boards may by rule adopt further requirements as to the names of professional entities organized to render professional services within the jurisdiction of such regulating board.

SECTION 4. AMENDATORY 18 O.S. 2021, Section 808, is amended to read as follows:

Section 808. The principal office of the professional business entity shall be designated by street address in the formation or qualification instrument and shall not be changed without amendment of the formation or qualification instrument.

SECTION 5. AMENDATORY 18 O.S. 2021, Section 809, is amended to read as follows:

Section 809. Except as provided in Section 815 of this title, no person shall hold an interest in a domestic professional entity including a domestic professional entity that owns a domestic professional entity rendering professional service who is not duly licensed or otherwise permitted in accordance with the provisions of this state's licensing laws for the profession or related profession to render the same professional services or related professional services as those for which the entity is organized. No person shall be a shareholder of a professional corporation who is not duly licensed or otherwise permitted to render the same professional services or related professional services as the services for which the corporation is organized. An owner of a qualified foreign professional entity need not be duly licensed if he or she is not rendering professional services in this state.

SECTION 6. AMENDATORY 18 O.S. 2021, Section 810, is amended to read as follows:

Section 810. ~~No person may be a~~ Every manager of a domestic professional entity who is not a person responsible for the professional services or related professional services rendered by the professional entity in this state shall be duly licensed or otherwise permitted in accordance with the provisions of this state's licensing laws for the profession or related profession to render the same professional services or related professional services as those for which the entity is formed. ~~No person may be a shareholder of a professional corporation who is not an individual~~ Every manager of a foreign professional entity responsible for the professional services or related professional services rendered by the professional entity in this state shall be duly licensed or otherwise permitted in accordance with the provisions of this

state's licensing laws for the profession or related profession to render the same professional services or related professional services as those for which the ~~corporation~~ entity is ~~organized~~ formed.

SECTION 7. AMENDATORY 18 O.S. 2021, Section 811, is amended to read as follows:

Section 811. A domestic professional entity may render professional services in this state only through its owners, managers, employees and agents who are duly licensed or otherwise permitted in accordance with the provisions of this state's licensing laws to render professional services; ~~provided, however, this provision.~~ A foreign professional entity may render professional services in this state only through its owners, managers, employees, and agents who are duly licensed or otherwise permitted in accordance with the provisions of this state's licensing laws to render professional services in this state. The provisions of this section shall not be interpreted to include in the term "employee", as used herein, clerks, secretaries, bookkeepers, technicians and other assistants who are not usually and ordinarily considered by custom and practice to be rendering professional services to the public for which a license is required.

SECTION 8. AMENDATORY 18 O.S. 2021, Section 815, is amended to read as follows:

Section 815. A. 1. If the domestic professional entity is a corporation, the certificate of incorporation, bylaws or other agreement may provide for the purchase or redemption of the shares of any shareholder upon the death, incapacity, disqualification or ending of employment of such shareholder. In the absence of a provision in the certificate of incorporation, or the bylaws, or other agreement, the domestic professional corporation shall purchase the shares of a deceased shareholder, a shareholder who is incapacitated or who is no longer qualified to own shares in such corporation or a shareholder whose employment has ended, within ninety (90) days after such shareholder's death, incapacity ~~or,~~ disqualification or ending of employment, as the case may be.

2. The price for such shares shall be the book value as of the end of the month immediately preceding such shareholder's death,

incapacity, disqualification or ending of employment of the shareholder. Book value shall be determined from the books and records of the domestic professional corporation in accordance with the regular method of accounting used by the corporation. If the corporation shall fail to purchase the shares by the end of the ninety day period, then the executor or administrator or other personal representative of the deceased, incapacitated or disqualified shareholder may bring an action in the district court of the county in which the principal office or place of practice of the domestic professional corporation is located for the enforcement of this provision. If the plaintiff is successful in such action, he or she shall be entitled to recover the book value of the shares involved, a reasonable attorney's fee and costs. The domestic professional corporation shall repurchase such shares without regard to restrictions upon the repurchase of shares provided for in the Oklahoma General Corporation Act.

3. If there is only one shareholder of a domestic professional corporation, and the shareholder dies or becomes incapacitated, the executor or administrator or other personal representative of the shareholder shall have the authority to sell the shares of capital stock owned by the shareholder to a qualified purchaser, or to cause a dissolution of the domestic professional corporation as provided by law. The vesting of ownership of shares of stock in a domestic professional corporation in the executor or administrator or other personal representative shall be solely for the purposes set forth above and shall not be deemed to contravene any other provisions of ~~this act~~ Section 801 et seq. of this title.

B. If the domestic professional entity is a limited partnership or a limited liability company, an owner's disqualification shall be deemed a withdrawal, and the domestic professional entity shall respond to the disqualification as it would any other withdrawal.

SECTION 9. AMENDATORY 18 O.S. 2021, Section 1004.1, is amended to read as follows:

Section 1004.1.

APPLICATION OF ACT TO NONSTOCK CORPORATIONS

A. Except as otherwise provided in subsections B and C of this section, the provisions of this chapter shall apply to nonstock corporations in the manner specified in paragraphs 1 through 4 of this subsection:

1. All references to shareholders of the corporation shall be deemed to refer to members of the corporation;

2. All references to the board of directors of the corporation shall be deemed to refer to the governing body of the corporation;

3. All references to directors or to members of the board of directors of the corporation shall be deemed to refer to members of the governing body of the corporation; and

4. All references to stock, capital stock, or shares thereof of a corporation authorized to issue capital stock shall be deemed to refer to memberships of a nonprofit nonstock corporation and to membership interests of any other nonstock corporation.

B. Subsection A of this section shall not apply to:

1. This subsection or to paragraph 4 of subsection A and paragraphs 1 and 2 of subsection B of Section 1006, subsection A of Section 1013, Sections 1027, 1035, 1060 and 1073, subsection B of Section 1075, and Sections 1076, 1077, 1083, 1084, 1085, 1086, 1087, 1092, 1097, 1119 and 1120 of ~~Title 18 of the Oklahoma Statutes~~ this title, which apply to nonstock corporations by their terms; and

2. Subsection B of Section 1013, Sections 1032, 1033, 1034, 1036, 1037, subsection D of 1038, 1039, 1042, 1043, 1044, 1045, 1046, 1047, Sections 22 and 23 of this act, 1056, 1057, 1058, 1059, 1061, 1064, 1067, 1075.1, 1078, 1079, 1081, 1082, 1083.1, 1090.3, 1095, 1096, 1130 through 1138, and 1142, 1159 and subsection A of 1161 of Title 18 of the Oklahoma Statutes this title.

C. In the case of a nonprofit, nonstock corporation, subsection A of this section shall not apply to:

1. The sections listed in subsection B of this section; and

2. Paragraph 3 of subsection B of Section 1006, paragraph 2 of subsection A of Section 1030, Sections 1032 through 1055, 1062, subsections A and B of 1063, and 1091 of ~~Title 18 of the Oklahoma Statutes~~ this title.

D. For purposes of the Oklahoma General Corporation Act:

1. A "charitable nonstock corporation" is any nonprofit nonstock corporation that is exempt from taxation under Section ~~501(e)(3)~~ 501(c)(3) of the United States Internal Revenue Code ~~{26 U.S.C. Section 501(e)(3)}~~, 26 U.S.C. Section 501(c)(3), or any successor provisions;

2. A "membership interest" is, unless otherwise provided in a nonstock corporation's certificate of incorporation, a member's share of the profits and losses of a nonstock corporation, or a member's right to receive distributions of the nonstock corporation's assets, or both;

3. A "nonprofit nonstock corporation" is a nonstock corporation that does not have membership interests;

4. A "nonstock corporation" is any corporation organized under ~~this act~~ the Oklahoma General Corporation Act that is not authorized to issue capital stock; and

5. The terms "not-for-profit" and "nonprofit" are synonymous.

SECTION 10. AMENDATORY 18 O.S. 2021, Section 1006, is amended to read as follows:

Section 1006.

CERTIFICATE OF INCORPORATION; CONTENTS

A. The certificate of incorporation shall set forth:

1. The name of the corporation which shall contain one of the words "association", "company", "corporation", "club", "foundation", "fund", "incorporated", "institute", "society", "union", "syndicate", or "limited" or abbreviations thereof, with or without punctuation, or words or abbreviations thereof, with or without

punctuation, of like import of foreign countries or jurisdictions; provided that such abbreviations are written in Roman characters or letters, and which shall be such as to distinguish it upon the records in the Office of the Secretary of State from:

- a. names of other corporations, whether domestic or foreign, then existing or which existed at any time during the preceding three (3) years,
- b. names of partnerships whether general or limited, or domestic or foreign, then in good standing or registered or which were in good standing or registered at any time during the preceding three (3) years,
- c. names of limited liability companies, whether domestic or foreign, then in good standing or registered or which were in good standing or registered at any time during the preceding three (3) years,
- d. trade names or fictitious names filed with the Secretary of State, or
- e. corporate, limited liability company or limited partnership names reserved with the Secretary of State;

2. The address, including the street, number, city and postal code, of the corporation's registered office in this state, and the name of the corporation's registered agent at such address;

3. The nature of the business or purposes to be conducted or promoted. It shall be sufficient to state, either alone or with other businesses or purposes, that the purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the general corporation law of ~~Oklahoma~~ this state, and by such statement all lawful acts and activities shall be within the purposes of the corporation, except for express limitations, if any;

4. If the corporation is to be authorized to issue only one class of stock, the total number of shares of stock which the

corporation shall have authority to issue and the par value of each of such shares, or a statement that all such shares are to be without par value. If the corporation is to be authorized to issue more than one class of stock, the certificate of incorporation shall set forth the total number of shares of all classes of stock which the corporation shall have authority to issue and the number of shares of each class, and shall specify each class the shares of which are to be without par value and each class the shares of which are to have par value and the par value of the shares of each such class. The provisions of this paragraph shall not apply to corporations which are not organized for profit and which are not to have authority to issue capital stock. In the case of such corporations, the fact that they are not to have authority to issue capital stock shall be stated in the certificate of incorporation. The provisions of this paragraph shall not apply to nonstock corporations. In the case of nonstock corporations, the fact that they are not authorized to issue capital stock shall be stated in the certificate of incorporation. The conditions of membership, or other criteria for identifying members, of nonstock corporations shall likewise be stated in the certificate of incorporation or the bylaws. Nonstock corporations shall have members, but the failure to have members shall not affect otherwise valid corporate acts or work a forfeiture or dissolution of the corporation. Nonstock corporations may provide for classes or groups of members having relative rights, powers and duties, and may make provision for the future creation of additional classes or groups of members having such relative rights, powers and duties as may from time to time be established, including rights, powers and duties senior to existing classes and groups of members. Except as otherwise provided in the Oklahoma General Corporation Act, nonstock corporations may also provide that any member or class or group of members shall have full, limited, or no voting rights or powers, including that any member or class or group of members shall have the right to vote on a specified transaction even if that member or class or group of members does not have the right to vote for the election of members of the governing body of the corporation. Voting by members of a nonstock corporation may be on a per capita, number, financial interest, class, group, or any other basis set forth. The provisions referred to in the three preceding sentences may be set forth in the certificate of incorporation or the bylaws. If neither the certificate of incorporation nor the bylaws of a nonstock corporation state the conditions of membership, or other criteria

for identifying members, the members of the corporation shall be deemed to be those entitled to vote for the election of the members of the governing body pursuant to the certificate of incorporation or bylaws of such corporation or otherwise until thereafter otherwise provided by the certificate of incorporation or the bylaws;

5. The name and mailing address of the incorporator or incorporators;

6. If the powers of the incorporator or incorporators are to terminate upon the filing of the certificate of incorporation, the names and mailing addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors are elected and qualify;

7. If the corporation is not for profit:

- a. that the corporation does not afford pecuniary gain, incidentally or otherwise, to its members as such,
- b. the name and mailing address of each member of the governing body,
- c. the number of members of the governing body to be elected at the first meeting, and
- d. in the event the corporation is a church, the street address of the location of the church.

The restriction on affording pecuniary gain to members shall not prevent a not-for-profit corporation operating as a cooperative from rebating excess revenues to patrons who may also be members; and

8. If the corporation is a charitable nonstock and does not otherwise provide in its certificate of incorporation:

- a. that the corporation is organized exclusively for charitable, religious, educational, and scientific purposes including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under ~~section~~ Section 501(c)(3) of the

Internal Revenue Code, or the corresponding section of any future federal tax code,

- b. that upon the dissolution of the corporation, its assets shall be distributed for one or more exempt purposes within the meaning of ~~section~~ Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, for a public purpose, and
- c. that the corporation complies with the requirements in paragraph 7 of this subsection.

B. In addition to the matters required to be set forth in the certificate of incorporation pursuant to the provisions of subsection A of this section, the certificate of incorporation may also contain any or all of the following matters:

1. Any provision for the management of the business and for the conduct of the affairs of the corporation, and any provision creating, defining, limiting and regulating the powers of the corporation, the directors, and the shareholders, or any class of the shareholders, or the governing body, the members, or any class or group of the members of a nonstock corporation, if such provisions are not contrary to the laws of this state. Any provision which is required or permitted by any provision of the Oklahoma General Corporation Act to be stated in the bylaws may instead be stated in the certificate of incorporation;

2. The following provisions, in substantially the following form:

- a. for a corporation, other than a nonstock corporation:
"Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them and/or between this corporation and its shareholders or any class of them, any court of equitable jurisdiction within ~~the State of Oklahoma~~ this state, on the application in a summary way of this corporation or of any creditor or shareholder thereof or on the application of any receiver or receivers appointed for this corporation under the

provisions of Section 1106 of this title or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under the provisions of Section 1100 of this title, may order a meeting of the creditors or class of creditors, and/or of the shareholders or class of shareholders of this corporation, as the case may be, to be summoned in such manner as the court directs. If a majority in number representing three-fourths (3/4) in value of the creditors or class of creditors, and/or of the shareholders or class of shareholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as a consequence of such compromise or arrangement, the compromise or arrangement and the reorganization, if sanctioned by the court to which the application has been made, shall be binding on all the creditors or class of creditors, and/or on all the shareholders or class of shareholders, of this corporation, as the case may be, and also on this corporation", and

b. for a nonstock corporation:

"Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them and/or between this corporation and its members or any class of them, any court of equitable jurisdiction within ~~the State of Oklahoma~~ this state may, on the application in a summary way of this corporation or of any creditor or member thereof or on the application of any receiver or receivers appointed for this corporation under the provisions of Section 1106 of this title or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under the provisions of Section 1100 of this title, order a meeting of the creditors or class of creditors, and/or of the members or class of members of this corporation, as the case may be, to be summoned in such manner as the court directs. If a majority in number representing three-fourths (3/4) in value of the creditors or class of

creditors, and/or of the members or class of members of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as a consequence of such compromise or arrangement, the compromise or arrangement and the reorganization, if sanctioned by the court to which the application has been made, shall be binding on all the creditors or class of creditors, and/or on all the members or class of members, of this corporation, as the case may be, and also on this corporation”;

3. Such provisions as may be desired granting to the holders of the stock of the corporation, or the holders of any class or series of a class thereof, the preemptive right to subscribe to any or all additional issues of stock of the corporation of any or all classes or series thereof, or to any securities of the corporation convertible into such stock. No shareholder shall have any preemptive right to subscribe to an additional issue of stock or to any security convertible into such stock unless, and except to the extent that, such right is expressly granted to him in the certificate of incorporation. Preemptive rights, if granted, shall not extend to fractional shares;

4. Provisions requiring, for any corporate action, the vote of a larger portion of the stock or of any class or series thereof, or of any other securities having voting power, or a larger number of the directors, than is required by the provisions of the Oklahoma General Corporation Act;

5. A provision limiting the duration of the corporation's existence to a specified date; otherwise, the corporation shall have perpetual existence;

6. A provision imposing personal liability for the debts of the corporation on its shareholders to a specified extent and upon specified conditions; otherwise, the shareholders of a corporation shall not be personally liable for the payment of the corporation's debts, except as they may be liable by reason of their own conduct or acts; or

7. A provision eliminating or limiting the personal liability of a director or officer to the corporation or its shareholders for

monetary damages for breach of fiduciary duty as a director or officer, provided that such provision shall not eliminate or limit the liability of ~~a director~~:

- a. a director or officer for any breach of the director's or officer's duty of loyalty to the corporation or its shareholders,
- b. a director or officer for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law,
- c. a director under Section 1053 of this title, ~~or~~
- d. a director or officer for any transaction from which the director or officer derived an improper personal benefit, or
- e. an officer in any action by or in the right of the corporation.

No such provision shall eliminate or limit the liability of a director or officer for any act or omission occurring before the date when such provision becomes effective. An amendment, repeal, or elimination of such provision shall not affect its application with respect to an act or omission by a director or officer occurring before the amendment, repeal, or elimination of the provision unless the provision provides otherwise at the time of the act or omission.

Any reference in this subsection to a director shall be deemed to refer to such other persons who, under a provision of the certificate of incorporation in accordance with subsection A of Section 1027 of this title, exercises or performs any of the powers or duties otherwise conferred or imposed upon the board of directors under this title.

C. It shall not be necessary to set forth in the certificate of incorporation any of the powers conferred on corporations by the provisions of the Oklahoma General Corporation Act.

D. Except for provisions included under paragraphs 1, 2, 5, 6 and 7 of subsection A of this section and paragraphs 2, 5 and 7 of subsection B of this section, and provisions included under paragraph 4 of subsection A of this section specifying the classes, number of shares and par value of shares a corporation other than a nonstock corporation is authorized to issue, any provision of the certificate of incorporation may be made dependent upon facts ascertainable outside the instrument, provided that the manner in which the facts shall operate upon the provision is clearly and explicitly set forth therein. As used in this subsection, the term "facts" includes, but is not limited to, the occurrence of any event, including a determination or action by any person or body, including the corporation.

