An Act

ENROLLED SENATE
BILL NO. 769

By: Leewright of the Senate

and

Montgomery, Murdock and Kannady of the House

An Act relating to business entities; amending 18 O.S. 2011, Sections 1012 and 1014.1, which relate to organization meeting and enforcement of corporate instruments; establishing requirements for person acting on behalf of incorporator; authorizing actions to determine validity of certain corporate instruments; allowing corporations to determine where certain internal claims are brought; defining term; amending 18 O.S. 2011, Sections 1021, 1022, 1031, 1033 and 1039, which relate to registered office and agent, indemnification, issuance of stock and stock certificates; requiring certain information on registered office in certain documents; modifying permissible entities to be registered agents for domestic corporations; modifying duties of registered agent; requiring certain information be provided to registered agent; modifying certain indemnification requirements; authorizing approval for formula for certain consideration; modifying persons authorized to sign stock certificates; establishing procedures for ratification of defective corporate acts and stock; requiring certain notice; defining terms; clarifying district court jurisdiction over defective acts; amending 18 O.S. 2011, Sections 1056, 1058, 1063 and 1064, which relate to shareholders and voting agreements; authorizing district court to issue certain orders; modifying requirements for fixing certain record dates; permitting delivery of voting trust to principal office; modifying requirement for certain shareholder list; authorizing

conditions for certain conditions for proxy solicitation materials; authorizing reimbursement of certain expenses under certain circumstances; amending 18 O.S. 2011, Sections 1067, 1068, 1070, 1073, 1077, 1080, 1081 and 1082, which relate to meetings, vacancies, election of directors, consent, certificates of incorporation, and merger or consolidation of domestic or foreign corporations; modifying certain notice requirements; authorizing certain application to district court; providing for removal of director by district court upon certain application; eliminating the public company exception for shareholder action by written consent; modifying requirements for execution of certain consent; expanding permissible amendments to certificates of incorporation; modifying certain amendment procedures; modifying requirements for certain restated certificates; modifying requirements for merger or consolidation agreements; modifying requirements for certain filing; providing exemption for certain certification; providing exceptions for shareholder vote under certain circumstances; defining terms; modifying inclusions for certain certificate; establishing procedures and requirements for merger of parent entity and subsidiary corporations; amending 18 O.S. 2011, Sections 1090.3, 1091, 1095, 1096, 1099, 1119, 1120, 1121, 1130, 1133, 1135 and 1136, which relate to the Oklahoma General Corporation Act; deleting obsolete reference; modifying definitions; modifying scope of certain appraisal rights; modifying procedures for perfecting certain appraisal rights; establishing interest rate for certain appraisal; modifying required contents for certain certificates of dissolution; modifying certain notice requirement; clarifying applicability of certain provisions; modifying requirements for revocation of voluntary dissolution; modifying requirements for revival, extension and restoration of certificates of incorporation; providing exceptions; affirming status of restored or revived corporations; modifying filing requirements for foreign corporations; modifying requirements for

successor registered agents for foreign corporations; modifying procedures for withdrawal of foreign corporations; modifying requirements for certain service of process; amending 18 O.S. 2011, Sections 2001, 2004, 2012.2, 2015, 2019, 2020, 2025, 2030, 2032, 2033, 2034, 2035, 2036, 2040, 2054, 2054.1, 2054.2, 2054.4 and 2055.2, as amended by Section 1, Chapter 245, O.S.L. 2012 (18 O.S. Supp. 2016, Section 2055.2), which relate to the Oklahoma Limited Liability Company Act; modifying definitions; clarifying effect of certain tax status; providing for capital interest; providing for resignation of certain member; modifying member voting rights; modifying allocation of certain profits and losses; modifying date for measurement of effect of distribution; conforming language; modifying certain power to withdraw; providing for wrongful withdrawal; specifying status of withdrawn member; authorizing buyout of certain interest; directing distribution of certain assets; modifying definition; providing for rights of certain interests; modifying required contents of articles of merger or consolidation; prohibiting merger of certain entities; conforming conversion provisions; establishing means for holding title to certain assets; deleting reinstatement provisions; providing procedures for reinstatement of limited liability companies; amending 18 O.S. 2011, Section 2060, which relates to cases not covered by act; affirming application of fiduciary duties; amending 54 O.S. 2011, Section 500-210A, which relates to annual certificates; authorizing electronic methods of certain notice; updating statutory references; conforming language; providing for codification; and providing an effective date.

SUBJECT: Business entities

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

SECTION 1. AMENDATORY 18 O.S. 2011, 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' written notice thereof 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 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, signs an instrument which states the action so taken.