SECTION 11. AMENDATORY 18 O.S. 2021, Section 1012, is amended to read as follows:

Section 1012.

ORGANIZATION MEETING OF INCORPORATORS OR DIRECTORS NAMED IN
CERTIFICATE OF INCORPORATION

A. After the filing of the certificate of incorporation, an organization meeting of the incorporator or incorporators, or of the board of directors if the initial directors were named in the certificate of incorporation, shall be held either within or without this state at the call of a majority of the incorporators or directors, as the case may be, for the purposes of adopting bylaws, electing directors if the meeting is of the incorporators, to serve or hold office until the first annual meeting of shareholders or until their successors are elected and qualify, electing officers if the meeting is of the directors, doing any other or further acts to perfect the organization of the corporation, and transacting such other business as may come before the meeting.

B. The persons calling the meeting shall give to each other incorporator or director, as the case may be, at least two (2) days' notice thereof in writing or by electronic transmission by any usual means of communication, which notice shall state the time, place and purposes of the meeting as fixed by the persons calling it. Notice of the meeting need not be given to anyone who attends the meeting or who signs a waiver of notice either before or after the meeting.

C. Any Unless otherwise restricted by the certificate of incorporation, any action permitted to be taken at the organization meeting of the incorporators or directors, as the case may be, may be taken without a meeting if each incorporator or director, where there is more than one, or the sole incorporator or director where there is only one, consents thereto in writing or by electronic transmission. A consent may be documented, signed, and delivered in any manner permitted by Section 1014.3 of this title. Any person whether or not then an incorporator or director may provide, whether through instruction to an agent or otherwise, that a consent to action will be effective at a future time including a time determined upon the happening of an event, no later than sixty (60) days after such instruction is given or such provision is made and such consent shall be deemed to have been given for purposes of this subsection at such effective time so long as such person is then an incorporator or director, as the case may be, and did not revoke the consent prior to such time. Any such consent shall be revocable prior to its becoming effective.

D. If any incorporator is not available to act, then any person for whom or on whose behalf the incorporator was acting directly or indirectly as employee or agent may take any action that such incorporator would have been authorized to take under this section or Section 1011 of this title; provided, that any instrument signed by such other person, or any record of the proceedings of a meeting in which such person participated, shall state that such incorporator is not available and the reason therefor, that such incorporator was acting directly or indirectly as employee or agent for or on behalf of such person, and that such person's signature on such instrument or participation in such meeting is otherwise authorized and not wrongful.

SECTION 12. AMENDATORY 18 O.S. 2021, Section 1014, is amended to read as follows:

Section 1014.

EMERGENCY BYLAWS AND OTHER POWERS IN EMERGENCY

A. The board of directors of any corporation may adopt emergency bylaws, subject to repeal or amendment by action of the

shareholders, which, notwithstanding any different provision in the Oklahoma General Corporation Act, in the certificate of incorporation, or bylaws, shall be operative during any emergency resulting from an attack on the United States or on a locality in which the corporation conducts its business or customarily holds meetings of its board of directors or its shareholders, or during any nuclear or atomic disaster, or during the existence of any catastrophe, including but not limited to an epidemic or pandemic and a declaration of a national emergency by the United States government, or other similar emergency condition, as a result of which irrespective of whether a quorum of the board of directors or a standing committee thereof cannot can readily be convened for action. The emergency bylaws contemplated by this section may be adopted by the board of directors or, if a quorum cannot be readily convened for a meeting, by a majority of the directors present. The emergency bylaws may make any provision that may be practical and necessary for the circumstances of the emergency, including provisions that:

1. A meeting of the board of directors or a committee thereof may be called by an officer or director in such manner and under such conditions as shall be prescribed in the emergency bylaws;

2. The director or directors in attendance at the meeting, or any greater number fixed by the emergency bylaws, shall constitute a quorum; and

3. The officers or other persons designated on a list approved by the board of directors before the emergency, all in such order of priority and subject to such conditions and for such period of time, not longer than reasonably necessary after the termination of the emergency, as may be provided in the emergency bylaws or in the resolution approving the list, shall, to the extent required to provide a quorum at any meeting of the board of directors, be deemed directors for such meeting.

B. The board of directors, either before or during any such emergency, may provide, and from time to time modify, lines of succession in the event that during such emergency any or all officers or agents of the corporation shall for any reason be rendered incapable of discharging their duties.

C. The board of directors, either before or during any such emergency, may, effective in the emergency, change the head office or designate several alternative head offices or regional offices, or authorize the officers to do so.

D. No officer, director or employee acting in accordance with any emergency bylaws shall be liable except for willful misconduct.

E. To the extent not inconsistent with any emergency bylaws so adopted, the bylaws of the corporation shall remain in effect during any emergency and upon its termination the emergency bylaws shall cease to be operative.

F. Unless otherwise provided in emergency bylaws, notice of any meeting of the board of directors during such an emergency may be given only to such of the directors as it may be feasible to reach at the time and by such means as may be feasible at the time, including publication or radio.

G. To the extent required to constitute a quorum at any meeting of the board of directors during such an emergency, the officers of the corporation who are present shall, unless otherwise provided in emergency bylaws, be deemed, in order of rank and within the same rank in order of seniority, directors for such meeting.

H. Nothing contained in this section shall be deemed exclusive of any other provisions for emergency powers consistent with other sections of ~~this act~~ Section 1001 et seq. of this title which have been or may be adopted by corporations created pursuant to the provisions of ~~this act~~ Section 1001 et seq. of this title.

I. During any emergency condition of a type described in subsection A of this section, the board of directors or, if a quorum cannot be readily convened for a meeting, a majority of the directors present, may:

1. Take any action that it determines to be practical and necessary to address the circumstances of the emergency condition with respect to a meeting of shareholders of the corporation, notwithstanding anything to the contrary in this title or in the certificate of incorporation or bylaws including, but not limited to:

- a. to postpone any such meeting to a later time or date with the record date for determining the shareholders entitled to notice of, and to vote at, such meeting applying to the postponed meeting irrespective of the requirements of Section 1058 of this title, and
- b. with respect to a corporation subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, to notify shareholders of any postponement or a change of the place of the meeting or a change to hold the meeting solely by means of remote communication solely by a document publicly filed by the corporation with the Securities and Exchange Commission under Sections 13, 14, or 15(d) of such act and such rules and regulations; and

2. With respect to any dividend that has been declared as to which the record date has not occurred, change both the record date and payment date to a later date or dates if the changed payment date is not more than sixty (60) days after the changed record date; provided that, in either case, the corporation shall give notice of the change to shareholders as soon as practicable thereafter and in any event before the record date in effect. Such notice, in the case of a corporation subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, may be given solely by a document publicly filed with the Securities and Exchange Commission under Section 13, Section 14, or Section 15(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations. No person shall be liable, and no meeting of shareholders shall be postponed or voided, for the failure to make a shareholders list available under Section 1064 of this title if it was not practicable to allow inspection during an emergency condition.

SECTION 13. AMENDATORY 18 O.S. 2021, Section 1014.3, is amended to read as follows:

Section 1014.3.

DOCUMENT FORM, SIGNATURE AND DELIVERY

A. Except as provided in subsection B of this section, without limiting the manner in which any act or transaction may be documented, or the manner in which a document may be signed or delivered:

1. Any act or transaction contemplated or governed by this title or the certificate of incorporation or bylaws may be provided for in a document, and an electronic transmission shall be deemed the equivalent of a written document. "Document" means (i) any tangible medium on which information is inscribed, and includes handwritten, typed, printed or similar instruments, and copies of such instruments and (ii) an electronic transmission;

2. Whenever ~~this act~~ Section 1001 et seq. of this title or the certificate of incorporation or bylaws requires or permits a signature, the signature may be a manual, facsimile, conformed or electronic signature. "Electronic signature" means an electronic symbol or process that is attached to, or logically associated with, a document and executed or adopted by a person with an intent to authenticate or adopt the document. A person may execute a document with that person's signature; and

3. Unless otherwise agreed between the sender and recipient and in the case of a proxy or consent given by or on behalf of a shareholder subject to the requirements set forth in paragraphs 2 and 3 of subsection C of Section 1057 and subsection C of Section 1073 of this title, respectively, an electronic transmission shall be deemed delivered to a person for purposes of this title and the certificate of incorporation and bylaws when it enters an information processing system that the person has designated for the purpose of receiving electronic transmissions of the type delivered, so long as the electronic transmission is in a form capable of being processed by that system and such person is able to retrieve the electronic transmission. Whether a person has so designated an information processing system is determined by the certificate of incorporation, the bylaws or from the context and surrounding circumstances including the parties' conduct. An electronic transmission is delivered under this section even if no person is aware of its receipt. Receipt of an electronic acknowledgement from an information processing system establishes that an electronic

transmission was received but, by itself, does not establish that the content sent corresponds to the content received.

~~This act~~ Section 1001 et seq. of this title shall not prohibit one or more persons from conducting a transaction in accordance with the Uniform Electronic ~~Transaction~~ Transactions Act so long as the part or parts of the transaction that are governed by ~~this act~~ Section 1001 et seq. of this title are documented, signed and delivered in accordance with this subsection or otherwise in accordance with ~~this act~~ Section 1001 et seq. of this title. This subsection shall apply solely for purposes of determining whether an act or transaction has been documented, and the document has been signed and delivered, in accordance with ~~this act~~ Section 1001 et seq. of this title, the certificate of incorporation and the bylaws.

B. Subsection A of this section shall not apply to:

1. A document filed with or submitted to the Secretary of State or a court or other judicial or governmental body of this state;

2. A document comprising part of the stock ledger;

3. A certificate representing a security;

4. Any document expressly referenced as a notice or waiver of notice by ~~this act~~ Section 1001 et seq. of this title, the certificate of incorporation or bylaws;

5. ~~A consent in lieu of a meeting given by a director, shareholder or incorporator;~~

~~6.~~ A ballot to vote on actions at a meeting of shareholders; and

~~7.~~ 6. An act or transaction effected pursuant to Section 1100.1 of ~~Title 18 of the Oklahoma Statutes~~ this title.

The provisions of this subsection shall not create any presumption about the lawful means to document a matter addressed by this subsection, or the lawful means to sign or deliver a document addressed by this subsection. ~~A~~ No provision of the certificate of incorporation or bylaws shall ~~not~~ limit the application of

subsection A of this section ~~unless the~~ except for a provision that expressly restricts one or more of the means of documenting an act or transaction, or of signing or delivering a document, permitted by subsection A of this section or prohibits the use of an electronic transmission or electronic signature or any form thereof, or expressly restricts or prohibits the delivery of an electronic transmission to an information processing system.

C. In the event that any provision of ~~this act~~ Section 1001 et seq. of this title is deemed to modify, limit or supersede the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Sections 7001 et seq., the provisions of ~~this act~~ Section 1001 et seq. of this title shall control to the fullest extent permitted by Section 7002(a)(2) of such act.

SECTION 14. AMENDATORY 18 O.S. 2021, Section 1022, is amended to read as follows:

Section 1022.

REGISTERED AGENT IN STATE; RESIDENT AGENT

A. Every domestic corporation shall have and maintain in this state a registered agent, which agent may be any of the following:

1. The domestic corporation itself;
2. An individual resident of this state;

3. A domestic corporation, a domestic partnership whether general or limited and including a limited liability partnership or a limited liability limited partnership or a domestic limited liability company; or

4. A foreign corporation, a foreign ~~partnership whether general or limited and including a limited liability partnership,~~ limited partnership, ~~or~~ a foreign limited liability limited partnership or a foreign limited liability company, if authorized to transact business in this state.

B. Every foreign corporation transacting business in this state shall have and maintain the Secretary of State as its registered

agent in this state. In addition, such foreign corporation may have and maintain in this state an additional registered agent, which may be an individual or entity set forth in subsection A of this section; provided, that the foreign corporation may not be its own registered agent. If such additional registered agent is designated, service of process shall be on such agent and not on the Secretary of State.

C. Each registered agent for a domestic corporation or foreign corporation shall:

1. If an entity, maintain a business office identical with the registered office which is open during regular business hours, or if an individual, be generally present at the registered office to accept service of process and otherwise perform the functions of a registered agent;

2. If a foreign entity, be authorized to transact business in this state; and

3. Accept service of process and other communications directed to the corporations for which it serves as registered agent and forward same to the corporation to which the service or communication is directed.

D. Every corporation formed under the laws of this state or qualified to do business in this state shall provide to its registered agent, and update from time to time as necessary, the name, business address and business telephone number of a natural person who is an officer, director, employee or designated agent of the corporation, who is then authorized to receive communications from the registered agent. Such person shall be deemed the communications contact for the corporation. Every registered agent shall retain, in paper or electronic form, the information required by this subsection concerning the current communications contact for each corporation for which he, she or it serves as a registered agent. If the corporation fails to provide the registered agent with a current communications contact, the registered agent may resign as the registered agent for such corporation pursuant to Section 1026 of this title.

E. Whenever the term "resident agent" or "resident agent in charge of a corporation's principal office or place of business in this state", or other term of like import which refers to a corporation's agent required by statute to be located in this state, is or has been used in a corporation's certificate of incorporation, or in any other document, or in any statute, it shall be deemed to mean and refer to, unless the context indicates otherwise, the corporation's registered agent required by this section. It shall not be necessary for any corporation to amend its certificate of incorporation or any other document to comply with the provisions of this section.

SECTION 15. AMENDATORY 18 O.S. 2021, Section 1025, is amended to read as follows:

Section 1025.

RESIGNATION OF REGISTERED AGENT COUPLED
WITH APPOINTMENT OF SUCCESSOR

The registered agent of one or more corporations may resign and appoint a successor registered agent by filing in the name of each affected corporation a certificate with the Secretary of State stating the name and address of the successor agent, in accordance with the provisions of paragraph 2 of subsection A of Section 1006 of this title. There shall be attached to the certificate a statement of the affected corporation ratifying and approving such change of registered agent. The statement shall be executed and acknowledged in accordance with the provisions of Section 1007 of this title. Upon the filing, the successor registered agent becomes the registered agent of each corporation that has ratified and approved each substitution and the successor registered agent's address, as stated in each certificate, becomes the address of each such corporation's registered office in this state. ~~The Secretary of State shall then issue his or her certificate that the successor registered agent has become the registered agent of the corporations so ratifying and approving the change, and setting out the names of such corporations.~~

SECTION 16. AMENDATORY 18 O.S. 2021, Section 1027, is amended to read as follows:

Section 1027.

BOARD OF DIRECTORS; POWERS; NUMBER; QUALIFICATIONS; TERMS
AND QUORUM; COMMITTEES; CLASSES OF DIRECTORS; NONSTOCK CORPORATIONS;
RELIANCE UPON BOOKS; ACTION WITHOUT MEETING; ETC.

A. The business and affairs of every corporation organized in accordance with the provisions of the Oklahoma General Corporation Act shall be managed by or under the direction of a board of directors, except as may be otherwise provided for in the Oklahoma General Corporation Act or in the corporation's certificate of incorporation. If any provision is made in the certificate of incorporation, the powers and duties conferred or imposed upon the board of directors by the provisions of the Oklahoma General Corporation Act shall be exercised or performed to the extent and by the person or persons stated in the certificate of incorporation.

B. The board of directors of a corporation shall consist of one or more members, each of whom shall be a natural person. The number of directors shall be fixed by or in the manner provided for in the bylaws, unless the certificate of incorporation fixes the number of directors, in which case a change in the number of directors shall be made only by amendment of the certificate. Directors need not be shareholders unless so required by the certificate of incorporation or the bylaws. The certificate of incorporation or bylaws may prescribe other qualifications for directors. Each director shall hold office until a successor is elected and qualified or until his or her earlier resignation or removal. Any director may resign at any time upon notice given in writing or by electronic transmission to the corporation. A resignation is effective when the resignation is delivered unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. A resignation that is conditioned upon the director failing to receive a specified vote for reelection as a director may provide that it is irrevocable. A majority of the total number of directors shall constitute a quorum for the transaction of business unless the certificate of incorporation or the bylaws require a greater number. Unless the certificate of incorporation provides otherwise, the bylaws may provide that a number less than a majority shall constitute a quorum which in no case shall be less than one-third

(1/3) of the total number of directors. The vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors unless the certificate of incorporation or the bylaws shall require a vote of a greater number.

C. 1. The board of directors may designate one or more committees consisting of one or more of the directors of the corporation. The board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. The bylaws may provide that in the absence or disqualification of a member of a committee, the member or members present at a meeting and not disqualified from voting, whether or not the member or members constitute a quorum, may unanimously appoint another member of the board of directors to act at the meeting in the place of any absent or disqualified member. Any committee, to the extent provided in the resolution of the board of directors, or in the bylaws of the corporation, shall have and may exercise all the powers and authority of the board of directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no committee shall have the power or authority to:

- a. approve, adopt, or recommend to the shareholders any action or matter, other than the election or removal of directors, expressly required by the Oklahoma General Corporation Act to be submitted to shareholders for approval, or
- b. adopt, amend, or repeal any bylaw of the corporation.

2. Unless otherwise provided in the certificate of incorporation, the bylaws or the resolution of the board of directors designating the committee, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee. Except for references to committees and members of committees in this subsection ~~C of this section~~, every reference in this title to a committee of the board of directors or a member of a committee shall be deemed to include a reference to a subcommittee or member of a subcommittee.

3. A majority of the directors then serving on a committee of the board of directors or on a subcommittee of a committee shall constitute a quorum for the transaction of business by the committee or subcommittee, unless the certificate of incorporation, the bylaws, a resolution of the board of directors or a resolution of a committee that created the subcommittee requires a greater or lesser number; provided that in no case shall a quorum be less than one-third (1/3) of the directors then serving on the committee or subcommittee. The vote of the majority of the members of a committee or subcommittee present at a meeting at which a quorum is present shall be the act of the committee or subcommittee, unless the certificate of incorporation, the bylaws, a resolution of the board of directors or a resolution of a committee that created the subcommittee requires a greater number.