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 2. AMENDATORY 18 O.S. 2011, Section 1014.1, is amended to read as follows:

Section 1014.1

INTERPRETATION AND ENFORCEMENT OF ~~THE CERTIFICATE OF INCORPORATION AND BYLAWS~~ CORPORATE INSTRUMENTS AND PROVISIONS OF THIS TITLE

A. Any shareholder, member or director may bring an action to interpret, apply or enforce ~~the~~ or determine the validity of:

1. The provisions of the certificate of incorporation or the bylaws of a domestic corporation;

2. Any instrument, document or agreement (a) by which a corporation creates or sells, or offers to create or sell, any of its stock, or any rights or options respecting its stock, or (b) to which a corporation and one or more holders of its stock are parties, and pursuant to which any such holder or holders sell or offer to sell any of such stock, or (c) by which a corporation agrees to sell, lease or exchange any of its property or assets, and which by its terms provides that one or more holders of its stock approve of or consent to such sale, lease or exchange;

3. Any written restrictions on the transfer, registration of transfer or ownership of securities under Section 1055 of this title;

4. Any proxy under Section 1057 or 1060 of this title;

5. Any voting trust or other voting agreement under Section 1063 of this title;

6. Any agreement, certificate of merger or consolidation, or certificate of ownership and merger governed by Sections 1081 through 1087, or Section 1090.2 of this title;

7. Any certificate of conversion under Section 1090.4 or 1090.5 of this title; or

8. Any other instrument, document, agreement or certificate required by any provision of this title,

may be brought in the district court, except to the extent that a statute confers exclusive jurisdiction on a court, agency or tribunal other than the district court.

B. Any civil action to interpret, apply or enforce any provision of this title may be brought in the district court.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1014.2 of Title 18 unless there is created a duplication in numbering, reads as follows:

FORUM SELECTION PROVISIONS

The certificate of incorporation or the bylaws may require, consistent with applicable jurisdictional requirements, that any or all internal corporate claims shall be brought solely and exclusively in any or all of the courts in this state, and no provision of the certificate of incorporation or the bylaws may prohibit bringing such claims in the courts of this state. "Internal corporate claims" means claims, including claims in the right of the corporation, (a) that are based upon a violation of a duty by a current or former director or officer or shareholder in such capacity, or (b) as to which this title confers jurisdiction upon the district court.

SECTION 4. AMENDATORY 18 O.S. 2011, Section 1021, is amended to read as follows:

Section 1021.

REGISTERED OFFICE IN STATE; PRINCIPAL OFFICE

OR PLACE OF BUSINESS IN STATE

A. Every corporation shall have and maintain in this state a registered office which may, but need not be, the same as its place of business.

B. Whenever the term "corporation's principal office or place of business in this state" or "principal office or place of business of the corporation in this state", or other term of like import, 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 office 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.

C. As contained in any certificate of incorporation or other document filed with the Secretary of State under this title, the address of a registered office shall include the street, number, city, state and postal code.

SECTION 5. AMENDATORY 18 O.S. 2011, 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 ~~either~~ any of the following:

1. The domestic corporation itself;

2. An individual resident of this state; ~~or~~

3. A domestic ~~or qualified foreign~~ corporation, ~~limited liability company, limited liability partnership, or limited partnership. Each registered agent shall maintain a business office identical with the registered office which is open during regular business hours to accept service of process and otherwise perform~~

~~the functions of a registered agent~~ 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 or a 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 ~~a~~ an additional registered agent, which ~~agent may be either:~~

~~1. An individual resident of this state; or~~

~~2. A domestic or qualified foreign corporation, limited liability company, limited liability partnership, or limited partnership. Each registered agent shall maintain a business office identical with the registered office which is open during regular business hours to accept service of process and otherwise perform the functions of a registered agent~~ 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 6. AMENDATORY 18 O.S. 2011, 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 ~~attorneys'~~ 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 ~~attorneys'~~ 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. 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 ~~attorneys'~~ attorney fees, actually and reasonably incurred by the person in connection therewith.

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 ~~or~~, 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 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. 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.

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 ~~attorneys'~~ attorney fees.

SECTION 7. AMENDATORY 18 O.S. 2011, 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 form and in such manner as 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 board of directors may determine the amount of such consideration by approving a formula by which the amount of consideration is determined. 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.

B. The provisions of subsection A of 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 8. AMENDATORY 18 O.S. 2011, Section 1039, is amended to read as follows:

Section 1039.

STOCK CERTIFICATES~~,~~; UNCERTIFICATED SHARES

The shares of a corporation shall be represented by certificates, provided that the board of directors of the corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until the certificate is surrendered to the corporation. Every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of, the corporation by ~~the chairman or vice-chairman of the board of directors, or the president or vice-president, and by the treasurer or an assistant treasurer or the secretary or an~~

~~assistant secretary~~ any two authorized officers of the corporation representing the number of shares registered in certificate form. Any or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before the certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue. A corporation shall not have the power to issue a certificate in bearer form.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1055.1 of Title 18, unless there is created a duplication in numbering, which reads as follows:

RATIFICATION OF DEFECTIVE CORPORATE ACTS AND STOCK

A. Subject to subsection F of this section, no defective corporate act or putative stock shall be void or voidable solely as a result of a failure of authorization if ratified as provided in this section or validated by the District Court in a proceeding brought under Section 10 of this act.

B. 1. In order to ratify one or more defective corporate acts pursuant to this section, other than the ratification of an election of the initial board of directors pursuant to paragraph 2 of this subsection, the board of directors of the corporation shall adopt resolutions stating:

a. the defective corporate act or acts to be ratified,

b. the date of each defective corporate act or acts,

c. if such defective corporate act or acts involved the issuance of shares of putative stock, the number and type of shares of putative stock issued and the date or dates upon which such putative shares were purported to have been issued,

d. the nature of the failure of authorization in respect of each defective corporate act to be ratified, and

e. that the board of directors approves the ratification of the defective corporate act or acts.