D. The directors of any corporation organized under the Oklahoma General Corporation Act, by the certificate of incorporation or by an initial bylaw, or by a bylaw adopted by a vote of the shareholders, may be divided into one, two, or three classes; the term of office of those of the first class to expire at the first annual meeting held after the classification becomes effective; of the second class one (1) year thereafter; of the third class two (2) years thereafter; and at each annual election held after the classification becomes effective, directors shall be chosen for a full term, as the case may be, to succeed those whose terms expire. The certificate of incorporation or bylaw provision dividing the directors into classes may authorize the board of directors to assign members of the board then in office to such classes when the classification becomes effective. The certificate of incorporation may confer upon holders of any class or series of stock the right to elect one or more directors who shall serve for the term, and have voting powers as shall be stated in the certificate of incorporation. The terms of office and voting powers of the directors elected in the manner so provided in the certificate of incorporation may be greater than or less than those of any other director or class of directors. In addition, the certificate of incorporation may confer upon one or more directors, whether or not elected separately by the holders of any class or series of stock, voting powers greater than or less than those of other directors. Any such provision conferring greater or lesser voting power shall apply to voting in any committee, unless

otherwise provided in the certificate of incorporation or bylaws. If the certificate of incorporation provides that directors elected by the holders of a class or series of stock shall have more or less than one vote per director on any matter, every reference in the Oklahoma General Corporation Act to a majority or other proportion of directors shall refer to a majority or other proportion of the votes of the directors.

E. A member of the board of directors, or a member of any committee designated by the board of directors, in the performance of the member's duties, shall be fully protected in relying in good faith upon the records of the corporation and upon information, opinions, reports, or statements presented to the corporation by any of the corporation's officers or employees, or committees of the board of directors, or by any other person as to matters the member reasonably believes are within the officer's, employee's, committee's or other person's competence and who have been selected with reasonable care by or on behalf of the corporation.

F. Unless otherwise restricted by the certificate of incorporation or bylaws:

1. Any action required or permitted to be taken at any meeting of the board of directors, or of any committee thereof may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing or by electronic transmission, and ~~the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the board or committee; and the filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form; and any a consent~~ may be documented, signed, and delivered in any manner permitted by Section 1014.3 of this title. Any person whether or not then a director may provide, whether through instruction to an agent or otherwise, that a consent to action will be effective at a future time (including a time determined upon the happening of an event), no later than sixty (60) days after such instruction is given or such provision is made and such consent shall be deemed to have been given for purposes of this subsection at such effective time so long as such person is then a director and did not revoke the consent prior to such time; and any such consent shall be revocable prior to its becoming effective. After an action is taken, the consent or

consents relating thereto shall be filed with the minutes of the proceedings of the board of directors, or the committee thereof, in the same paper or electronic form as the minutes are maintained;

2. The board of directors of any corporation organized in accordance with the provisions of the Oklahoma General Corporation Act may hold its meetings, and have an office or offices, outside of this state;

3. The board of directors shall have the authority to fix the compensation of directors; and

4. Members of the board of directors of any corporation, or any committee designated by the board, may participate in a meeting of the board or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear or otherwise communicate with each other. Participation in a meeting pursuant to the provisions of this subsection shall constitute presence in person at the meeting.

G. 1. The certificate of incorporation or bylaws of any nonstock corporation may provide that less than one-third (1/3) of the members of the governing body may constitute a quorum thereof and may otherwise provide that the business and affairs of the corporation shall be managed in a manner different from that provided for in this section, which differences may include additional classes of directors, longer terms of service, the use of less than unanimous consents for board action, and permitting the Chair of the Board of Directors to designate committees and appoint members.

2. Except as may be otherwise provided by the certificate of incorporation, the provisions of this section shall apply to such a corporation, and when so applied, all references to the board of directors, to members thereof, and to shareholders shall be deemed to refer to the governing body of the corporation, the members thereof and the members of the corporation, respectively; and all references to stock, capital stock, or shares shall be deemed to refer to memberships of a nonprofit nonstock corporation and to membership interests of any other nonstock corporation.

H. 1. Any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors, except as follows:

- a. unless the certificate of incorporation otherwise provides, in the case of a corporation whose board is classified as provided for in subsection D of this section, shareholders may effect such removal only for cause, or
- b. in the case of a corporation having cumulative voting, if less than the entire board is to be removed, no director may be removed without cause if the votes cast against the director's removal would be sufficient to elect the director if then cumulatively voted at an election of the entire board of directors, or, if there are classes of directors, at an election of the class of directors of which the director is a part.

2. Whenever the holders of any class or series are entitled to elect one or more directors by the provisions of the certificate of incorporation, the provisions of this subsection shall apply, in respect to the removal without cause of a director or directors so elected, to the vote of the holders of the outstanding shares of that class or series and not to the vote of the outstanding shares as a whole.

SECTION 17. AMENDATORY 18 O.S. 2021, Section 1031, is amended to read as follows:

Section 1031.

INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS;
INSURANCE

A. A corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, other than an action by or in the right of the corporation, by reason of

the fact that the person is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses, including attorney fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit, or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

B. A corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against expenses, including attorney fees, actually and reasonably incurred by the person in connection with the defense or settlement of an action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue, or matter as to which the person shall have been adjudged to be liable to the corporation unless and only to the extent that the court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for expenses which the court shall deem proper.

C. 1. To the extent that a present or former director or officer of a corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in subsection A or B of this section, or in defense of any claim, issue, or matter therein, the person shall be indemnified against expenses, including attorney fees, actually and reasonably incurred by the person in connection therewith.

2. The corporation may indemnify any other person who is not a present or former director or officer of the corporation against expenses including attorney fees actually and reasonably incurred by the person to the extent he or she has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in subsections A and B of this section, or in defense of any claim, issue, or matter therein.

D. Any indemnification under the provisions of subsection A or B of this section, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the present or former director or officer is proper in the circumstances because the person has met the applicable standard of conduct set forth in subsection A or B of this section. This determination shall be made, with respect to a person who is a director or officer of the corporation at the time of the determination:

1. By a majority vote of the directors who are not parties to the action, suit, or proceeding, even though less than a quorum;

2. By a committee of directors designated by a majority vote of directors, even though less than a quorum;

3. If there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion; or

4. By the shareholders.

E. Expenses including attorney fees incurred by an officer or director in defending a civil, criminal, administrative or investigative action, suit, or proceeding may be paid by the corporation in advance of the final disposition of the action, suit, or proceeding upon receipt of an undertaking by or on behalf of the

director or officer to repay the amount if it shall ultimately be determined that the person is not entitled to be indemnified by the corporation as authorized by the provisions of this section. Expenses including attorney fees incurred by former directors or officers or other employees and agents or persons serving at the request of the corporation as directors, officers, employees or agents of another corporation, partnership, joint venture, trust or other enterprise may be paid upon the terms and conditions, if any, as the corporation deems appropriate.

F. The indemnification and advancement of expenses provided by or granted pursuant to the other subsections of this section shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in the person's official capacity and as to action in another capacity while holding an office. A right to indemnification or to advancement of expenses arising under a provision of the certificate of incorporation or a bylaw shall not be eliminated or impaired by an amendment to or repeal or elimination of the certificate of incorporation or the bylaw after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought, unless the provision in effect at the time of such act or omission explicitly authorizes such elimination or impairment after such action or omission has occurred.

G. 1. A corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against the person and incurred by the person in any such capacity, or arising out of the person's status as such, whether or not the corporation would have the power to indemnify the person against liability under the provisions of this section. For purposes of this subsection, "insurance" shall include any insurance provided directly or indirectly, including under any fronting or reinsurance arrangement, by or through a captive insurance company organized and licensed in compliance with the laws of any jurisdiction, including any captive

insurance company licensed under the Oklahoma Captive Insurance Company Act within Title 36 of the Oklahoma Insurance Code, provided that the terms of any such captive insurance shall:

a. exclude from coverage and provide that the insurer shall not make any payment for loss in connection with any claim made against any person arising out of, based upon, or attributable to any:

(1) personal profit or other financial advantage to which such person was not legally entitled, or

(2) deliberate criminal or deliberate fraudulent act of such person,

if the conditions of division (1) or (2) of this subparagraph are established by a final, non-appealable adjudication in the underlying proceeding in respect of such claim, which shall not include an action or proceeding initiated by the insurer or the insured to determine coverage under the policy, unless and only to the extent such person is entitled to be indemnified under this section,

b. require that any determination to make a payment under such insurance in respect of a claim against a current director or officer of the corporation shall be made by an independent claims administrator or in accordance with the provisions of paragraphs 1 through 4 of subsection D of this section, and

c. require that, before any payment under such insurance in connection with any dismissal or compromise of any action, suit, or proceeding brought by or in the right of a corporation as to which notice is required to be given to shareholders, such corporation shall include in such notice that a payment is proposed to be made under such insurance in connection with such dismissal or compromise.

2. For purposes of paragraph 1 of this subsection, the conduct of an insured person shall not be imputed to any other insured person.

3. The exclusions in paragraph 1 of this subsection shall permit a captive insurance policy to cover directors and officers for certain liabilities that are non-exculpable under paragraph 7 of subsection B of Section 1006 of this title.

4. Any corporation that establishes or maintains a captive insurance company that provides insurance under this subsection shall not, solely by virtue thereof, be subject to the provisions of Title 36 of the Oklahoma Insurance Code.

5. Nothing in this subsection shall be construed to prevent a foreign corporation from organizing a captive insurer under the Oklahoma Captive Insurance Company Act for the purpose of insuring the same risks described in this section.

6. Any corporation that establishes a captive insurance company may include in the insurance policy limitations or exclusions that are in addition to those prescribed by a statute or regulation.

H. For purposes of this section, references to "the corporation" shall include, in addition to the resulting corporation, any constituent corporation, including any constituent of a constituent, absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees, or agents, so that any person who is or was a director, officer, employee, or agent of a constituent corporation, or is or was serving at the request of a constituent corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall stand in the same position under the provisions of this section with respect to the resulting or surviving corporation as the person would have with respect to the constituent corporation if its separate existence had continued.

I. For purposes of this section, references to "other enterprises" shall include, but are not limited to, employee benefit plans; references to "fines" shall include, but are not limited to,

any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include, but are not limited to, any service as a director, officer, employee, or agent of the corporation which imposes duties on, or involves services, by the director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner the person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this section.

J. The indemnification and advancement of expenses provided by or granted pursuant to this section, unless otherwise provided when authorized or ratified, shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of the person.

K. The district court is vested with exclusive jurisdiction to hear and determine all actions for advancement of expenses or indemnification brought under this section or under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise. The court may summarily determine a corporation's obligation to advance expenses including attorney fees.

SECTION 18. AMENDATORY 18 O.S. 2021, Section 1033, is amended to read as follows:

Section 1033.

ISSUANCE OF STOCK, LAWFUL CONSIDERATION - FULLY PAID STOCK

A. The consideration, as determined pursuant to the provisions of subsections A and B of Section 1034 of this title, for subscriptions to, or the purchase of, the capital stock to be issued by a corporation shall be paid in ~~such~~ the form and ~~in such~~ manner ~~as that~~ the board of directors shall determine. The board of directors may authorize capital stock to be issued for consideration consisting of cash, any tangible or intangible property or any benefit to the corporation, or any combination thereof, except for services to be performed. ~~The resolution authorizing the issuance of capital stock may provide that any stock to be issued pursuant to~~

~~such resolution~~ Stock may be issued in one or more transactions in ~~such the numbers and,~~ at such the times, and for the consideration as are set forth in ~~or determined by or in the manner set forth in the resolution, which may include a determination or action by any person or body including the corporation, provided the resolution fixes a maximum number of shares that may be issued pursuant to such resolution, a time period during which such shares may be issued and a minimum amount of consideration for which such shares may be issued. The board of directors may determine the amount of consideration for which shares may be issued by setting a minimum amount of consideration or by approving a formula by which the amount of consideration is determined. The formula may include or be made dependent upon facts ascertainable outside the formula, provided the manner in which such facts shall operate upon the formula is clearly and expressly set forth in the formula or in the resolution approving the formula. In the absence of actual fraud in the transaction, the judgment of the directors as to the value of such consideration shall be conclusive. The capital stock so issued shall be deemed to be fully paid and nonassessable stock upon receipt by the corporation of the authorized consideration~~ a resolution of the board of directors.

B. ~~The provisions of subsection A of~~ In addition to the board of directors, a resolution of the board of directors may delegate to a person or body the authority to enter into one or more transactions to issue stock. With respect to such transactions, shares of stock may be issued in the numbers, at the times, and for the consideration as such person or body may determine, provided the resolution fixes:

1. A maximum number of shares that may be issued under such resolution;
2. A period during which such shares may be issued; and
3. A minimum amount of consideration for which such shares may be issued.

No resolution shall permit a person or body to issue stock to such person or body.

C. Any provision of a resolution described by subsection A or B of this section may be made dependent on facts ascertainable outside the resolution, provided the manner in which such facts shall operate upon the resolution is clearly and expressly set forth in the resolution. As used in this subsection, "facts" includes but is not limited to the occurrence of any event, including a determination or action by any person or body including the corporation; provided, if the resolution delegates to a person or body the authority to enter into one or more transactions to issue stock under subsection B of this section, the provisions described in paragraphs 1 through 3 of subsection B of this section shall not be made dependent on a determination or action by such person or body.

D. In the absence of actual fraud in the transaction, the judgment of the directors as to the value or minimum amount of consideration received by the corporation for the issuance of stock shall be conclusive. The capital stock issued in accordance with the provisions of this section shall be deemed to be fully paid and nonassessable stock upon receipt by the corporation of such consideration. Nothing contained in this section shall ~~not be construed to~~ prevent the board of directors from issuing partly paid shares in accordance with the provisions of Section 1037 of this title.

SECTION 19. AMENDATORY 18 O.S. 2021, Section 1034, is amended to read as follows:

Section 1034.

CONSIDERATION FOR STOCK

A. Shares of stock with par value may be issued for such consideration, having a value not less than the par value ~~thereof~~ of the shares so issued, as ~~is~~ determined from time to time ~~by the board of directors~~ in accordance with Section 1033 of this title, or by the shareholders if the certificate of incorporation so provides.

B. Shares of stock without par value may be issued for such consideration as ~~is~~ determined from time to time ~~by the board of directors~~ in accordance with Section 1033 of this title, or by the shareholders if the certificate of incorporation so provides.

C. Treasury shares may be disposed of by the corporation ~~for such consideration as may be determined from time to time by the board of directors in the same manner that shares of stock are issued under Section 1033 of this title,~~ or may be disposed of for such consideration as determined by the shareholders if the certificate of incorporation so provides.

D. If the certificate of incorporation reserves to the shareholders the right to determine the consideration for the issue of any shares, the shareholders, unless the certificate requires a greater vote, shall do so by a vote of a majority of the outstanding stock entitled to vote thereon.

SECTION 20. AMENDATORY 18 O.S. 2021, Section 1038, is amended to read as follows:

Section 1038.

RIGHTS AND OPTIONS RESPECTING STOCK

A. Subject to any provisions in the certificate of incorporation, every corporation may create and issue, whether or not in connection with the issue and sale of any shares of stock or other securities of the corporation, rights or options entitling the holders thereof to acquire from the corporation any shares of its capital stock of any class or classes, ~~such rights or options to be evidenced by or in such instrument or instruments as shall be approved by the board of directors of the corporation.~~

B. The terms upon which, including the time or times, which may be limited or unlimited in duration, at or within which, and the consideration, including any formula by which such consideration may be determined, for which any such shares may be acquired from the corporation upon the exercise of any such right or option, shall be such as shall be stated in the certificate of incorporation, or in a resolution adopted by the board of directors ~~providing for the creation and issue of such rights or options, and, in every case, shall be set forth or incorporated by reference in the instrument or instruments evidencing such rights or options. A formula by which such consideration may be determined may include or be made dependent upon facts ascertainable outside the formula, provided the~~

~~manner in which such facts shall operate upon the formula is clearly and expressly set forth in the formula or in the resolution approving the formula. In the absence of actual fraud in the transaction, the judgment of the directors as to the consideration for the issuance of such rights or options and the sufficiency thereof shall be conclusive or by another person or body authorized under this section.~~

~~C. The board of directors may, by a resolution adopted by the board, authorize one or more officers of the corporation to do one or both of the following:~~

~~1. Designate officers and employees of the corporation or of any of its subsidiaries to be recipients of such rights or options created by the corporation; and~~

~~2. Determine the number of such rights or options to be received by such officers and employees;~~

~~provided, however, that the resolution so authorizing such officer or officers shall specify the total number of rights or options such officer or officers may so award. The board of directors may not authorize an officer to designate himself or herself as a recipient of any such rights or options In addition to the board of directors, the board of directors may adopt a resolution to delegate to a person or body the authority to enter into one or more transactions to issue rights or options. With respect to such transactions, the rights or options may be issued in the numbers, at the times, and for the consideration as such person or body may determine, provided the resolution fixes:~~

~~1. The maximum number of rights or options, and the maximum number of shares issuable upon exercise thereof, that may be issued under such resolution;~~

~~2. The period during which such rights or options, and during which the shares issuable upon exercise thereof, may be issued; and~~

~~3. A minimum amount of consideration, if any, for which such rights or options may be issued and a minimum amount of consideration for the shares issuable upon exercise thereof.~~

No such resolution shall permit a person or body to issue rights or options to such person or body.

~~D. In case the shares of stock of the corporation to be issued upon the exercise of such rights or options shall be shares having a par value, the~~ Any provision in a resolution described by subsection B or C of this section may be made dependent on facts ascertainable outside the resolution, provided the manner in which such facts shall operate upon the resolution is clearly and expressly set forth in such resolution. As used in this subsection, "facts" includes but is not limited to the occurrence of any event, including a determination or action by any person or body including the corporation; provided, if the resolution delegates to a person or body the authority to enter into one or more transactions to issue rights or options under subsection C of this section, the provisions described by paragraphs 1 through 3 of subsection C of this section may not be made dependent on a determination or action by such person or body.