The resolutions may also provide that, at any time before the validation effective time for the defective act or acts, notwithstanding approval of the ratification by shareholders, the board of directors may abandon the ratification without further action of the shareholders. The quorum and voting requirements applicable to the ratification by the board of directors shall be the quorum and voting requirements applicable at the time to the type of defective corporate act proposed to be ratified when the board adopts the resolutions ratifying the defective corporate act; provided, that if the certificate of incorporation or bylaws of the corporation, any plan or agreement to which the corporation was a party or any provision of Title 18 of the Oklahoma Statutes, in each case as in effect as of the time of the defective corporate act, would have required a larger number or portion of directors or of specified directors for a quorum to be present or to approve the defective corporate act, such larger number or portion of such directors or such specified directors shall be required for a quorum to be present or to adopt the ratifying resolutions, as applicable, except that the presence or approval of any director elected, appointed or nominated by holders of any class or series of which no shares are then outstanding, or by any person that is no longer a shareholder, shall not be required.

2. To ratify a defective corporate act in respect of the election of the initial board of directors of the corporation, a majority of the persons who, at the time the resolutions required by this paragraph are adopted, are exercising the powers of directors under claim and color of an election or appointment as such may adopt resolutions stating:

a. the name of the person or persons who first took action in the name of the corporation as the initial board of directors of the corporation,

b. the earlier of the date on which such persons first took such action or were purported to have been elected as the initial board of directors, and

c. that the ratification of the election of such person or persons as the initial board of directors is approved.

C. Each defective corporate act ratified pursuant to paragraph 1 of subsection B of this section shall be submitted to shareholders for approval as provided in subsection D of this section, unless (1) no other provision of Title 18 of the Oklahoma Statutes, and no provision of the certificate of incorporation or bylaws of the corporation, or of any plan or agreement to which the corporation is a party, would have required shareholder approval of the defective corporate act to be ratified, either at the time of the defective corporate act or at the time the board of directors adopts the resolutions ratifying the defective corporate act pursuant to paragraph 1 of subsection B of this section, and (2) the defective corporate act did not result from a failure to comply with Section 1090.3 of Title 18 of the Oklahoma Statutes.

D. If ratification of a defective corporate act is required to be submitted to shareholders for approval pursuant to subsection C of this section, due notice of the time, place, if any, and purpose of the meeting shall be given at least twenty (20) days before the date of the meeting to each holder of valid stock and putative stock, whether voting or nonvoting, at the address of such holder as it appears or most recently appeared, as appropriate, on the records of the corporation. The notice shall also be given to the holders of record of valid stock and putative stock, whether voting or nonvoting, as of the time of the defective corporate act, other than holders whose identities or addresses cannot be determined from the records of the corporation. The notice shall contain a copy of the resolutions adopted by the board of directors pursuant to paragraph 1 of subsection B of this section or the information required by paragraphs a through e of paragraph 1 of subsection B of this section and a statement that any claim that the defective corporate act or putative stock ratified hereunder is void or voidable due to the failure of authorization, or that the District Court should declare in its discretion that a ratification in accordance with this section not be effective or be effective only on certain conditions must be brought within one hundred twenty (120) days from the validation effective time. At such meeting the quorum and voting requirements applicable to the ratification of such defective corporate act shall be the quorum and voting requirements applicable

to the type of defective corporate act proposed to be ratified at the time of the approval of the ratification, except that:

1. If the certificate of incorporation or bylaws of the corporation, any plan or agreement to which the corporation was a party or any provision of this title in effect as of the time of the defective corporate act would have required a larger number or portion of stock or of any class or series thereof or of specified shareholders for a quorum to be present or to approve the defective corporate act, the presence or approval of such larger number or portion of stock or of such class or series thereof or of such specified shareholders shall be required for a quorum to be present or to approve the ratification of the defective corporate act, as applicable, except that the presence or approval of shares of any class or series of which no shares are then outstanding, or of any person that is no longer a shareholder, shall not be required;

2. The approval by shareholders of the ratification of the election of a director shall require the affirmative vote of the majority of shares present at the meeting and entitled to vote on the election of such director, except that if the certificate of incorporation or bylaws of the corporation then in effect or in effect at the time of the defective election require or required a larger number or portion of stock or of any class or series thereof or of specified shareholders to elect such director, the affirmative vote of such larger number or portion of stock or of any class or series thereof or of specified shareholders shall be required to ratify the election of such director, except that the presence or approval of shares of any class or series of which no shares are then outstanding, or of any person that is no longer a shareholder, shall not be required; and

3. In the event of a failure of authorization resulting from failure to comply with the provisions of Section 1090.3 of Title 18 of the Oklahoma Statutes, the ratification of the defective corporate act shall require the vote set forth in paragraph 3 of subsection A of Section 1090.3 of Title 18 of the Oklahoma Statutes, regardless of whether such vote would have otherwise been required.

Shares of putative stock on the record date for determining shareholders entitled to vote on any matter submitted to shareholders pursuant to subsection C of this section, and without

giving effect to any ratification that becomes effective after such record date, shall neither be entitled to vote nor counted for quorum purposes in any vote to ratify any defective corporate act.