~~E. The minimum consideration to be received therefor shall have a value not less than the par value thereof. In case the shares of stock to be issued shall be shares of stock without par value, the consideration therefor shall be determined in the manner provided for the shares of stock of the corporation to be issued upon exercise of such rights or options shall be no less than the amount set forth in Section 1034 of this title.~~

SECTION 21. AMENDATORY 18 O.S. 2021, Section 1041, is amended to read as follows:

Section 1041.

CORPORATION'S POWERS RESPECTING OWNERSHIP, VOTING, ETC. OF

ITS OWN STOCK; RIGHTS OF STOCK CALLED FOR REDEMPTION

A. Every corporation may purchase, redeem, receive, take, or otherwise acquire, own, hold, sell, lend, exchange, transfer, or otherwise dispose of, pledge, use and otherwise deal in and with its own shares; provided, however, that no corporation shall:

1. Purchase or redeem its own shares of capital stock for cash or other property when the capital of the corporation is impaired or when the purchase or redemption would cause any impairment of the capital of the corporation, except that a corporation other than a nonstock corporation may purchase or redeem out of capital any of its own shares which are entitled upon any distribution of its assets, whether by dividend or in liquidation, to a preference over another class or series of its stock, or, if no shares entitled to a preference are outstanding, any of its own shares if such shares will be retired upon their acquisition and the capital of the corporation reduced in accordance with the provisions of Sections 1078 and 1079 of this title. Nothing in this subsection shall invalidate or otherwise affect a note, debenture, or other obligation of a corporation given by it as consideration for its acquisition by purchase, redemption, or the exchange of its shares of stock if at the time such note, debenture, or obligation was delivered by the corporation its capital was not then impaired or did not thereby become impaired;

2. Purchase, for more than the price at which they may then be redeemed, any of its shares which are redeemable at the option of the corporation; or

3. a. In the case of a corporation other than a nonstock corporation, redeem any of its shares unless their redemption is authorized by subsection B of Section 1032 of this title and then only in accordance with the provisions of that section and the certificate of incorporation, or

b. In the case of a nonstock corporation, redeem any of its membership interests, unless their redemption is authorized by the certificate of incorporation and then only in accordance with the certificate of incorporation.

B. Nothing in this section shall be construed to limit or affect a corporation's right to resell any of its shares theretofore purchased or redeemed out of surplus and which have not been retired, for consideration fixed by the board of directors or by the shareholders if the certificate of incorporation so provides.

C. Shares of ~~its own~~ a corporation's capital stock ~~belonging to the~~ shall neither be entitled to vote nor be counted for quorum purposes if the shares belong to:

1. The corporation; ~~or to another~~

2. Another corporation, if a majority of the shares entitled to vote in the election of directors of the other corporation is held, directly or indirectly, ~~by the corporation, shall neither be entitled to vote nor be counted for quorum purposes; or~~

3. Any other entity, if a majority of the voting power of such other entity is held directly or indirectly by the corporation, or if such other entity is otherwise controlled directly or indirectly by the corporation.

Nothing in this section shall be construed as limiting the right of any corporation to vote stock including, but not limited to, its own stock, held by it in a fiduciary capacity.

D. Shares which have been called for redemption shall not be deemed to be outstanding shares for the purpose of voting or determining the total number of shares entitled to vote on any matter on and after the date on which written notice of redemption has been sent to holders thereof and a sum sufficient to redeem those shares has been irrevocably deposited or set aside to pay the redemption price to the holders of the shares upon surrender of the certificates.

SECTION 22. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1047.1 of Title 18, unless there is created a duplication in numbering, reads as follows:

LOST, STOLEN, OR DESTROYED STOCK CERTIFICATES; ISSUANCE OF NEW
CERTIFICATE OR UNCERTIFICATED SHARES

A corporation may issue a new certificate of stock or uncertificated shares in place of any certificate previously issued by it that is alleged to have been lost, stolen, or destroyed. The corporation may require the owner of the lost, stolen, or destroyed certificate, or such owner's legal representative, to give the corporation a bond sufficient to indemnify it against any claim that

may be made against it on account of the alleged loss, theft, or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

SECTION 23. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1047.2 of Title 18, unless there is created a duplication in numbering, reads as follows:

JUDICIAL PROCEEDINGS TO COMPEL ISSUANCE OF NEW CERTIFICATE OR
UNCERTIFICATED SHARES

A. If a corporation refuses to issue new uncertificated shares or a new certificate of stock in place of a certificate previously issued by it, or by any corporation of which it is the lawful successor, that is alleged to have been lost, stolen, or destroyed, the owner of the lost, stolen, or destroyed certificate or such owner's legal representative may apply to the district court for an order requiring the corporation to show cause why it should not issue new uncertificated shares or a new certificate of stock in place of the certificate that is lost, stolen, or destroyed. Such application shall be by a complaint which shall state the name of the corporation, the number and date of the certificate if known or ascertainable by the plaintiff, the number of shares of stock represented thereby and to whom issued, and a statement of the circumstances attending to the loss, theft, or destruction. The court shall order the corporation to show cause at a designated time and place, as to why it should not issue new uncertificated shares or a new certificate of stock in place of the one described in the complaint. A copy of the complaint and order shall be served upon the corporation at least five (5) days before the time designated in the order.

B. Upon hearing, if the district court is satisfied that the plaintiff is the lawful owner of the number of shares of capital stock or any part thereof described in the complaint, that the certificate for such shares has been lost, stolen, or destroyed, and that no sufficient cause has been shown why new uncertificated shares or a new certificate should not be issued in place thereof, the court shall order the corporation to issue and deliver to the plaintiff new uncertificated shares or a new certificate for such shares. The court shall direct in such order that, before the issuance and delivery to the plaintiff of such new uncertificated

shares or a new certificate, the plaintiff give the corporation a bond in such form and with such security that the court deems sufficient to indemnify the corporation against any claim that may be made against it on account of the alleged loss, theft, or destruction of any such certificate or the issuance of such new uncertificated shares or new certificate. No corporation which has issued uncertificated shares or a certificate under a court order entered under this section shall be liable in an amount in excess of the amount specified in the bond.

SECTION 24. AMENDATORY 18 O.S. 2021, Section 1057, is amended to read as follows:

Section 1057.

VOTING RIGHTS OF SHAREHOLDERS; PROXIES; LIMITATIONS

A. Unless otherwise provided for in the certificate of incorporation and subject to the provisions of Section 1058 of this title, each shareholder shall be entitled to one vote for each share of capital stock held by the shareholder. If the certificate of incorporation provides for more or less than one vote for any share on any matter, every reference in ~~this act~~ Section 1001 et seq. of this title to a majority or other proportion of stock, voting stock or shares shall refer to such majority or other proportion of the votes of such stock, voting stock or shares.

B. Each shareholder entitled to vote at a meeting of shareholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for the shareholder by proxy, but no proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period.

C. Without limiting the manner in which a shareholder may authorize another person or persons to act as a proxy pursuant to subsection B of this section, the following shall constitute a valid means by which a shareholder may grant such authority:

1. A shareholder or the shareholder's authorized officer, director, employee, or agent may execute a writing authorizing another person or persons to act for him or her as proxy. ~~Execution~~

~~may be accomplished by the shareholder or the shareholder's authorized officer, director, employee, or agent signing the writing or causing his or her signature to be affixed to the writing by any reasonable means including, but not limited to, by facsimile signature.~~

2. A shareholder may authorize another person or persons to act for him or her as proxy by transmitting or authorizing the transmission of a telegram, cablegram, or other means of electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization, or like agent duly authorized by the person who will be the holder of the proxy to receive the transmission; provided, that any telegram, cablegram, or other means of electronic transmission must either set forth, or be submitted with information from which it can be determined, that the telegram, cablegram, or other electronic transmission was authorized by the shareholder. If it is determined that telegrams, cablegrams, or other electronic transmissions are valid, the inspectors or, if there are no inspectors, any other person making that determination shall specify the information upon which they relied.

3. The authorization of a person to act as a proxy may be documented, signed, and delivered in accordance with Section 1014.3 of this title, provided that the authorization shall set forth, or be delivered with information enabling the corporation to determine, the identity of the shareholder granting the authorization.

D. Any copy, facsimile telecommunication, or other reliable reproduction of the writing or transmission created pursuant to subsection C of this section may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used; provided, that the copy, facsimile telecommunication, or other reproduction shall be a complete reproduction of the entire original writing or transmission.

E. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be made irrevocable regardless of whether the interest with

which it is coupled is an interest in the stock itself or an interest in the corporation generally.

SECTION 25. AMENDATORY 18 O.S. 2021, Section 1058, is amended to read as follows:

Section 1058.

FIXING DATE FOR DETERMINATION OF SHAREHOLDERS OF RECORD

A. In order that the corporation may determine the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the board of directors, and which record date shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the board of directors so fixes a date, such date shall also be the record date for determining the shareholders entitled to vote at such meeting unless the board of directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the board of directors, the record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting; provided, however, that the board of directors may fix a new record date for the adjourned meeting and in such case shall also fix as the record date for shareholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of shareholders entitled to vote in accordance with the foregoing provisions of this section at the adjourned meeting.

B. ~~1-~~ In order that the corporation may determine the shareholders entitled to consent to corporate action ~~in writing~~ without a meeting in accordance with Section 1073 of this title, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record

date is adopted by the board of directors, and which date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the board of directors. If no record date has been fixed by the board of directors, the record date for determining shareholders entitled to consent to corporate action ~~in writing~~ without a meeting, when no prior action by the board of directors is required by the Oklahoma General Corporation Act, shall be the first date on which a signed ~~written~~ consent setting forth the action taken or proposed to be taken is delivered to the corporation ~~by delivery to its registered office in this state, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of shareholders are recorded.~~ Delivery made to a corporation's registered office shall be by hand or by certified or registered mail, return receipt requested in accordance with subsection D of Section 1073 of this title. If no record date has been fixed by the board of directors and prior action by the board of directors is required by the Oklahoma General Corporation Act, the record date for determining shareholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the board of directors adopts the resolution taking such prior action.

~~2. The provisions of this subsection shall be effective with respect to corporate actions taken by written consent, and to such written consent or consents, as to which the first written consent is executed or solicited after November 1, 1988.~~

C. In order that the corporation may determine the shareholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the shareholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining shareholders for any such purpose shall be at the close of business on the day on which the board of directors adopts the resolution relating thereto.

SECTION 26. AMENDATORY 18 O.S. 2021, Section 1064, is amended to read as follows:

Section 1064.

LIST OF SHAREHOLDERS ENTITLED TO VOTE; PENALTY FOR REFUSAL TO PRODUCE STOCK LEDGER

A. The corporation shall prepare, ~~at least ten (10) days no~~ later than the tenth day before every each meeting of shareholders, a complete list of the shareholders entitled to vote at the meeting; provided, however, if the record date for determining the shareholders entitled to vote is less than ten (10) days before the meeting date, the list shall reflect the shareholders entitled to vote as of the tenth day before the meeting date, arranged in alphabetical order, and showing the address of each shareholder and the number of shares registered in the name of each shareholder. Nothing contained in this section shall require the corporation to include electronic mail addresses or other electronic contact information on the list. The list shall be open to the examination of any shareholder, for any purpose germane to the meeting for a period of ~~at least ten (10) days prior to~~ ending on the day before the meeting date:

1. On a reasonably accessible electronic network; provided, that the information required to gain access to the list is provided with the notice of the meeting; or

2. During ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that the information is available only to shareholders of the corporation. ~~If the meeting is to be held at a place, then the list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any shareholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any shareholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access the list shall be provided with the notice of the meeting.~~

~~B. Upon the willful neglect or refusal of the directors to produce such a list at any meeting for the election of directors held at a place, or to open such a list to examination on a reasonably accessible electronic network during any meeting for the election of directors held solely by means of remote communication, they shall be ineligible for election to any office at the meeting. If the corporation or an officer or agent of the corporation refuses to permit examination of the list by a shareholder, such shareholder may apply to the district court for an order to compel the corporation to permit such examination. The burden of proof shall be on the corporation to establish that the examination the shareholder seeks is for a purpose not germane to the meeting. The court may summarily order the corporation to permit examination of the list upon such conditions as the court may deem appropriate and may make such additional orders as may be appropriate including but not limited to postponing the meeting or voiding the results of the meeting.~~

C. For the purposes of the Oklahoma General Corporation Act, "stock ledger" means one or more records administered by or on behalf of the corporation in which the names of all the corporation's shareholders of record, the address and number of shares registered in the name of each such shareholder and all issuances and transfers of stock of the corporation are recorded in accordance with Section 1069 of this title. The stock ledger shall be the only evidence as to who are the shareholders entitled by this section to examine the list required by this section or to vote in person or by proxy at any meeting of shareholders.

SECTION 27. AMENDATORY 18 O.S. 2021, Section 1067, is amended to read as follows:

Section 1067.

NOTICE OF MEETINGS AND ADJOURNED MEETINGS

A. Whenever shareholders are required or permitted to take any action at a meeting, a ~~written~~ notice of the meeting shall be given ~~which~~ in accordance with Section 1075.2 of this title. The notice shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which shareholders and

proxyholders may be deemed to be present in person and vote at the meetings, the record date for determining the shareholders entitled to vote at the meeting, if such date is different from the record date for determining shareholders entitled to notice of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

B. Unless otherwise provided for in the Oklahoma General Corporation Act, the written notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each shareholder entitled to vote at such meeting as of the record date for determining the shareholders entitled to notice of the meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the shareholder at his or her address as it appears on the records of the corporation. An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the corporation that the notice has been given, in the absence of fraud, shall be prima facie evidence of the facts stated therein.

C. ~~When~~ Unless the bylaws otherwise require, when a meeting is adjourned to another time or place, ~~unless the bylaws otherwise require~~ including an adjournment taken to address a technical failure to convene or continue a meeting using remote communication, notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which shareholders and proxyholders may be deemed to be present in person and vote at the adjourned meeting are announced:

1. Announced at the meeting at which the adjournment is taken;

2. Displayed during the time scheduled for the meeting on the same electronic network used to enable shareholders and proxy holders to participate in the meeting by means of remote communication; or

3. Set forth in the notice of meeting given in accordance with subsection A of this section.

At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of

the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting. If after the adjournment a new record date for shareholders entitled to vote is fixed for the adjourned meeting, the board of directors shall fix a new record date for notice of such adjourned meeting in accordance with subsection A of Section 1058 of this title, and shall give notice of the adjourned meeting to each shareholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting.

SECTION 28. AMENDATORY 18 O.S. 2021, Section 1073, is amended to read as follows:

Section 1073.

CONSENT OF SHAREHOLDERS IN LIEU OF MEETING

A. Unless otherwise provided for in the certificate of incorporation, any action required by the provisions of the Oklahoma General Corporation Act to be taken at any annual or special meeting of shareholders of a corporation or any action which may be taken at any annual or special meeting of shareholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents ~~in writing~~, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the corporation ~~by delivery to its registered office in this state, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of shareholders are recorded.~~ Delivery made to a corporation's registered office shall be by hand or by certified or registered mail, return receipt requested in the manner required by this section.

B. Unless otherwise provided for in the certificate of incorporation, any action required by the provisions of the Oklahoma General Corporation Act to be taken at a meeting of the members of a nonstock corporation, or any action which may be taken at any meeting of the members of a nonstock corporation, may be taken without a meeting, without prior notice and without a vote, if a consent or consents ~~in writing~~, setting forth the action taken,

shall be signed by members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members having a right to vote thereon were present and voted and shall be delivered to the corporation ~~by delivery to its registered office in this state, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of shareholders are recorded.~~ Delivery made to a corporation's registered office shall be by hand or by certified or registered mail, return receipt requested in the manner required by this section.

~~C. 1. An electronic transmission consenting to an action to be taken and transmitted by a shareholder, member or proxyholder, or by a person or persons authorized to act for a shareholder, member or proxyholder, shall be deemed to be written and signed for the purposes of this section; provided that any electronic transmission sets forth or is delivered with information from which the corporation can determine:~~

- ~~a. that the electronic transmission was transmitted by the shareholder, member or proxyholder or by a person or persons authorized to act for the shareholder, member or proxyholder, and~~
- ~~b. the date on which the shareholder, member or proxyholder or authorized person or persons transmitted the electronic transmission.~~

~~2. A consent given by electronic transmission is delivered to the corporation upon the earliest of:~~

- ~~a. when the consent enters an information processing system, if any, designated by the corporation for receiving consents, so long as the electronic transmission is in a form capable of being processed by that system and the corporation is able to retrieve that electronic transmission,~~
- ~~b. when a paper reproduction of the consent is delivered to the corporation's principal place of business or an officer or agent of the corporation having custody of~~

~~the book in which proceedings of meetings of stockholders or members are recorded,~~

- ~~c. when a paper reproduction of the consent is delivered to the corporation's registered office in this state by hand or by certified or registered mail, return receipt requested, or~~
- ~~d. when delivered in such other manner, if any, provided by resolution of the board of directors or governing body of the corporation.~~

~~Whether the corporation has so designated an information processing system to receive consents is determined by the certificate of incorporation, the bylaws or from the context and surrounding circumstances including the conduct of the corporation. A consent given by electronic transmission is delivered under this section even if no person is aware of its receipt. Receipt of an electronic acknowledgement from an information processing system establishes that a consent given by electronic transmission was received but, by itself, does not establish that the content sent corresponds to the content received.~~

~~3. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used; provided that the copy, facsimile or other reliable reproduction shall be a complete reproduction of the entire original writing.~~

~~D. A consent must be set forth in writing or in an electronic transmission. No ~~written~~ consent shall be effective to take the corporate action referred to therein unless ~~written consents~~ consent signed by a sufficient number of holders or members to take action ~~are~~ is delivered to the corporation in the manner required by this section within sixty (60) days of the first date on which a ~~written~~ consent is so delivered to the corporation. Any person executing a consent may provide, whether through instruction to an agent or otherwise, that such a consent will be effective at a future time including a time determined upon the happening of an event, no later than sixty (60) days after such instruction is given or such provision is made if evidence of such instruction or provision is~~

provided to the corporation. If the person is not a shareholder or member of record when the consent is executed, the consent shall not be valid unless the person is a shareholder or member of record as of the record date for determining shareholders or members entitled to consent to the action. Unless otherwise provided, any such consent shall be revocable prior to its becoming effective. All references to a "consent" in this section mean a consent permitted by this section.