E. If a defective corporate act ratified pursuant to this section would have required under any other section of Title 18 of the Oklahoma Statutes the filing of a certificate in accordance with Section 1007 of Title 18 of the Oklahoma Statutes, then, whether or not a certificate was previously filed in respect of such defective corporate act and in lieu of filing the certificate otherwise required by Title 18 of the Oklahoma Statutes, the corporation shall file a certificate of validation with respect to such defective corporate act in accordance with Section 1007 of Title 18 of the Oklahoma Statutes. A separate certificate of validation shall be required for each defective corporate act requiring the filing of a certificate of validation under this section, except that (i) two or more defective corporate acts may be included in a single certificate of validation if the corporation filed, or to comply with Title 18 of the Oklahoma Statutes would have filed, a single certificate under another provision of Title 18 of the Oklahoma Statutes to effect such acts, and (ii) two or more overissues of shares of any class, classes or series of stock may be included in a single certificate of validation, provided that the increase in the number of authorized shares of each such class or series set forth in the certificate of validation shall be effective as of the date of the first such overissue. The certificate of validation shall set forth:

1. Each defective corporate act that is the subject of the certificate of validation, including, in the case of any defective corporate act involving the issuance of shares of putative stock, the number and type of shares of putative stock issued and the date or dates upon which such putative shares were purported to have been issued, the date of such defective corporate act, and the nature of the failure of authorization in respect of such defective corporate act;

2. A statement that such defective corporate act was ratified in accordance with this section, including the date on which the board of directors ratified such defective corporate act and the date, if any, on which the shareholders approved the ratification of such defective corporate act; and

3. The information required by one of the following paragraphs:

a. if a certificate was previously filed under Section 1007 of Title 18 of the Oklahoma Statutes in respect of such defective corporate act and no changes to such certificate are required to give effect to such defective corporate act in accordance with this section, the certificate of validation shall set forth (1) the name, title and filing date of the certificate previously filed and of any certificate of correction thereto and (2) a statement that a copy of the certificate previously filed, together with any certificate of correction thereto, is attached as an exhibit to the certificate of validation,

b. if a certificate was previously filed under Section 1007 of Title 18 of the Oklahoma Statutes in respect of the defective corporate act and such certificate requires any change to give effect to the defective corporate act in accordance with this section, including a change to the date and time of the effectiveness of such certificate, the certificate of validation shall set forth (1) the name, title and filing date of the certificate so previously filed and of any certificate of correction thereto, (2) a statement that a certificate containing all of the information required to be included under the applicable section or sections of Title 18 of the Oklahoma Statutes to give effect to the defective corporate act is attached as an exhibit to the certificate of validation, and (3) the date and time that such certificate shall be deemed to have become effective pursuant to this section, or

c. if a certificate was not previously filed under Section 1007 of Title 18 of the Oklahoma Statutes in respect of the defective corporate act and the defective corporate act ratified pursuant to this section would have required under any other section of Title 18 of the Oklahoma Statutes the filing of a certificate in accordance with Section 1007 of Title

18 of the Oklahoma Statutes, the certificate of validation shall set forth (1) a statement that a certificate containing all of the information required to be included under the applicable section or sections of Title 18 of the Oklahoma Statutes to give effect to the defective corporate act is attached as an exhibit to the certificate of validation, and (2) the date and time that such certificate shall be deemed to have become effective pursuant to this section.

A certificate attached to a certificate of validation pursuant to subparagraph b or c of paragraph 3 of this subsection need not be separately executed and acknowledged and need not include any statement required by any other section of Title 18 of the Oklahoma Statutes that such instrument has been approved and adopted in accordance with the provisions of such other section.

F. From and after the validation effective time, unless otherwise determined in an action brought pursuant to Section 10 of this act:

1. Subject to the last sentence of subsection D of this section, each defective corporate act ratified in accordance with this section shall no longer be deemed void or voidable as a result of the failure of authorization described in the adopted resolutions and such effect shall be retroactive to the time of the defective corporate act; and

2. Subject to the last sentence of subsection D of this section, each share or fraction of a share of putative stock issued or purportedly issued pursuant to any such defective corporate act shall no longer be deemed void or voidable and shall be deemed to be an identical share or fraction of a share of outstanding stock as of the time it was purportedly issued.

G. In respect of each defective corporate act ratified by the board of directors pursuant to subsection B of this section, prompt notice of the ratification shall be given to all holders of valid stock and putative stock, whether voting or nonvoting, as of the date the board of directors adopts the resolutions approving such defective corporate act, or as of a date within sixty (60) days

after the date of adoption, as established by the board of directors, at the address of such holder as it appears or most recently appeared, as appropriate, on the records of the corporation. The notice shall also be given to the holders of record of valid stock and putative stock, whether voting or nonvoting, as of the time of the defective corporate act, other than holders whose identities or addresses cannot be determined from the records of the corporation. The notice shall contain a copy of the resolutions adopted pursuant to subsection B of this section or the information specified in subparagraphs a through e of paragraph 1 of subsection B of this section or subparagraphs a through c of paragraph 2 of subsection B of this section, as applicable, and a statement that any claim that the defective corporate act or putative stock ratified hereunder is void or voidable due to the failure of authorization, or that the district court should declare in its discretion that a ratification in accordance with this section not be effective or be effective only on certain conditions must be brought within one hundred twenty (120) days from the later of the validation effective time or the time at which the notice required by this subsection is given. Notwithstanding the foregoing, no such notice shall be required if notice of the ratification of the defective corporate act is to be given in accordance with subsection D of this section, and in the case of a corporation that has a class of stock listed on a national securities exchange, the notice required by this subsection may be deemed given if disclosed in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, or the corresponding provisions of any subsequent United States federal securities laws, rules or regulations. If any defective corporate act has been approved by shareholders acting pursuant to Section 1073 of Title 18 of the Oklahoma Statutes, the notice required by this subsection may be included in any notice required to be given pursuant to subsection F of Section 1073 of Title 18 of the Oklahoma Statutes and, if so given, shall be sent to the shareholders entitled to notice under subsection F of Section 1073 of Title 18 of the Oklahoma Statutes and to all holders of valid and putative stock to whom notice would be required under this subsection if the defective corporate act had been approved at a meeting other than any shareholder who approved the action by consent in lieu of a meeting pursuant to Section 1073 of Title 18 of the Oklahoma

Statutes or any holder of putative stock who otherwise consented thereto in writing. Solely for purposes of subsection D of this section and this subsection, notice to holders of putative stock, and notice to holders of valid stock and putative stock as of the time of the defective corporate act, shall be treated as notice to holders of valid stock for purposes of Sections 1067, 1073, 1074, 1075, 1075.2 and 1075.3 of Title 18 of the Oklahoma Statutes.

H. As used in this section and in Section 10 of this act only, the term:

1. "Defective corporate act" means an overissue, an election or appointment of directors that is void or voidable due to a failure of authorization, or any act or transaction purportedly taken by or on behalf of the corporation that is, and at the time such act or transaction was purportedly taken would have been, within the power of a corporation under subchapter II of Title 18 of the Oklahoma Statutes, but is void or voidable due to a failure of authorization;

2. "Failure of authorization" means (a) the failure to authorize or effect an act or transaction in compliance with the provisions of Title 18 of the Oklahoma Statutes, the certificate of incorporation or bylaws of the corporation, or any plan or agreement to which the corporation is a party, if and to the extent such failure would render such act or transaction void or voidable, or (b) the failure of the board of directors or any officer of the corporation to authorize or approve any act or transaction taken by or on behalf of the corporation that would have required for its due authorization the approval of the board of directors or such officer;

3. "Overissue" means the purported issuance of (a) shares of capital stock of a class or series in excess of the number of shares of such class or series the corporation has the power to issue under Section 1042 of Title 18 of the Oklahoma Statutes at the time of such issuance, or (b) shares of any class or series of capital stock that is not then authorized for issuance by the certificate of incorporation of the corporation;

4. "Putative stock" means the shares of any class or series of capital stock of the corporation, including shares issued upon exercise of options, rights, warrants or other securities

convertible into shares of capital stock of the corporation, or interests with respect thereto that were created or issued pursuant to a defective corporate act, that: (a) but for any failure of authorization, would constitute valid stock, or (b) cannot be determined by the board of directors to be valid stock;

5. "Time of the defective corporate act" means the date and time the defective corporate act was purported to have been taken;

6. "Valid stock" means the shares of any class or series of capital stock of the corporation that have been duly authorized and validly issued in accordance with Title 18 of the Oklahoma Statutes; and

7. "Validation effective time" with respect to any defective corporate act ratified pursuant to this section means the latest of (a) the time at which the defective act submitted to the shareholders for approval pursuant to subsection C of this section is approved by such shareholders, or if no such vote of shareholders is required to approve the ratification, the time at which the board of directors adopts the resolutions required by paragraphs 1 or 2 of subsection B of this section, (b) where no certificate of validation is required to be filed pursuant to subsection E of this section, the time, if any, specified by the board of directors in the resolutions adopted pursuant to paragraphs 1 or 2 of subsection B of this section, which time shall not precede the time at which such resolutions are adopted; and (c) the time at which any certificate of validation filed pursuant to subsection E of this section shall become effective in accordance with Section 1007 of Title 18 of the Oklahoma Statutes.

In the absence of actual fraud in the transaction, the judgment of the board of directors that shares of stock are valid stock or putative stock shall be conclusive, unless otherwise determined by the District Court in a proceeding brought pursuant to Section 10 of this act.

I. Ratification under this section or validation under Section 10 of this act shall not be deemed to be the exclusive means of ratifying or validating any act or transaction taken by or on behalf of the corporation, including any defective corporate act, or any issuance of stock, including any putative stock, or of adopting or

endorsing any act or transaction taken by or in the name of the corporation prior to the commencement of its existence, and the absence or failure of ratification in accordance with either this section or validation under Section 10 of this act shall not, of itself, affect the validity or effectiveness of any act or transaction or the issuance of any stock properly ratified under common law or otherwise, nor shall it create a presumption that any such act or transaction is or was a defective corporate act or that such stock is void or voidable.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1055.2 of Title 18, unless there is created a duplication in numbering, which reads as follows:

PROCEEDINGS REGARDING VALIDITY OF DEFECTIVE CORPORATE ACTS AND STOCK

A. Subject to subsection F of this section, upon application by the corporation, any successor entity to the corporation, any member of the board of directors, any record or beneficial holder of valid stock or putative stock, any record or beneficial holder of valid or putative stock as of the time of a defective corporate act ratified pursuant to Section 9 of this act, or any other person claiming to be substantially and adversely affected by a ratification pursuant to Section 9 of this act, the district court may:

1. Determine the validity and effectiveness of any defective corporate act ratified pursuant to Section 9 of this act;

2. Determine the validity and effectiveness of the ratification of any defective corporate act pursuant to Section 9 of this act;

3. Determine the validity and effectiveness of any defective corporate act not ratified or not ratified effectively pursuant to Section 9 of this act;

4. Determine the validity of any corporate act or transaction and any stock, rights or options to acquire stock; and

5. Modify or waive any of the procedures set forth in Section 9 of this act to ratify a defective corporate act.

B. In connection with an action under this section, the district court may:

1. Declare that a ratification in accordance with and pursuant to Section 9 of this act is not effective or shall only be effective at a time or upon conditions established by the court;

2. Validate and declare effective any defective corporate act or putative stock and impose conditions upon such validation by the court;

3. Require measures to remedy or avoid harm to any person substantially and adversely affected by a ratification pursuant to Section 9 of this act or from any order of the court pursuant to this section, excluding any harm that would have resulted if the defective corporate act had been valid when approved or effectuated;

4. Order the Secretary of State to accept an instrument for filing with an effective time specified by the court, which effective time may be prior or subsequent to the time of such order; provided, that the filing date of such instrument shall be determined in accordance with paragraph 4 of subsection C of Section 1007 of Title 18 of the Oklahoma Statutes;

5. Approve a stock ledger for the corporation that includes any stock ratified or validated in accordance with this section or with Section 9 of this act;

6. Declare that shares of putative stock are shares of valid stock or require a corporation to issue and deliver shares of valid stock in place of any shares of putative stock;

7. Order that a meeting of holders of valid stock or putative stock be held and exercise the powers provided to the court under Section 1027 of Title 18 of the Oklahoma Statutes with respect to such a meeting;

8. Declare that a defective corporate act validated by the court shall be effective as of the time of the defective corporate act or at such other time as the court shall determine;

9. Declare that putative stock validated by the court shall be deemed to be an identical share or fraction of a share of valid stock as of the time originally issued or purportedly issued or at such other time as the court shall determine; and

10. Make such other orders regarding such matters as it deems proper under the circumstances.

C. Service of the application under subsection A of this section upon the registered agent of the corporation shall be deemed to be service upon the corporation, and no other party need be joined in order for the district court to adjudicate the matter. In an action filed by the corporation, the court may require notice of the action be provided to other persons specified by the court and permit such other persons to intervene in the action.

D. In connection with the resolution of matters pursuant to subsections A and B of this section, the district court may consider the following:

1. Whether the defective corporate act was originally approved or effectuated with the belief that the approval or effectuation was in compliance with the provisions of Title 18 of the Oklahoma Statutes, the certificate of incorporation or bylaws of the corporation;

2. Whether the corporation and board of directors has treated the defective corporate act as a valid act or transaction and whether any person has acted in reliance on the public record that such defective corporate act was valid;

3. Whether any person will be or was harmed by the ratification or validation of the defective corporate act, excluding any harm that would have resulted if the defective corporate act had been valid when approved or effectuated;

4. Whether any person will be harmed by the failure to ratify or validate the defective corporate act; and

5. Any other factors or considerations the court deems just and equitable.

E. The district court is hereby vested with exclusive jurisdiction to hear and determine all actions brought under this section.

F. Notwithstanding any other provision of this section, no action asserting:

1. That a defective corporate act or putative stock ratified in accordance with Section 9 of this act is void or voidable due to a failure of authorization identified in the resolution adopted in accordance with subsection B of Section 9 of this act; or

2. That the district court should declare in its discretion that a ratification in accordance with Section 9 of this act not be effective or be effective only on certain conditions,

may be brought after the expiration of one hundred twenty (120) days from the later of the validation effective time and the time notice, if any, that is required to be given pursuant to subsection G of Section 9 of this act is given with respect to such ratification, except that this subsection shall not apply to an action asserting that a ratification was not accomplished in accordance with Section 9 of this act or to any person to whom notice of the ratification was required to have been given pursuant to subsection D or G of Section 9 of this act, but to whom such notice was not given.

SECTION 11. AMENDATORY 18 O.S. 2011, Section 1056, is amended to read as follows:

Section 1056.

MEETINGS OF SHAREHOLDERS

A. 1. Meetings of shareholders may be held at such place, either within or without this state, as may be designated by or in the manner provided in the certificate of incorporation or bylaws or, if not so designated, as determined by the board of directors. If, pursuant to this paragraph or the certificate of incorporation or the bylaws of the corporation, the board of directors is authorized to determine the place of a meeting of shareholders, the board of directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held

solely by means of remote communication as authorized by paragraph 2 of this subsection.

2. If authorized by the board of directors in its sole discretion, and subject to such guidelines and procedures as the board of directors may adopt, shareholders and proxyholders not physically present at a meeting of shareholders may, by means of remote communication:

a. participate in a meeting of shareholders, and

b. be deemed present in person and vote at a meeting of shareholders whether the meeting is to be held at a designated place or solely by means of remote communication, provided that:

(1) the corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a shareholder or proxyholder,

(2) the corporation shall implement reasonable measures to provide such shareholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the shareholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings, and

(3) if any shareholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of the vote or other action shall be maintained by the corporation.