D. A consent permitted by this section shall be delivered:

1. To the principal place of business of the corporation;

2. To an officer or agent of the corporation who has custody of the book in which proceedings of meetings of shareholders or members are recorded;

3. To the registered office of the corporation in this state in person or by certified or registered mail, return receipt requested; or

4. In accordance with Section 1014.3 of this title to an information processing system, if any, designated by the corporation for receiving such consents. Consent delivered under this paragraph shall set forth or be delivered with information that enables the corporation to determine the date of delivery of such consent and the identity of the person giving such consent. If such consent is given by a person authorized to act for a shareholder or member as proxy, such consent shall comply with the applicable provisions of paragraphs 2 and 3 of subsection C of Section 1075.2 of this title.

Any copy, facsimile, or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any purposes for which the original writing could be used, provided that the copy, facsimile, or other reliable reproduction shall be a complete reproduction of the entire original writing. A consent may be documented and signed in accordance with Section 1014.3 of this title, and when so documented and signed shall be deemed to be in writing for purposes of this title. If such consent is delivered under paragraph 1, 2, or 3 of this subsection, such consent must be reproduced and delivered in paper form.

E. Prompt notice of the taking of the corporate action without a meeting by less than unanimous ~~written~~ consent shall be given to those shareholders or members, ~~as the case may be,~~ who have not consented ~~in writing~~ and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of the meeting had been the date that ~~written~~ consents signed by a sufficient number of shareholders or members to take the action were delivered to the corporation as provided in this section. In the event that the action for which consent is given is an action that would have required the filing of a certificate under any other section of this title if the action had been voted on by shareholders or by members at a meeting thereof the certificate filed under the other section shall state, in lieu of any statement required by the section concerning any vote of shareholders or members, that ~~written~~ consent has been given in accordance with the provisions of this section.

SECTION 29. AMENDATORY 18 O.S. 2021, Section 1075.2, is amended to read as follows:

Section 1075.2.

ELECTRONIC NOTICE; EFFECTIVENESS; REVOCATION OF CONSENT

A. Without limiting the manner of which notice otherwise may be given effectively to shareholders, any notice to shareholders given by the corporation under any provision of the Oklahoma General Corporation Act, the certificate of incorporation, or the bylaws ~~shall be effective if given by a form of electronic transmission consented to by the shareholder to whom the notice is given. The consent shall be revocable by the shareholder by written notice to the corporation. The consent shall be deemed revoked if:~~

~~1. The corporation is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with the consent; and~~

~~2. The inability becomes known to the secretary or an assistant secretary of the corporation or to the transfer agent, or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat the inability as a revocation shall not~~

invalidate any meeting or other action may be given in writing directed to the shareholder's mailing address or by electronic transmission directed to the shareholder's electronic mail address, as applicable, as it appears on the records of the corporation, and shall be given:

1. If mailed, when the notice is deposited with the United States Postal Service, postage prepaid;

2. If delivered by courier service, the earlier of when the notice is received or left at the shareholder's address; or

3. If given by electronic mail, when directed to such shareholder's electronic mail address unless the shareholder has notified the corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail, or if such notice is prohibited by subsection E of this section. A notice by electronic mail must include a prominent legend that the communication is an important notice regarding the corporation.

B. Without limiting the manner by which notice otherwise may be given effectively to shareholders, but subject to subsection E of this section, any notice to shareholders given by the corporation under any provision of this title, the certificate of incorporation, or the bylaws shall be effective if given by a form of electronic transmission consented to by the shareholder to whom the notice is given. Any such consent shall be revocable by the shareholder by written notice or electronic transmission to the corporation. A corporation may give a notice by electronic mail in accordance with subsection A of this section without obtaining the consent required by this subsection.

C. Notice given pursuant to subsection A of this section shall be deemed given if by:

1. Facsimile telecommunication, when directed to a number at which the shareholder has consented to receive notice;

2. Electronic mail, when directed to an electronic mail address at which the shareholder has consented to receive notice;

~~3.~~ A posting on an electronic network together with separate notice to the shareholder of the specific posting, upon the later of:

- a. the posting, and
- b. the giving of the separate notice; and

~~4.~~ 3. Any other form of electronic transmission, when directed to the shareholder ~~in accordance with the shareholder's consent.~~

~~An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.~~

~~C.~~ D. Notwithstanding the provisions of this section, a notice may not be given by an electronic transmission from and after the time that:

1. The corporation is unable to deliver by electronic transmission two consecutive notices given by the corporation; and

2. The inability becomes known to the secretary or assistant secretary of the corporation or to the transfer agent, or other person responsible for the giving of notice; provided, however, the inadvertent failure to discover such inability shall not invalidate any meeting or other action.

E. An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

F. For purposes of the Oklahoma General Corporation Act, "electronic transmission":

1. "Electronic mail" means an electronic transmission directed to a unique electronic mail address. Electronic mail shall be deemed to include any files attached thereto and any information

hyperlinked to a website if such electronic mail includes the contact information of an officer or agent of the corporation who is available to assist with accessing such files and information;

2. "Electronic mail address" means a destination, commonly expressed as a string of characters, consisting of a unique user name or mailbox, commonly referred to as the local part of the address, and a reference to an internet domain, commonly referred to as the domain part of the address, whether or not displayed, to which electronic mail can be sent or delivered; and

3. "Electronic transmission" means any form of communication, not directly involving the physical transmission of paper including the use of, or participation in, one or more electronic networks or databases including one or more distributed electronic networks or databases, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

~~D.~~ This G. No provision of this section, except for paragraph 1 of subsection A or paragraphs 1 and 2 of subsection D of this section, shall ~~not~~ apply to Sections 1045, ~~or~~ 1111, 1119, or 1123 of this title.

SECTION 30. AMENDATORY 18 O.S. 2021, Section 1081, is amended to read as follows:

Section 1081.

MERGER OR CONSOLIDATION OF DOMESTIC CORPORATIONS

A. Any two or more domestic corporations may merge into a single surviving corporation, which may be any one of the constituent corporations or may consolidate into a new resulting corporation formed by the consolidation, pursuant to an agreement of merger or consolidation, as the case may be, complying and approved in accordance with the provisions of this section.

B. The board of directors of each corporation which desires to merge or consolidate shall adopt a resolution approving an agreement of merger or consolidation and declaring its advisability. The agreement shall state:

1. The terms and conditions of the merger or consolidation;

2. The mode of carrying the same into effect;

3. In the case of a merger, the amendments or changes in the certificate of incorporation of the surviving corporation as are desired to be effected by the merger, which amendments or changes may amend and restate the certificate of incorporation of the surviving corporation in its entirety, or, if no amendments or changes are desired, a statement that the certificate of incorporation of the surviving corporation shall be its certificate of incorporation of the surviving or resulting corporation;

4. In the case of a consolidation, that the certificate of incorporation of the resulting corporation shall be as is set forth in an attachment to the agreement;

5. The manner, if any, of converting the shares of each of the constituent corporations into shares or other securities of the corporation surviving or resulting from the merger or consolidation, or of canceling some or all of the shares, and, if any shares of any of the constituent corporations are not to remain outstanding, to be converted solely into shares or other securities of the surviving or resulting corporation or to be canceled, the cash, property, rights, or securities of any other corporation or entity which the holders of the shares are to receive in exchange for or upon conversion of the shares and the surrender of any certificates evidencing them, which cash, property, rights or securities of any other corporation or entity may be in addition to or in lieu of shares or other securities of the surviving or resulting corporation; and

6. Other details or provisions as are deemed desirable, including without limiting the generality of the foregoing, a provision for the payment of cash in lieu of the issuance or recognition of fractional shares, rights or other securities of the surviving or resulting corporation or of any other corporation or entity the shares, rights or other securities of which are to be received in the merger or consolidation, or for any other arrangement with respect thereto, consistent with the provisions of Section 1036 of this title. The agreement so adopted shall be executed and acknowledged in accordance with the provisions of

Section 1007 of this title. Any of the terms of the agreement of merger or consolidation may be made dependent upon facts ascertainable outside of the agreement; provided, that the manner in which these facts shall operate upon the terms of the agreement is clearly and expressly set forth in the agreement of merger or consolidation. The term "facts" as used in this paragraph includes, but is not limited to, the occurrence of any event including a determination or action by any person or body including the corporation.

C. The agreement required by the provisions of subsection B of this section shall be submitted to the shareholders of each constituent corporation at an annual or special meeting thereof for the purpose of acting on the agreement. Due notice of the time, place, and purpose of the meeting shall be mailed to each holder of stock whether voting or nonvoting, of the corporation at the address which appears on the records of the corporation, at least twenty (20) days before the date of the meeting. The notice shall contain a copy of the agreement or a brief summary thereof; provided, however, the notice shall be effective only with respect to mergers or consolidations for which the notice of the shareholders meeting to vote thereon has been mailed after November 1, 1988. At the meeting the agreement shall be considered and a vote taken for its adoption or rejection. If a majority of the outstanding stock of the corporation entitled to vote thereon shall be voted for the adoption of the agreement, that fact shall be certified on the agreement by the secretary or the assistant secretary of the corporation; provided, that such certification on the agreement shall not be required if a certificate of merger or consolidation is filed in lieu of filing the agreement. If the agreement shall be so adopted and certified by each constituent corporation, it shall then be filed and shall become effective in accordance with the provisions of Section 1007 of this title. In lieu of filing an agreement of merger or consolidation required by this section, the surviving or resulting corporation may file a certificate of merger or consolidation executed in accordance with the provisions of Section 1007 of this title and which states:

1. The name and state of incorporation of each of the constituent corporations;

2. That an agreement of merger or consolidation has been approved, adopted, executed and acknowledged by each of the constituent corporations in accordance with the provisions of this section;

3. The name of the surviving or resulting corporation;

4. In the case of a merger, the amendments or changes in the certificate of incorporation of the surviving corporation, which may be amended and restated, that are desired to be effected by the merger, which amendments or changes may amend and restate the certificate of incorporation of the surviving corporation in its entirety, or, if no amendments or changes are desired, a statement that the certificate of incorporation of the surviving corporation shall be its certificate of incorporation;

5. In the case of a consolidation, that the certificate of incorporation of the resulting corporation shall be as is set forth in an attachment to the certificate;

6. That the executed agreement of consolidation or merger is on file at the principal place of business of the surviving or resulting corporation, stating the address thereof; and

7. That a copy of the agreement of consolidation or merger will be furnished by the surviving or resulting corporation, on request and without cost, to any shareholder of any constituent corporation. For purposes of Sections 1084 and 1086 of this title, the term "shareholder" shall be deemed to include "member".

D. Any agreement of merger or consolidation may contain a provision that at any time prior to the time that the agreement, or a certificate filed with the Secretary of State in lieu thereof, becomes effective in accordance with Section 1007 of this title, the agreement may be terminated by the board of directors of any constituent corporation notwithstanding approval of the agreement by the shareholders of all or any of the constituent corporations; provided, if the agreement of merger or consolidation is terminated after the filing of the agreement, or a certificate filed with the Secretary of State in lieu thereof, but before the agreement or certificate has become effective, a certificate of termination of merger or consolidation shall be filed in accordance with Section

1007 of this title. Any agreement of merger or consolidation may contain a provision that the boards of directors of the constituent corporations may amend the agreement at any time prior to the time that the agreement, or a certificate filed with the Secretary of State in lieu thereof, becomes effective in accordance with Section 1007 of this title; provided, that an amendment made subsequent to the adoption of the agreement by the shareholders of any constituent corporation shall not:

1. Alter or change the amount or kind of shares, securities, cash, property or rights to be received in exchange for or on conversion of all or any of the shares of any class or series thereof of the constituent corporation;

2. Alter or change any term of the certificate of incorporation of the surviving corporation to be effected by the merger or consolidation; or

3. Alter or change any of the terms and conditions of the agreement if an alteration or change would adversely affect the holders of any class or series thereof of the constituent corporation.

If the agreement of merger or consolidation is amended after the filing of the agreement, or a certificate in lieu thereof, with the Secretary of State, but before the agreement or certificate has become effective, a certificate of amendment of merger or consolidation shall be filed in accordance with Section 1007 of this title.

E. In the case of a merger, the certificate of incorporation of the surviving corporation shall automatically be amended to the extent, if any, that changes in the certificate of incorporation are set forth in the certificate of merger.

F. Notwithstanding the requirements of subsection C of this section, unless required by its certificate of incorporation, no vote of shareholders of a constituent corporation surviving a merger shall be necessary to authorize a merger if:

1. The agreement of merger does not amend in any respect the certificate of incorporation of the constituent corporation;

2. Each share of stock of the constituent corporation outstanding immediately prior to the effective date of the merger is to be an identical outstanding or treasury share of the surviving corporation after the effective date of the merger; and

3. Either no shares of common stock of the surviving corporation and no shares, securities or obligations convertible into such stock are to be issued or delivered under the plan of merger, or the authorized unissued shares or the treasury shares of common stock of the surviving corporation to be issued or delivered under the plan of merger plus those initially issuable upon conversion of any other shares, securities or obligations to be issued or delivered under the plan do not exceed twenty percent (20%) of the shares of common stock of the constituent corporation outstanding immediately prior to the effective date of the merger. No vote of shareholders of a constituent corporation shall be necessary to authorize a merger or consolidation if no shares of the stock of the corporation shall have been issued prior to the adoption by the board of directors of the resolution approving the agreement of merger or consolidation. If an agreement of merger is adopted by the constituent corporation surviving the merger, by action of its board of directors and without any vote of its shareholders pursuant to the provisions of this subsection, the secretary or assistant secretary of that corporation shall certify on the agreement that the agreement has been adopted pursuant to the provisions of this subsection and:

- a. if it has been adopted pursuant to paragraph 1 of this subsection, that the conditions specified have been satisfied, or
- b. if it has been adopted pursuant to paragraph 2 of this subsection, that no shares of stock of the corporation were issued prior to the adoption by the board of directors of the resolution approving the agreement of merger or consolidation; provided, that such certification on the agreement shall not be required if a certificate of merger or consolidation is filed in lieu of filing the agreement.

The agreement so adopted and certified shall then be filed and shall become effective in accordance with the provisions of Section 1007 of this title. Filing shall constitute a representation by the person who executes the certificate that the facts stated in the certificate remain true immediately prior to filing.

G. 1. Notwithstanding the requirements of subsection C of this section, unless expressly required by its certificate of incorporation, no vote of shareholders of a constituent corporation shall be necessary to authorize a merger with or into a single direct or indirect wholly owned subsidiary of the constituent corporation if:

- a. the constituent corporation and the direct or indirect wholly owned subsidiary of the constituent corporation are the only constituent entities to the merger,
- b. each share or fraction of a share of the capital stock of the constituent corporation outstanding immediately before the effective time of the merger is converted in the merger into a share or equal fraction of share of capital stock of a holding company having the same designations, rights, powers and preferences, and the qualifications, limitations and restrictions thereof, as the share of stock of the constituent corporation being converted in the merger,
- c. the holding company and the constituent corporation are domestic corporations and the direct or indirect wholly owned subsidiary that is the other constituent entity to the merger is a domestic corporation or limited liability company,
- d. the certificate of incorporation and bylaws of the holding company immediately following the effective time of the merger contain provisions identical to the certificate of incorporation and bylaws of the constituent corporation immediately before the effective time of the merger, other than provisions, if any, regarding the incorporator or incorporators, the corporate name, the registered office and agent, the initial board of directors and the initial

subscribers of shares and provisions contained in any amendment to the certificate of incorporation as were necessary to effect a change, exchange, reclassification, subdivision, combination or cancellation of stock, if a change, exchange, reclassification or cancellation has become effective,

- e. as a result of the merger, the constituent corporation or its successor corporation becomes or remains a direct or indirect wholly owned subsidiary of the holding company,
- f. the directors of the constituent corporation become or remain the directors of the holding company upon the effective time of the merger,
- g. the organizational documents of the surviving entity immediately following the effective time of the merger contain provisions ~~identical to the certificate of incorporation of the constituent corporation immediately before the effective time of the merger, other than provisions, if any, regarding the incorporator or incorporators, the corporate or entity name, the registered office and agent, the initial board of directors and the initial subscribers for shares, references to members rather than shareholders, references to interests, units or the like rather than stock or shares, references to managers, managing members or other members of the governing body rather than directors and such provisions contained in any amendment to the certificate of incorporation as were necessary to effect a change, exchange, reclassification, subdivision, combination or cancellation of stock, if such change, exchange, reclassification, subdivision, combination or cancellation has become effective; provided, however, requiring that:~~

- (1) ~~if the organizational documents of the surviving entity do not contain the following provisions, they shall be amended in the merger to contain provisions requiring that:~~

~~(a)~~ any act or transaction by or involving the surviving entity, other than the election or removal of directors or managers, managing members or other members of the governing body of the surviving entity, that ~~requires~~ if taken by the constituent corporation immediately before the effective time of the merger would require for its adoption under the Oklahoma General Corporation Act or its organizational documents under the certificate of incorporation or bylaws of the constituent corporation immediately before the effective time of the merger the approval of the shareholders ~~or members of the surviving entity~~ of the constituent corporation, shall, by specific reference to this subsection, require, in addition to approval of the shareholders ~~or members of the surviving entity~~, the approval of the shareholders of the holding company ~~(or any successor by merger)~~, by the same vote as is required by the Oklahoma General Corporation Act and/or ~~by the organizational documents of the surviving entity~~ under the certificate of incorporation or bylaws of the constituent corporation immediately before the effective time of the merger; provided, however, that for purposes of this ~~subdivision~~ division, any surviving entity that is not a corporation shall include in such amendment a requirement that the approval of the shareholders of the holding company be obtained for any act or transaction by or involving the surviving entity, other than the election or removal of directors or managers, managing members or other members of the governing body of the surviving entity, which would require the approval of the shareholders of the surviving entity if ~~the surviving entity were a corporation~~ subject to the Oklahoma General Corporation Act, ~~(b)~~ any amendment of the organizational documents of a surviving entity that is not a corporation, which amendment would, if adopted by a corporation subject to the

Oklahoma General Corporation Act, be required to be included in the certificate of incorporation of such corporation, shall, by specific reference to this subsection, require, in addition, the approval of the shareholders of the holding company, or any successor by merger, by the same vote as is required by the Oklahoma General Corporation Act and/or by the ~~organizational documents of the surviving entity~~ certificate of incorporation or bylaws of the constituent corporation immediately before the effective time of the merger, and

~~(e)~~ (2) the business and affairs of a surviving entity that is not a corporation shall be managed by or under the direction of a board of directors, board of managers or other governing body consisting of individuals who are subject to the same fiduciary duties applicable to, and who are liable for breach of such duties to the same extent as, directors of a corporation subject to the Oklahoma General Corporation Act, ~~and~~

~~(2)~~ ~~the organizational documents of the surviving entity may be amended in the merger:~~

~~(a)~~ ~~to reduce the number of classes and shares of capital stock or other equity interests or units that the surviving entity is authorized to issue, and~~

~~(b)~~ ~~to eliminate any provision authorized by subsection D of Section 1027 of this title; and~~

h. the shareholders of the constituent corporation do not recognize gain or loss for federal income tax purposes as determined by the board of directors of the constituent corporation.