B. 1. Unless directors are elected by written consent in lieu of an annual meeting as permitted by this subsection, an annual meeting of shareholders shall be held for the election of directors on a date and at a time designated by or in the manner provided for in the bylaws. Shareholders may, unless the certificate of incorporation otherwise provides, act by written consent to elect

directors; provided, however, that if the consent is less than unanimous, the action by written consent may be in lieu of holding an annual meeting only if all of the directorships to which directors could be elected at an annual meeting held at the effective time of the action are vacant and are filled by the action.

2. Any other proper business may be transacted at the annual meeting.

C. A failure to hold the annual meeting at the designated time or to elect a sufficient number of directors to conduct the business of the corporation shall not affect otherwise valid corporate acts or work a forfeiture or dissolution of the corporation except as may be otherwise specifically provided for in this act. If the annual meeting for election of directors is not held on the date designated therefor or action by written consent to elect directors in lieu of an annual meeting has not been taken, the directors shall cause the meeting to be held as soon as is convenient. If there is a failure to hold the annual meeting or action by written consent to elect directors in lieu of an annual meeting for a period of thirty (30) days after the date designated for the annual meeting, or if no date has been designated, for a period of thirteen (13) months after the latest to occur of the organization of the corporation, its last annual meeting, or the last action by written consent to elect directors in lieu of an annual meeting, the district court may summarily order a meeting to be held upon the application of any shareholder or director. The shares of stock represented at the meeting, either in person or by proxy, and entitled to vote thereat, shall constitute a quorum for the purpose of the meeting, notwithstanding any provision of the certificate of incorporation or bylaws to the contrary. The district court may issue orders as may be appropriate, including, without limitation, orders designating the time and place of the meeting, the record date or dates for determination of shareholders entitled to notice of the meeting and to vote, and the form of notice of the meeting.

D. Special meetings of the shareholders may be called by the board of directors or by the person or persons as may be authorized by the certificate of incorporation or by the bylaws.

E. All elections of directors shall be by written ballot, unless otherwise provided for in the certificate of incorporation; if authorized by the board of directors, the requirement of a written ballot shall be satisfied by a ballot submitted by electronic transmission; provided that the electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the shareholder or proxyholder.

SECTION 12. AMENDATORY 18 O.S. 2011, 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, 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. 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 13. AMENDATORY 18 O.S. 2011, Section 1063, is amended to read as follows:

Section 1063.

VOTING TRUSTS AND OTHER VOTING AGREEMENTS

A. One (1) or more shareholders, by agreement in writing, may deposit capital stock of an original issue with or transfer capital stock to any person or persons, or entity or entities, authorized to act as trustee, for the purpose of vesting in the person or persons, or entity or entities, who may be designated voting trustee, or voting trustees, the right to vote thereon for any period of time determined by the agreement upon the terms and conditions stated in the agreement. The agreement may contain any other lawful provisions not inconsistent with its purpose. After ~~the filing~~ delivery of a copy of the agreement ~~in~~ to the registered office of the corporation in this state or the principal place of business of the corporation, which copy shall be open to the inspection of any shareholder of the corporation or any beneficiary of the trust under the agreement daily during business hours, certificates of stock or uncertificated stock shall be issued to the voting trustee or trustees to represent any stock of an original issue so deposited with the trustee or trustees, and any certificates of stock or uncertificated stock so transferred to the voting trustee or trustees shall be surrendered and canceled and new certificates or uncertificated stock shall be issued therefor to the voting trustee or trustees. In the certificate so issued, if any, it shall be stated that it is issued pursuant to the agreement and that fact shall also be stated in the stock ledger of the corporation. The voting trustee or trustees may vote the stock so issued or transferred during the period specified in the agreement. Stock standing in the name of the voting trustee or trustees may be voted either in person or by proxy. In voting the stock, the voting trustee or trustees shall incur no responsibility as shareholder, trustee, or otherwise, except for the trustee's or trustees' own individual malfeasance. In any case where two (2) or more persons or entities are designated as voting trustees, and the right and

method of voting any stock standing in their names at any meeting of the corporation are not fixed by the agreement appointing the trustees, the right to vote the stock and the manner of voting it at the meeting shall be determined by a majority of the trustees, or if they be equally divided or the right and manner of voting the stock in any particular case, the vote of the stock shall be divided equally among the trustees.

B. Any amendment to a voting trust agreement shall be made by a written agreement, a copy of which shall be ~~filed in~~ delivered to the registered office of the corporation in this state or the principal place of business of the corporation.

C. An agreement between two (2) or more shareholders, if in writing and signed by the parties thereto, may provide that in exercising any voting rights, the shares held by them shall be voted as provided by the agreement, or as the parties may agree, or as determined in accordance with a procedure agreed upon by them.

D. This section shall not be construed to invalidate any voting or other agreement among shareholders or any irrevocable proxy which is not otherwise illegal.

SECTION 14. AMENDATORY 18 O.S. 2011, 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 officer who has charge of the stock ledger of a corporation shall prepare and make, at least ten (10) days before every 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 the meeting:

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.