Neither ~~division (1)~~ of subparagraph g of paragraph 1 of this subsection nor any provision of a surviving entity's organizational

documents required by ~~division (1)~~ of subparagraph g of paragraph 1 of this subsection shall be deemed or construed to require approval of the shareholders of the holding company to elect or remove directors or managers, managing members or other members of the governing body of the surviving entity.

2. As used in this subsection, the term "holding company" means a corporation which, from its incorporation until consummation of a merger governed by this subsection, was at all times a direct or indirect wholly owned subsidiary of the constituent corporation and whose capital stock is issued in a merger.

3. As used in this subsection, the term "organizational documents" means, when used in reference to a corporation, the certificate of incorporation of the corporation and, when used in reference to a limited liability company, the articles of organization and the operating agreement of the limited liability company.

4. From and after the effective time of a merger adopted by a constituent corporation by action of its board of directors and without any vote of shareholders pursuant to this subsection:

- a. to the extent the restriction of Section 1090.3 of this title applied to the constituent corporation and its shareholders at the effective time of the merger, restrictions shall apply to the holding company and its shareholders immediately after the effective time of the merger as though it were the constituent corporation, and all shareholders of stock of the holding company acquired in the merger shall for purposes of Section 1090.3 of this title be deemed to have been acquired at the time that the shares of stock of the constituent corporation converted in the merger were acquired; provided, that any shareholder who immediately before the effective time of the merger was not an interested shareholder within the meaning of Section 1090.3 of this title shall not solely by reason of the merger become an interested shareholder of the holding company,

- b. if the corporate name of the holding company immediately following the effective time of the merger is the same as the corporate name of the constituent corporation immediately before the effective time of the merger, the shares of capital stock of the holding company into which the shares of capital stock of the constituent corporation are converted in the merger shall be represented by the stock certificates that previously represented the shares of capital stock of the constituent corporation, and
- c. to the extent a shareholder of the constituent corporation immediately before the merger had standing to institute or maintain derivative litigation on behalf of the constituent corporation, nothing in this section shall be deemed to limit or extinguish such standing.

5. If any agreement of merger is adopted by a constituent corporation by action of its board of directors and without any vote of shareholders pursuant to this subsection, the secretary or assistant secretary of the constituent corporation shall certify on the agreement that the agreement has been adopted pursuant to this subsection and that the conditions specified in paragraph 1 of this subsection have been satisfied; provided, that such certification on the agreement shall not be required if a certificate of merger or consolidation is filed in lieu of filing the agreement. The agreement so adopted and certified shall then be filed and become effective in accordance with Section 1007 of this title. Filing shall constitute a representation by the person who executes the agreement that the facts stated in the certificate remain true immediately before the filing.

H. Notwithstanding the requirements of subsection C of this section, unless expressly required by its certificate of incorporation, no vote of shareholders of a constituent corporation that has a class or series of stock that is listed on a national securities exchange or held of record by more than two thousand holders immediately prior to the execution of the agreement of merger by such constituent corporation shall be necessary to authorize a merger if:

1. The agreement of merger expressly (a) permits or requires such merger to be effected under this subsection and (b) provides that such merger shall be effected as soon as practicable following the consummation of the offer referred to in paragraph 2 of this subsection if such merger is effected under this subsection;

2. A corporation consummates an offer for all of the outstanding stock of such constituent corporation on the terms provided in such agreement of merger that, absent this subsection, would be entitled to vote on the adoption or rejection of the agreement of merger; provided, however, that such offer may be conditioned on the tender of a minimum number or percentage of shares of the stock of such constituent corporation, or of any class or series thereof, and such offer may exclude any excluded stock; and provided further, that the corporation may consummate separate offers for separate classes or series of the stock of such constituent corporation;

3. Immediately following the consummation of the offer referred to in paragraph 2 of this subsection, the stock irrevocably accepted for purchase or exchange pursuant to such offer and received by the depository prior to expiration of such offer, together with the stock otherwise owned by the consummating corporation or its affiliates and any rollover stock, equals at least such percentage of the shares of stock of such constituent corporation, and of each class or series thereof, that, absent this subsection, would be required to adopt the agreement of merger by this chapter and by the certificate of incorporation of such constituent corporation;

4. The corporation consummating the offer referred to in paragraph 2 of this subsection merges with or into such constituent corporation pursuant to such agreement;

5. Each outstanding share, other than shares of excluded stock, of each class or series of stock of the constituent corporation that is the subject of and not irrevocably accepted for purchase or exchange in the offer referred to in paragraph 2 of this subsection is to be converted in such merger into, or into the right to receive, the same amount and kind of cash, property, rights or securities paid for shares of such class or series of stock of such constituent corporation irrevocably accepted for purchase or exchange in such offer; and

6. As used in this subsection only, the term:

- a. "affiliate" means, in respect of the corporation making the offer referred to in paragraph 2 of this subsection, any person that (1) owns, directly or indirectly, all of the outstanding stock of such corporation or (2) is a direct or indirect wholly owned subsidiary of such corporation or of any person referred to in proviso (1) of this subparagraph,
- b. "consummates", and with correlative meaning, "consummation" and "consummating", means irrevocably accepts for purchase or exchange stock tendered pursuant to an offer,
- c. "depository" means an agent including a depository, appointed to facilitate consummation of the offer referred to in paragraph 2 of this subsection,
- d. "excluded stock" means (1) stock of such constituent corporation that is owned at the commencement of the offer referred to in paragraph 2 of this subsection by such constituent corporation, the corporation making the offer referred to in paragraph 2 of this subsection, any person that owns, directly or indirectly, all of the outstanding stock of the corporation making such offer, or any direct or indirect wholly owned subsidiary of any of the foregoing and (2) rollover stock,
- e. "person" means any individual, corporation, partnership, limited liability company, unincorporated association or other entity,
- f. "received" solely for purposes of paragraph 3 of this subsection means (1) with respect to certificated shares, physical receipt of a stock certificate accompanied by an executed letter of transmittal, (2) with respect to uncertificated shares held of record by a clearing corporation as nominee, transfer into the depository's account by means of an agent's

message, and (3) with respect to uncertificated shares held of record by a person other than a clearing corporation as nominee, physical receipt of an executed letter of transmittal by the depository; provided, however, that shares shall cease to be "received" (4) with respect to certificated shares, if the certificate representing such shares was canceled prior to consummation of the offer referred to in paragraph 2 of this subsection, or (5) with respect to uncertificated shares, to the extent such uncertificated shares have been reduced or eliminated due to any sale of such shares prior to consummation of the offer referred to in paragraph 2 of this subsection, and

- g. "rollover stock" means any shares of stock of such constituent corporation that are the subject of a written agreement requiring such shares to be transferred, contributed or delivered to the consummating corporation or any of its affiliates in exchange for stock or other equity interests in such consummating corporation or an affiliate thereof; provided, however, that such shares of stock shall cease to be rollover stock for purposes of paragraph 3 of this subsection if, immediately prior to the time the merger becomes effective under this chapter, such shares have not been transferred, contributed or delivered to the consummating corporation or any of its affiliates pursuant to such written agreement.

If an agreement of merger is adopted without the vote of shareholders of a corporation pursuant to this subsection, the secretary or assistant secretary of the surviving corporation shall certify on the agreement that the agreement has been adopted pursuant to this subsection and that the conditions specified in this subsection, other than the condition listed in paragraph 4 of this subsection, have been satisfied; provided, that such certification on the agreement shall not be required if a certificate of merger is filed in lieu of filing the agreement. The agreement so adopted and certified shall then be filed and shall become effective, in accordance with Section 1007 of this title. Such filing shall constitute a representation by the person who

executes the agreement that the facts stated in the certificate remain true immediately prior to such filing.

SECTION 31. AMENDATORY 18 O.S. 2021, Section 1090.4, is amended to read as follows:

Section 1090.4.

CONVERSION OF AN ENTITY TO A DOMESTIC CORPORATION

A. As used in this section, the term "entity" means a domestic or foreign partnership, whether general or limited and including a limited liability partnership and a limited liability limited partnership, a foreign corporation including a public benefit corporation, a domestic or foreign limited liability company including a public benefit limited liability company, and any unincorporated nonprofit or for-profit association, trust or enterprise having members or having outstanding shares of stock or other evidences of financial, beneficial or membership interest therein, whether formed by agreement or under statutory authority or otherwise and whether formed or organized under the laws of this state or the laws of any other jurisdiction.

B. Any entity may convert to a domestic corporation by complying with subsection G of this section and filing in the office of the Secretary of State a certificate of conversion that has been executed in accordance with subsection H of this section and filed in accordance with Section 1007 of this title, to which shall be attached, a certificate of incorporation that has been prepared, executed and acknowledged in accordance with Section 1007 of this title. Each of the certificates required by this subsection shall be filed simultaneously in the office of the Secretary of State.

C. The certificate of conversion to a corporation shall state:

1. The date on which the entity was first formed;

2. The name, jurisdiction of formation or organization, and type of entity of the entity when formed and, if changed, its name, jurisdiction and type of entity immediately before the filing of the certificate of conversion;

3. The name of the corporation as set forth in its certificate of incorporation filed in accordance with subsection B of this section; and

4. The future effective date or time, which shall be a date or time certain not later than ninety (90) days after the filing, of the conversion to a corporation if the conversion is not to be effective upon the filing of the certificate of conversion and the certificate of incorporation provides for the same future effective date as authorized in subsection D of Section 1007 of this title.

D. Upon the effective date or time of the certificate of conversion and the certificate of incorporation, the entity shall be converted to a domestic corporation and the corporation shall thereafter be subject to all of the provisions of this title, except that notwithstanding Section 1007 of this title, the existence of the corporation shall be deemed to have commenced on the date the entity commenced its existence.

E. The conversion of any entity to a domestic corporation shall not be deemed to affect any obligations or liabilities of the entity incurred before its conversion to a domestic corporation or the personal liability of any person incurred before such conversion.

F. When an entity has converted to a domestic corporation under this section, the domestic corporation shall be deemed to be the same entity as the converting entity. All of the rights, privileges and powers of the entity that has converted, and all property, real, personal and mixed, and all debts due to the entity, as well as all other things and causes of action belonging to the entity, shall remain vested in the domestic corporation to which the entity has converted and shall be the property of the domestic corporation and the title to any real property vested by deed or otherwise in the entity shall not revert or be in any way impaired by reason of the conversion; but all rights of creditors and all liens upon any property of the entity shall be preserved unimpaired, and all debts, liabilities and duties of the entity that has converted shall remain attached to the domestic corporation to which the entity has converted, and may be enforced against it to the same extent as if the debts, liabilities and duties had originally been incurred or contracted by it in its capacity as a domestic corporation. The rights, privileges, powers and interests in property of the entity,

as well as the debts, liabilities and duties of the entity, shall not be deemed, as a consequence of the conversion, to have been transferred to the domestic corporation to which the entity has converted for any purpose of the laws of this state.

G. Unless otherwise agreed or otherwise provided by any laws of this state applicable to the converting entity, the converting entity shall not be required to wind up its affairs or pay its liabilities and distribute its assets, and the conversion shall not be deemed to constitute a dissolution of such entity and shall constitute a continuation of the existence of the converting entity in the form of a domestic corporation.

H. Before filing the time a certificate of conversion ~~with the Secretary of State~~ becomes effective in accordance with Section 1007 of this title, the conversion shall be approved in the manner provided for by the document, instrument, agreement or other writing, as the case may be, governing the internal affairs of the entity and the conduct of its business or by applicable law, as appropriate, and a certificate of incorporation shall be approved by the same authorization required to approve the conversion.

I. The certificate of conversion to a corporation shall be signed by an officer, director, trustee, manager, partner or other person performing functions equivalent to those of an officer or director of a domestic corporation, however named or described, and who is authorized to sign the certificate of conversion on behalf of the entity.

J. In a conversion of an entity to a domestic corporation under this section, rights or securities of, or memberships or membership, economic or ownership interests in, the entity which is to be converted to a domestic corporation may be exchanged for or converted into cash, property or shares of stock, rights or securities of the domestic corporation or, in addition to or in lieu thereof, may be exchanged for or converted into cash, property or shares of stock, rights or securities of or interests in another domestic corporation or entity or may be canceled.

SECTION 32. AMENDATORY 18 O.S. 2021, Section 1090.5, is amended to read as follows:

Section 1090.5.

CONVERSION OF DOMESTIC CORPORATION TO AN ENTITY

A. A domestic corporation may, upon the authorization of such conversion in accordance with this section, convert to an entity. As used in this section, the term "entity" means a domestic or foreign partnership, whether general or limited, and including a limited liability partnership and a limited liability limited partnership, a foreign corporation including a public benefit corporation, a domestic or foreign limited liability company including a public benefit limited liability company, and any unincorporated nonprofit or for-profit association, trust or enterprise having members or having outstanding shares of stock or other evidences of financial, beneficial or membership interest therein, whether formed by agreement or under statutory authority or otherwise and whether formed or organized under the laws of this state or the laws of any other jurisdiction.

B. The board of directors of the corporation which desires to convert under this section shall adopt a resolution approving such conversion, specifying the type of entity into which the corporation shall be converted and recommending the approval of the conversion by the shareholders of the corporation. The resolution shall be submitted to the shareholders of the corporation at an annual or special meeting. Due notice of the time~~7~~ and purpose of the meeting shall be mailed to each holder of shares, whether voting or nonvoting, of the corporation at the address of the shareholder as it appears on the records of the corporation, at least twenty (20) days prior to the date of the meeting. At the meeting, the resolution shall be considered and a vote taken for its adoption or rejection. ~~The corporation adopts the conversion if all outstanding shares of stock of the corporation, whether voting or nonvoting, are voted for the resolution~~ If a majority of the outstanding shares of stock of the corporation entitled to vote shall vote for the adoption of the resolution, the conversion shall be authorized provided that, if the corporation is converting to a partnership having one or more general partners, then in addition to such approval, authorization of the conversion shall require approval of each shareholder of the corporation who will become a general partner of such partnership as a result of the conversion.

C. If the corporation has converted in accordance with this section and the governing act of the domestic entity to which the corporation is converting does not provide for the filing of a conversion notice with the Secretary of State or the corporation is converting to a foreign entity, the corporation shall file with the Secretary of State a certificate of conversion executed in accordance with Section 1007 of this title which certifies:

1. The name of the corporation and, if it has been changed, the name under which it was originally incorporated;

2. The date of filing of its original certificate of incorporation with the Secretary of State;

3. The name of the entity to which the corporation shall be converted, its jurisdiction of formation if a foreign entity, and the type of entity;

4. That the conversion has been approved in accordance with the provisions of this section;

5. The future effective date or time of the conversion to an entity, which shall be a date or time certain not later than ninety (90) days after the filing, if it is not to be effective upon the filing of the certificate of conversion;

6. The agreement of the foreign entity that it may be served with process in this state in any action, suit or proceeding for enforcement of any obligation of the foreign entity arising while it was a domestic corporation and for enforcement of any obligation of such other entity arising from the conversion including any suit or other proceeding to enforce the right of any shareholders as determined in appraisal proceedings under Section 1091 of this title, and that it irrevocably appoints the Secretary of State as its agent to accept service of process in any such action, suit or proceeding;

7. The address to which a copy of the process referred to in this subsection shall be mailed by the Secretary of State. In the event of such service upon the Secretary of State in accordance with the provisions of Section 2004 of Title 12 of the Oklahoma Statutes, the Secretary of State shall immediately notify such corporation

that has converted out of ~~the State of Oklahoma~~ this state by letter, certified mail, return receipt requested, directed to the corporation at the address specified unless the corporation shall have designated in writing to the Secretary of State a different address for this purpose, in which case it shall be mailed to the last address so designated. The notice shall include a copy of the process and any other papers served on the Secretary of State pursuant to the provisions of this subsection. It shall be the duty of the plaintiff in the event of such service to serve process and any other papers in duplicate, to notify the Secretary of State that service is being effected pursuant to the provisions of this subsection, and to pay the Secretary of State the fee provided for in paragraph 7 of subsection A of Section 1142 of this title, which fee shall be taxed as part of the costs in the proceeding. The Secretary of State shall maintain an alphabetical record of any such service setting forth the name of the plaintiff and the defendant, the title, docket number, and nature of the proceeding in which process has been served upon the Secretary of State, the fact that service has been effected pursuant to the provisions of this subsection, the return date thereof, and the date service was made. The Secretary of State shall not be required to retain such information longer than five (5) years from receipt of the service of process by the Secretary of State; and

8. If the entity to which the corporation is converting was required to make a filing with the Secretary of State as a condition of its formation, the type and date of such filing.

D. Upon the filing of a conversion notice with the Secretary of State, whether under subsection C of this section or under the governing act of the domestic entity to which the corporation is converting, the filing of any formation document required by the governing act of the domestic entity to which the corporation is converting, and payment to the Secretary of State of all prescribed fees, ~~the Secretary of State shall certify that the corporation has filed all documents and paid all required fees, and thereupon the corporation shall cease to exist as a domestic corporation at the time the certificate of conversion becomes effective in accordance with Section 1007 of this title. The~~ A copy of the certificate of conversion issued by the Secretary of State shall be prima facie evidence of the conversion by the corporation.

E. The conversion of a corporation under this section and the resulting cessation of its existence as a domestic corporation shall not be deemed to affect any obligations or liabilities of the corporation incurred before such conversion or the personal liability of any person incurred before the conversion, nor shall it be deemed to affect the choice of law applicable to the corporation with respect to matters arising before the conversion.

F. Unless otherwise provided in a resolution of conversion adopted in accordance with this section, the converting corporation shall not be required to wind up its affairs or pay its liabilities and distribute its assets, and the conversion shall not constitute a dissolution of such corporation.

G. In a conversion of a domestic corporation to an entity under this section, shares of stock of the converting domestic corporation may be exchanged for or converted into cash, property, rights or securities of, or memberships or membership, economic or ownership interests in, the entity to which the domestic corporation is being converted or, in addition to or in lieu thereof, may be exchanged for or converted into cash, property, shares of stock, rights or securities of, or interests in, another corporation or entity or may be canceled.

H. When a corporation has converted to an entity under this section, the entity shall be deemed to be the same entity as the corporation. All of the rights, privileges and powers of the corporation that has converted, and all property, real, personal and mixed, and all debts due to the corporation, as well as all other things and causes of action belonging to the corporation, shall remain vested in the entity to which the corporation has converted and shall be the property of the entity, and the title to any real property vested by deed or otherwise in the corporation shall not revert or be in any way impaired by reason of the conversion; but all rights of creditors and all liens upon any property of the corporation shall be preserved unimpaired, and all debts, liabilities and duties of the corporation that has converted shall remain attached to the entity to which the corporation has converted, and may be enforced against it to the same extent as if the debts, liabilities and duties had originally been incurred or contracted by it in its capacity as the entity. The rights, privileges, powers and interest in property of the corporation that

has converted, as well as the debts, liabilities and duties of the corporation, shall not be deemed, as a consequence of the conversion, to have been transferred to the entity to which the corporation has converted for any purpose of the laws of this state.

I. No vote of shareholders of a corporation shall be necessary to authorize a conversion if no shares of the stock of the corporation shall have been issued before the adoption by the board of directors of the resolution approving the conversion.

J. Nothing in this section shall be deemed to authorize the conversion of a charitable nonstock corporation into another entity, if the charitable status of such charitable nonstock corporation would thereby be lost or impaired.

SECTION 33. AMENDATORY 18 O.S. 2021, Section 1091, is amended to read as follows:

Section 1091.

APPRAISAL RIGHTS

A. Any shareholder of a corporation of this state who holds shares of stock on the date of the making of a demand pursuant to the provisions of subsection D of this section with respect to the shares, who continuously holds the shares through the effective date of the merger, ~~or~~ consolidation, or conversion who has otherwise complied with the provisions of subsection D of this section and who has neither voted in favor of the merger, ~~or~~ consolidation, or conversion nor consented thereto ~~in writing~~ pursuant to the provisions of Section 1073 of this title shall be entitled to an appraisal by the district court of the fair value of the shares of stock under the circumstances described in subsections B and C of this section. As used in this section, ~~the word~~ "shareholder" means a holder of record of stock in a stock corporation; ~~the words~~ "stock" and "share" mean and include what is ordinarily meant by those words; ~~and~~ "depository receipt" means an instrument issued by a depository representing an interest in one or more shares, or fractions thereof, solely of stock of a corporation, which stock is deposited with the depository; "beneficial owner" means a person who is the beneficial owner of shares of stock held either in voting trust or by a nominee on behalf of such person; and "person" means

any individual, corporation, partnership, unincorporated association, or other entity.

B. 1. Except as otherwise provided for in this subsection, appraisal rights shall be available for the shares of any class or series of stock of a constituent corporation in a merger, ~~or~~ consolidation, or conversion or of the acquired corporation in a share acquisition, to be effected pursuant to the provisions of Section 1081 of this title, other than a merger effected pursuant to subsection G of Section 1081 of this title, or the provisions of Section 1082, 1084, 1085, 1086, 1087, 1090.1 ~~or~~, 1090.2 or 1090.5 of this title.

2. a. No appraisal rights under this section shall be available for the shares of any class or series of stock which stock, or depository receipts in respect thereof, at the record date fixed to determine the shareholders entitled to receive notice of the meeting of shareholders, or at the record date fixed to determine the shareholders entitled to consent under Section 1073 of this title, to act upon the agreement of merger or consolidation or the resolution providing for conversion, or, the case of a merger pursuant to subsection H of Section 1081 of this title, as of immediately before the execution of the agreement of merger, were either:

(1) listed on a national securities exchange, or

(2) held of record by more than two thousand holders.

b. In addition, no appraisal rights shall be available for any shares of stock, or depository receipts in respect thereof, of the constituent corporation surviving a merger if the merger did not require for its approval the vote of the shareholders of the surviving corporation as provided for in subsection F of Section 1081 of this title.

3. Notwithstanding the provisions of paragraph 2 of this subsection, appraisal rights provided for in this section shall be available for the shares of any class or series of stock of a

constituent or converting corporation if the holders thereof are required by the terms of an agreement of merger or consolidation, or by the terms of a resolution providing for conversion pursuant to the provisions of Section 1081, 1082, 1084, 1085, 1086, 1087, 1090.1 ~~or~~, 1090.2 or 1090.5 of this title to accept for the stock anything except:

- a. shares of stock of the corporation surviving or resulting from the merger or consolidation, or of the converted entity if such entity is a corporation as a result of the conversion, or depository receipts thereof, ~~or~~
- b. shares of stock of any other corporation, or depository receipts in respect thereof, which shares of stock or depository receipts at the effective date of the merger ~~or~~, consolidation, or conversion will be either listed on a national securities exchange or held of record by more than two thousand holders, ~~or~~
- c. cash in lieu of fractional shares or fractional depository receipts described in subparagraphs a and b of this paragraph, or
- d. any combination of the shares of stock, depository receipts, and cash in lieu of the fractional shares or depository receipts described in subparagraphs a, b, and c of this paragraph.

4. In the event all of the stock of a subsidiary ~~Oklahoma~~ domestic corporation party to a merger effected pursuant to the provisions of Section 1083 or 1083.1 of this title is not owned by the parent corporation immediately prior to the merger, appraisal rights shall be available for the shares of the subsidiary ~~Oklahoma~~ domestic corporation.

C. Any corporation may provide in its certificate of incorporation that appraisal rights under this section shall be available for the shares of any class or series of its stock as a result of an amendment to its certificate of incorporation, any merger or consolidation in which the corporation is a constituent corporation ~~or~~, the sale of all or substantially all of the assets

of the corporation, or a conversion effected under Section 1090.5 of this title. If the certificate of incorporation contains such a provision, the procedures of this section, including those set forth in subsections D and E of this section, shall apply as nearly as is practicable.

D. Appraisal rights shall be perfected as follows:

1. If a proposed merger ~~or~~, consolidation, or conversion for which appraisal rights are provided under this section is to be submitted for approval at a meeting of shareholders, the corporation, not less than twenty (20) days prior to the meeting, shall notify each of its shareholders who was such on the record date for notice of such meeting, or such members who received notice in accordance with subsection C of Section 1081 of this title, with respect to shares for which appraisal rights are available pursuant to subsection B or C of this section that appraisal rights are available for any or all of the shares of the constituent corporations or the converting corporation, and shall include in the notice a copy of this section and, if one of the constituent corporations or the converting corporation is a nonstock corporation, a copy of Section 1004.1 of this title or information directing shareholders to a publicly available electronic resource at which such sections may be accessed without subscription or cost. Each shareholder electing to demand the appraisal of the shares of the shareholder shall deliver to the corporation, before the taking of the vote on the merger ~~or~~, consolidation, or conversion, a written demand for appraisal of the shares of the shareholder. The demand will be sufficient if it reasonably informs the corporation of the identity of the shareholder and that the shareholder intends thereby to demand the appraisal of the shares of the shareholder. A proxy or vote against the merger ~~or~~, consolidation, or conversion shall not constitute such a demand. A shareholder electing to take such action must do so by a separate written demand as herein provided. Within ten (10) days after the effective date of the merger ~~or~~, consolidation, or conversion, the surviving ~~or~~, resulting corporation, or converted entity shall notify each shareholder of each constituent or converting corporation who has complied with the provisions of this subsection and has not voted in favor of or consented to the merger ~~or~~, consolidation, or conversion, and any beneficial owner who has demanded appraisal under paragraph 3 of

this subsection, as of the date that the merger ~~or~~, consolidation,
or conversion has become effective; or

2. If the merger ~~or~~, consolidation, or conversion is approved pursuant to the provisions of Section 1073, subsection H of Section 1081, Section 1083 or Section 1083.1 of this title, either a constituent or converting corporation before the effective date of the merger ~~or~~, consolidation, or conversion or the surviving ~~or~~, resulting corporation, or converted entity within ten (10) days ~~thereafter~~ after such effective date shall notify each ~~of the holders~~ shareholder of any class or series of stock of the constituent or converting corporation who ~~are~~ is entitled to appraisal rights of the approval of the merger or consolidation and that appraisal rights are available for any or all shares of such class or series of stock of the constituent corporation, and shall include in the notice either a copy of this section and, if one of the constituent corporations or the converting corporation is a nonstock corporation, a copy of Section 1004.1 of this title or information directing shareholders to a publicly available electronic resource at which this section and Section 1004.1 of this title, if applicable, may be accessed without subscription or cost. The notice may, and, if given on or after the effective date of the merger ~~or~~, consolidation, or conversion, shall, also notify the shareholders of the effective date of the merger ~~or~~, consolidation, or conversion. Any shareholder entitled to appraisal rights may, within twenty (20) days after the date of mailing of the notice or, in the case of a merger approved pursuant to subsection H of Section 1081 of this title, within the later of the consummation of an offer contemplated by subsection H of Section 1081 of this title and twenty (20) days after the date of mailing of such notice, demand in writing from the surviving or resulting ~~corporation~~ entity the appraisal of the holder's shares; provided that a demand may be delivered to the entity by electronic transmission if directed to an information processing system, if any, expressly designated for such purpose in the notice. The demand will be sufficient if it reasonably informs the ~~corporation~~ entity of the identity of the shareholder and that the shareholder intends to demand the appraisal of the holder's shares. If the notice does not notify shareholders of the effective date of the merger ~~or~~, consolidation, or conversion either:

- a. each constituent corporation or the converting corporation shall send a second notice before the effective date of the merger ~~or~~, consolidation, or conversion notifying each of the holders of any class or series of stock of the constituent or converting corporation that are entitled to appraisal rights of the effective date of the merger ~~or~~, consolidation, or conversion, or
- b. the surviving ~~or~~, resulting corporation, or converted entity shall send a second notice to all holders on or within ten (10) days after the effective date of the merger ~~or~~, consolidation, or conversion; provided, however, that if the second notice is sent more than twenty (20) days following the mailing of the first notice or, in the case of a merger approved pursuant to subsection H of Section 1081 of this title, later than the later of the consummation of the offer contemplated by subsection H of Section 1081 of this title and twenty (20) days following the sending of the first notice, the second notice need only be sent to each shareholder who is entitled to appraisal rights and who has demanded appraisal of the holder's shares in accordance with this subsection and any beneficial owner who has demanded appraisal under paragraph 3 of this subsection. An affidavit of the secretary or assistant secretary or of the transfer agent of the corporation or entity that is required to give ~~either~~ notice that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. For purposes of determining the shareholders entitled to receive either notice, each constituent corporation or the converting corporation may fix, in advance, a record date that shall be not more than ten (10) days prior to the date the notice is given; provided, if the notice is given on or after the effective date of the merger ~~or~~, consolidation, or conversion, the record date shall be the effective date. If no record date is fixed and the notice is given prior to the effective date, the record date shall be the close of

business on the day next preceding the day on which the notice is given.

3. Notwithstanding subsection A of this section, but subject to this paragraph, a beneficial owner may, in such person's name, demand in writing an appraisal of the beneficial owner's shares in accordance with paragraph 1 or 2 of this subsection, as applicable; provided that:

- a. such beneficial owner continuously owns such shares through the effective date of the merger, consolidation, or conversion and otherwise satisfies the requirements applicable to a shareholder under subsection A of this section, and
- b. the demand made by the beneficial owner reasonably identifies the holder of record of the shares for which the demand is made, is accompanied by documentary evidence of such beneficial owner's beneficial ownership of stock and a statement that such documentary evidence is a true and correct copy of what it purports to be, and provides an address at which such beneficial owner consents to receive notices given by the surviving, resulting, or converted entity and to be set forth on the verified list required by subsection F of this section.

E. Within one hundred twenty (120) days after the effective date of the merger ~~or~~, consolidation, or conversion, the surviving ~~or~~, resulting corporation, or converted entity or any ~~shareholder~~ person who has complied with the provisions of subsections A and D of this section and who is otherwise entitled to appraisal rights, may file a petition in district court demanding a determination of the value of the stock of all such shareholders. Notwithstanding the foregoing, at any time within sixty (60) days after the effective date of the merger, ~~or~~ consolidation, or conversion, any ~~shareholder~~ person entitled to appraisal rights who has not commenced an appraisal proceeding or joined that proceeding as a named party shall have the right to withdraw the person's demand ~~of the shareholder~~ for appraisal and to accept the terms offered upon the merger ~~or~~, consolidation, or conversion. Within one hundred twenty (120) days after the effective date of the merger ~~or~~,

consolidation, or conversion, any shareholder person entitled to appraisal rights who has complied with the requirements of subsections A and D of this section, upon written request, or by electronic transmission directed to an information processing system, if any, expressly designated for that purpose in the notice of appraisal, shall be entitled to receive from the corporation surviving the merger or resulting from the consolidation, resulting, or converted entity a statement setting forth the aggregate number of shares not voted in favor of the merger or, consolidation, or conversion or, in the case of a merger approved pursuant to subsection H of Section 1081 of this title, the aggregate number of shares, other than any excluded stock as defined in subparagraph d of paragraph 6 of subsection H of Section 1081 of this title, that were the subject of, and were not tendered into, and accepted for purchase or exchange in, the offer referred to in paragraph 2 of subsection H of Section 1081 of this title and, in either case, with respect to which demands for appraisal have been received and the aggregate number of holders of the shares shareholders or beneficial owners holding or owning such shares; provided that, where a beneficial owner makes a demand under paragraph 3 of subsection D of this section, the record holder of such shares shall not be considered a separate shareholder holding such shares for purposes of such aggregate number. The written statement shall be mailed given to the shareholder person within ten (10) days after the shareholder's person's written request for a statement is received by the surviving or, resulting corporation, or converted entity or within ten (10) days after expiration of the period for delivery of demands for appraisal pursuant to the provisions of subsection D of this section, whichever is later. Notwithstanding subsection A of this section, a person who is the beneficial owner of shares of such stock held either in a voting trust or by a nominee on behalf of such person may, in such person's own name, file a petition or request from the corporation the statement described in this section.

F. Upon the filing of any such petition by a shareholder any person other than the surviving, resulting, or converted entity, service of a copy thereof shall be made upon the surviving or resulting corporation entity, which, within twenty (20) days after service, shall file, in the office of the court clerk of the district court in which the petition was filed, a duly verified list containing the names and addresses of all shareholders persons who

have demanded ~~payment~~ appraisal for their shares and with whom agreements regarding the value of their shares have not been reached by the ~~surviving or resulting corporation~~ entity. If the petition shall be filed by the surviving ~~or~~, resulting corporation, or converted entity, the petition shall be accompanied by such duly verified list. The court clerk, if so ordered by the court, shall give notice of the time and place fixed for the hearing on the petition by registered or certified mail to the surviving ~~or~~, resulting corporation, or converted entity and to the ~~shareholders~~ persons shown on the list at the addresses therein stated. ~~Notice shall also be given by one or more publications at least one (1) week before the day of the hearing, in a newspaper of general circulation published in the City of Oklahoma City, Oklahoma, or other publication as the court deems advisable.~~ The forms of the notices by mail and by publication shall be approved by the court, and the costs thereof shall be borne by the surviving ~~or~~, resulting corporation, or converted entity.

G. At the hearing on the petition, the court shall determine the ~~shareholders~~ persons who have complied with the provisions of this section and who have become entitled to appraisal rights. The court may require the ~~shareholders~~ persons who have demanded an appraisal of their shares and who hold stock represented by certificates to submit their certificates of stock to the court clerk for notation thereon of the pendency of the appraisal proceedings; and if any ~~shareholder~~ person fails to comply with this direction, the court may dismiss the proceedings as to that ~~shareholder~~ person. If immediately before the merger ~~or~~, consolidation, or conversion the shares of the class or series of stock of the constituent or converting corporation as to which appraisal rights are available were listed on a national securities exchange, the court shall dismiss the proceedings as to all holders of such shares who are otherwise entitled to appraisal rights unless (1) the total number of shares entitled to appraisal exceeds one percent (1%) of the outstanding shares of the class or series eligible for appraisal, (2) the value of the consideration provided in the merger, ~~or~~ consolidation, or conversion for such total number of shares exceeds One Million Dollars (\$1,000,000.00), or (3) the merger was approved pursuant to Section 1083 or Section 1083.1 of this title.

H. After determining the ~~shareholders~~ persons entitled to an appraisal, the court shall appraise the shares, determining their fair value exclusive of any element of value arising from the accomplishment or expectation of the merger ~~or~~, consolidation, or conversion, together with interest, if any, to be paid upon the amount determined to be the fair value. In determining the fair value, the court shall take into account all relevant factors. In determining the fair rate of interest, the court may consider all relevant factors. Unless the court in its discretion determines otherwise for good cause shown, and except as provided in this subsection, interest from the effective date of the merger, consolidation, or conversion through the date of payment of the judgment shall be compounded quarterly and shall accrue at five percent (5%) over the Federal Reserve discount rate including any surcharge, as established from time to time during the period between the effective date of the merger, consolidation, or conversion and the date of payment of judgment. At any time before the entry of judgment in the proceedings, the surviving ~~corporation~~, resulting, or converted entity may pay to each ~~shareholder~~ person entitled to appraisal an amount in cash, in which case interest shall accrue thereafter as provided herein only upon the sum of (1) the difference, if any, between the amount so paid and the fair value of the shares as determined by the court, and (2) interest theretofore accrued, unless paid at that time. Upon application by the surviving ~~or~~, resulting corporation, or converted entity or by any ~~shareholder~~ person entitled to participate in the appraisal proceeding, the court may, in its discretion, proceed to trial upon the appraisal prior to the final determination of the ~~shareholder~~ persons entitled to an appraisal. Any ~~shareholder~~ person whose name appears on the list filed by the surviving ~~or~~, resulting corporation, or converted entity pursuant to the provisions of subsection F of this section ~~and who has submitted the certificates of stock of the shareholder to the court clerk, if required,~~ may participate fully in all proceedings until it is finally determined that the ~~shareholder~~ person is not entitled to appraisal rights pursuant to the provisions of this section.

I. The court shall direct the payment of the fair value of the shares, together with interest, if any, by the surviving ~~or~~, resulting corporation, or converted entity to the ~~shareholders~~ persons entitled thereto. Payment shall be made to each ~~shareholder, in the case of holders of uncertificated stock~~

~~immediately, and in the case of holders of shares represented by certificates upon the surrender to the corporation of the certificates representing the stock~~ person upon such terms and conditions as the court may order. The court's decree may be enforced as other decrees in the district court may be enforced, whether the surviving ~~or,~~ resulting corporation be a corporation, or converted entity is an entity of this state or of any other state.

J. The costs of the proceeding may be determined by the court and taxed upon the parties as the court deems equitable in the circumstances. Upon application of a ~~shareholder~~ person whose name appears on the list filed by the surviving, resulting, or converted entity under subsection F of this section who participated in the proceeding and incurred expenses in connection with such proceeding, the court may order all or a portion of the expenses ~~incurred by any shareholder in connection with the appraisal proceeding including, without limitation,~~ but not limited to reasonable attorney's attorney fees and the fees and expenses of experts, to be charged pro rata against the value of all of the shares entitled to an appraisal not dismissed under subsection K of this section or subject to such an award under a reservation of jurisdiction under subsection K of this section.

K. From and after the effective date of the merger ~~or,~~ consolidation, or conversion, no ~~shareholder~~ person who has demanded appraisal rights with respect to some or all of the person's shares as provided for in subsection D of this section shall be entitled to vote the ~~stock~~ shares for any purpose or to receive payment of dividends or other distributions on the ~~stock~~ shares, except dividends or other distributions payable to shareholders of record at a date which is prior to the effective date of the merger ~~or,~~ consolidation, or conversion; provided, however, that if no petition for an appraisal ~~shall be~~ is filed within the time provided for in subsection E of this section, or if ~~the shareholder~~ a person who has made a demand for an appraisal in accordance with this section shall deliver to the surviving ~~or,~~ resulting corporation, or converted entity a written withdrawal of the shareholder's person's demand for an appraisal and an acceptance of the merger or consolidation, either within sixty (60) days after the effective date of the merger or consolidation as provided for in with respect to some or all of the person's shares in accordance with subsection E of this section or thereafter with the written approval of the corporation, then the

right of the ~~shareholder~~ person to an appraisal of the shares subject to the withdrawal shall cease; provided further, no appraisal proceeding in the district court shall be dismissed as to any ~~shareholder~~ person without the approval of the court, and approval may be conditioned upon terms as the court deems just including but not limited to a reservation of jurisdiction for any application to the court made under subsection J of this section; provided, however, that this provision shall not affect the right of any ~~shareholder~~ person who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such ~~shareholder's~~ person's demand for appraisal and to accept the terms offered upon the merger ~~or,~~ consolidation or conversion within sixty (60) days after the effective date of the merger ~~or,~~ consolidation, or conversion, as set forth in subsection E of this section.

L. The shares or other equity interests of the surviving, ~~or~~ resulting corporation, or converted entity into which the shares of ~~any objecting shareholders~~ stock subject to appraisal under this section would have ~~been~~ otherwise converted had they assented to the merger or consolidation but for an appraisal demand made in accordance with this section shall have the status of authorized ~~and unissued shares~~ but not outstanding shares of stock or other equity interests of the surviving ~~or,~~ resulting corporation, or converted entity, unless and until the person who has demanded appraisal is no longer entitled to appraisal under this section.

SECTION 34. AMENDATORY 18 O.S. 2021, Section 1096, is amended to read as follows:

Section 1096.

DISSOLUTION; PROCEDURE

A. If it should be deemed advisable in the judgment of the board of directors of any corporation that it should be dissolved, the board, after the adoption of a resolution to that effect by a majority of the whole board at any meeting called for that purpose, shall cause notice to be mailed to each shareholder entitled to vote thereon as of the record date for determining the shareholders entitled to notice of the meeting of the adoption of the resolution and of a meeting of shareholders to take action upon the resolution.

B. At the meeting a vote shall be taken upon the proposed dissolution. If a majority of the outstanding stock of the corporation entitled to vote thereon shall vote for the proposed dissolution, a certificate of dissolution shall be filed with the Secretary of State pursuant to subsection D of this section.

C. Dissolution of a corporation may also be authorized without action of the directors if all the shareholders entitled to vote thereon shall consent in writing and a certificate of dissolution shall be filed with the Secretary of State pursuant to subsection D of this section.

D. If dissolution is authorized in accordance with this section, a certificate of dissolution shall be executed, acknowledged and filed, and shall become effective, in accordance with Section 1007 of this title. Such certificate of dissolution shall set forth:

1. The name of the corporation;
2. The date dissolution was authorized;

3. That the dissolution has been authorized by the board of directors and shareholders of the corporation, in accordance with subsections A and B of this section, or that the dissolution has been authorized by all of the shareholders of the corporation entitled to vote on a dissolution, in accordance with subsection C of this section;

4. The names and addresses of the directors and officers of the corporation; and

5. The date of filing of the corporation's original certificate of incorporation with the Secretary of State.

E. The resolution authorizing a proposed dissolution may provide that notwithstanding authorization or consent to the proposed dissolution by the shareholders, or the members of a nonstock corporation pursuant to Section 1097 of this title, the board of directors or governing body may abandon such proposed dissolution without further action by the shareholders or members.

~~F. Upon a certificate of dissolution becoming effective in accordance with Section 1007 of this title, the corporation shall be dissolved~~ If a corporation has included in its certificate of incorporation a provision limiting the duration of its existence to a specified date in accordance with paragraph 5 of subsection B of Section 1006 of this title, a certificate of dissolution shall be executed, acknowledged, and filed in accordance with Section 1007 of this title within ninety (90) days before such specified date and shall become effective on such specified date. Such certificate of dissolution shall set forth:

1. The name of the corporation;

2. The date specified in the corporation's certificate of incorporation limiting the duration of its existence;

3. The names and addresses of the directors and officers of the corporation; and

4. The date of filing of the corporation's original certificate of incorporation with the Secretary of State.

Failure to timely file a certificate of dissolution under this subsection with respect to any corporation shall not affect the expiration of such corporation's existence on the date specified in its certificate of incorporation under paragraph 5 of subsection B of Section 1006 of this title and shall not eliminate the requirement to file a certificate of dissolution as contemplated by this subsection. If a certificate of good standing is issued by the Secretary of State after the date specified in a corporation's certificate of incorporation under paragraph 5 of subsection B of Section 1006 of this title, such certificate of good standing shall be of no force or effect.

G. A corporation shall be dissolved upon the earlier of the date specified in such corporation's certificate of incorporation under paragraph 5 of subsection B of Section 1006 of this title or upon the effectiveness in accordance with Section 1007 of this title of a certificate of dissolution filed in accordance with this section.

SECTION 35. AMENDATORY 18 O.S. 2021, Section 1097, is amended to read as follows:

Section 1097.

DISSOLUTION OF NONSTOCK CORPORATION; PROCEDURE

A. Whenever it shall be desired to dissolve any nonstock corporation, the governing body shall perform all the acts necessary for dissolution which are required by the provisions of Section 1096 of this title to be performed by the board of directors of a corporation having capital stock. If the members of a corporation having no capital stock are entitled to vote for the election of members of its governing body or are entitled to vote for dissolution under the certificate of incorporation or the bylaws of such corporation, they shall perform all the acts necessary for dissolution which are required by the provisions of Section 1096 of this title to be performed by the shareholders of a corporation having capital stock, including dissolution without action of the members of the governing body if all the members of the corporation entitled to vote thereon shall consent in writing and a certificate of dissolution shall be filed with the Secretary of State pursuant to subsection D of Section 1096 of this title. If there is no member entitled to vote thereon, the dissolution of the corporation shall be authorized at a meeting of the governing body, upon the adoption of a resolution to dissolve by the vote of a majority of members of its governing body then in office. In all other respects, the method and proceedings for the dissolution of a nonstock corporation shall conform as nearly as may be to the proceedings prescribed by the provisions of Section 1096 of this title for the dissolution of corporations having capital stock.

B. If a nonstock corporation has not commenced the business for which the corporation was organized, a majority of the governing body or, if none, a majority of the incorporators may surrender all of the corporation rights and franchises by filing in the Office of the Secretary of State a certificate, executed and acknowledged by a majority of the incorporators or governing body, conforming as nearly as may be to the certificate prescribed by Section 1095 of this title.

C. If a nonstock corporation has included in its certificate of incorporation a provision limiting the duration of its existence to a specified date in accordance with paragraph 5 of subsection B of Section 1006 of this title, a certificate of dissolution shall be executed, acknowledged, and filed in accordance with Section 1007 of this title within ninety (90) days before such specified date and shall become effective on such specified date. Such certificate of dissolution shall include the information required by Section 1096 of this title. Failure to timely file a certificate of dissolution under this subsection with respect to any nonstock corporation shall not affect the expiration of such corporation's existence on the date specified in its certificate of incorporation under paragraph 5 of subsection B of Section 1006 of this title and shall not eliminate the requirement to file a certificate of dissolution as contemplated by this subsection. If a certificate of good standing is issued by the Secretary of State after the date specified in a nonstock corporation's certificate of incorporation under paragraph 5 of subsection B of Section 1006 of this title, such certificate of good standing shall be of no force or effect.

SECTION 36. AMENDATORY 18 O.S. 2021, Section 1120, is amended to read as follows:

Section 1120.

REVIVAL OF CERTIFICATE OF INCORPORATION

A. As used in this section, ~~the term certificate of incorporation~~ "certificate of incorporation" includes the charter of a corporation organized pursuant to the provisions of any law of this state.

B. Any corporation whose certificate of incorporation has become forfeited by law for nonpayment of taxes ~~or whose certificate of incorporation has been revived, but, through failure to comply strictly with the provisions of the Oklahoma General Corporation Act, the validity of whose revival has been brought into question,~~ may at any time procure a revival of its certificate of incorporation, together with all the rights, franchises, privileges and immunities and subject to all of its duties, debts and liabilities which had been secured or imposed by its original certificate of incorporation and all amendments thereto.

Notwithstanding the foregoing, this section shall not be applicable to a corporation whose certificate of incorporation has been revoked or forfeited pursuant to Section 1104 of this title.

C. The revival of the certificate of incorporation may be procured as authorized by the board of directors or members of the governing body of the corporation in accordance with subsection H and by executing, acknowledging and filing a certificate of revival in accordance with the provisions of Section 1007 of this title.

D. The certificate required by the provisions of subsection C of this section shall state:

1. The date of filing of the corporation's original certificate of incorporation; the name under which the corporation was originally incorporated; the name of the corporation at the time its certificate of incorporation became forfeited or void pursuant to this title; and the new name under which the corporation is to be revived to the extent required by subsection F of this section;

2. The address of the corporation's registered office in this state, which shall be stated in accordance with subsection C of Section 1021 of this title, and the name of its registered agent at such address;

3. That the corporation desiring to be revived and so reviving its certificate of incorporation was organized pursuant to the laws of this state;

4. The date when the certificate of incorporation became forfeited or that the validity of any revival has been brought into question; and

5. That the certificate of revival is filed by authority of the board of directors or members of the governing body of the corporation as provided for in subsection H of this section.

E. Upon the filing of the certificate in accordance with the provisions of Section 1007 of this title, the corporation shall be revived with the same force and effect as if its certificate of incorporation had not become forfeited. Such revival shall validate all contracts, acts, matters and things made, done and performed

within the scope of its certificate of incorporation by the corporation, its directors or members of its governing body, officers, agents and shareholders or members during the time when its certificate of incorporation was forfeited, with the same force and effect and to all intents and purposes as if the certificate of incorporation had at all times remained in full force and effect. All real and personal property, rights and credits, which belonged to the corporation at the time its certificate of incorporation became forfeited and which were not disposed of prior to the time of its revival and all real and personal property, rights and credits acquired by the corporation after its certificate of incorporation became forfeited pursuant to this title shall be vested in the corporation, after its revival, as if its certificate of incorporation had at all times remained in full force and effect, and the corporation after its revival shall be as exclusively liable for all contracts, acts, matters and things made, done or performed in its name and on its behalf by its directors or members of its governing body, officers, agents and shareholders or members prior to its revival, as if its certificate of incorporation had at all times remained in full force and effect.

F. If, after three (3) years from the date upon which the certificate of incorporation became forfeited for nonpayment of taxes, the name of the corporation is unavailable upon the records of the Secretary of State, then in such case the corporation to be revived shall not be revived under the same name which it bore when its certificate of incorporation became forfeited, or expired but shall be revived under some other name as set forth in the certificate to be filed pursuant to subsection C of this section.

G. Any corporation that revives its certificate of incorporation pursuant to the provisions of this section shall pay to this state the amounts provided in Sections 1201 through 1214 of Title 68 of the Oklahoma Statutes. No payment made pursuant to this subsection shall reduce the amount of franchise tax due pursuant to the provisions of Sections 1201 through 1214 of Title 68 of the Oklahoma Statutes for the year in which the revival is effected.

H. For purposes of this section, the board of directors or governing body of the corporation shall be comprised of the persons, who, but for the certificate of incorporation having become forfeited pursuant to this title, would be the duly elected or

appointed directors or members of the governing body of the corporation. The requirement for authorization by the board of directors under subsection C of this section shall be satisfied if a majority of the directors or members of the governing body then in office, even though less than a quorum, or the sole director or member of the governing body then in office, authorizes the revival of the certificate of incorporation of the corporation and the filing of the certificate required by subsection C of this section. In any case where there shall be no directors of the corporation available to revive the certificate of incorporation of the corporation, the shareholders may elect a full board of directors, as provided by the bylaws of the corporation, and the board so elected may then authorize the revival of the certificate of incorporation of the corporation and the filing of the certificate required by subsection C of this section. A special meeting of the shareholders for the purpose of electing directors may be called by any officer or shareholder upon notice given in accordance with the provisions of Section 1067 of this title. For purposes of this section, the bylaws shall be the bylaws of the corporation that, but for the certificate of incorporation having become forfeited, would be the duly adopted bylaws of the corporation.

I. After a revival of the certificate of incorporation of the corporation shall have been effected, the provisions of subsection C of Section 1056 of this title shall govern and the period of time during which the certificate of incorporation of the corporation was forfeited shall be included within the calculation of the thirty-day and thirteen-month periods to which subsection C of Section 1056 of this title refers. A special meeting of shareholders held in accordance with subsection H of this section shall be deemed an annual meeting of shareholders for purposes of subsection C of Section 1056 of this title.

J. Whenever it shall be desired to revive the certificate of incorporation of any nonstock corporation, the governing body shall perform all the acts necessary for the revival of the charter of the corporation which are performed by the board of directors in the case of a corporation having capital stock. In addition, the members of any nonstock corporation who are entitled to vote for the election of members of its governing body and any other members entitled to vote for dissolution under the certificate of incorporation or the bylaws of such corporation, shall perform all

the acts necessary for the revival of the certificate of incorporation of the corporation which are performed by the shareholders in the case of a corporation having capital stock. In all other respects, the procedure for the revival of the certificate of incorporation of a nonstock corporation shall conform, as nearly as may be applicable, to the procedure prescribed in this section for the revival of the certificate of incorporation of a corporation having capital stock; provided, however, subsection I of this section shall not apply to nonstock corporations.

SECTION 37. This act shall become effective November 1, 2024.

Passed the Senate the 21st day of March, 2023.

Presiding Officer of the Senate

Passed the House of Representatives the 17th day of April, 2024.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____