C. 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 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1065.1 of Title 18 unless there is created a duplication in numbering, reads as follows:

ACCESS TO PROXY SOLICITATION MATERIALS; PROXY EXPENSE REIMBURSEMENT

A. The bylaws may provide that if the corporation solicits proxies with respect to an election of directors, it may be required, to the extent and subject to such procedures or conditions as may be provided in the bylaws, to include in its proxy solicitation materials, including any form of proxy it distributes, in addition to individuals nominated by the board of directors, one or more individuals nominated by a shareholder. Such procedures or conditions may include any of the following:

1. A provision requiring a minimum record or beneficial ownership, or duration of ownership, of shares of the corporation's capital stock, by the nominating shareholder, and defining beneficial ownership to take into account options or other rights in respect of or related to such stock;

2. A provision requiring the nominating shareholder to submit specified information concerning the shareholder and the shareholder's nominees, including information concerning ownership by such persons of shares of the corporation's capital stock, or options or other rights in respect of or related to such stock;

3. A provision conditioning eligibility to require inclusion in the corporation's proxy solicitation materials upon the number or proportion of directors nominated by shareholders or whether the shareholder previously sought to require such inclusion;

4. A provision precluding nominations by any person if such person, any nominee of such person, or any affiliate or associate of such person or nominee, has acquired or publicly proposed to acquire shares constituting a specified percentage of the voting power of the corporation's outstanding voting stock within a specified period before the election of directors;

5. A provision requiring that the nominating shareholder undertake to indemnify the corporation in respect of any loss arising as a result of any false or misleading information or statement submitted by the nominating shareholder in connection with a nomination; and

6. Any other lawful condition.

B. The bylaws may provide for the reimbursement by the corporation of expenses incurred by a shareholder in soliciting proxies in connection with an election of directors, subject to such procedures or conditions as the bylaws may prescribe, including:

1. Conditioning eligibility for reimbursement upon the number or proportion of persons nominated by the shareholder seeking reimbursement or whether such shareholder previously sought reimbursement for similar expenses;

2. Limitations on the amount of reimbursement based upon the proportion of votes cast in favor of one or more of the persons nominated by the shareholder seeking reimbursement, or upon the amount spent by the corporation in soliciting proxies in connection with the election;

3. Limitations concerning elections of directors by cumulative voting pursuant to Section 1059 of Title 18 of the Oklahoma Statutes; or

4. Any other lawful condition.

C. No bylaw so adopted shall apply to elections for which any record date precedes its adoption.

SECTION 16. AMENDATORY 18 O.S. 2011, 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 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 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 a meeting is adjourned to another time or place, unless the bylaws otherwise require, 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 at the meeting at which the adjournment is taken. 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, ~~or if after the adjournment a new record date is fixed for the adjourned meeting,~~ 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 17. AMENDATORY 18 O.S. 2011, Section 1068, is amended to read as follows:

Section 1068.

VACANCIES AND NEWLY CREATED DIRECTORSHIPS

A. 1. Unless otherwise provided in the certificate of incorporation or bylaws:

a. ~~Vacancies~~ vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the shareholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director~~;~~, and

b. ~~Whenever~~ whenever the holders of any class or classes of stock or series thereof are entitled to elect one ~~(1)~~ or more directors by the provisions of the certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected.

2. If at any time, by reason of death or resignation or other cause, a corporation should have no directors in office, then any officer or any shareholder or an executor, administrator, trustee or guardian of a shareholder, or other fiduciary entrusted with like responsibility for the person or estate of a shareholder, may call a special meeting of shareholders in accordance with the provisions of the certificate of incorporation or the bylaws, or may apply to the district court for a decree summarily ordering an election as provided for in ~~Section~~ Sections 1056 and 1060 of this title.

B. In the case of a corporation the directors of which are divided into classes, any directors chosen under subsection A of this section shall hold office until the next election of the class for which such directors shall have been chosen, and until their successors shall be elected and qualified.

C. If, at the time of filling any vacancy or any newly created directorship, the directors then in office shall constitute less than a majority of the whole board, as constituted immediately prior to any such increase, the district court, upon application of any

shareholder or shareholders holding at least ten percent (10%) of the voting stock at the time outstanding having the right to vote for such directors, may summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office, which election shall be governed by the provisions of ~~Section~~ Sections 1056 and 1060 of this title as far as applicable.

D. Unless otherwise provided in the certificate of incorporation or bylaws, when one or more directors shall resign from the board, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided for in this section in the filling of other vacancies.

SECTION 18. AMENDATORY 18 O.S. 2011, Section 1070, is amended to read as follows:

Section 1070.

CONTESTED ELECTION OF DIRECTORS; PROCEEDINGS TO DETERMINE VALIDITY

A. Upon application of any shareholder or director, or any officer whose title to office is contested, ~~or any member of a corporation without capital stock,~~ the district court may hear and determine the validity of any election, appointment, removal or resignation of any director~~, member of the governing body,~~ or officer of any corporation, and the right of any person to hold, or continue to hold, such office, and, in case any such office is claimed by more than one person, may determine the person entitled thereto; and to that end make such order or decree in any such case as may be just and proper, with power to enforce the production of any books, papers and records of the corporation relating to the issue. In case it should be determined that no valid election has been held, the district court may order an election to be held in accordance with the provisions of Section 1056 or 1060 of this title. In any such application, service of copies of the application upon the registered agent of the corporation shall be deemed to be service upon the corporation and upon the person whose

title to office is contested and upon the person, if any, claiming such office; and the registered agent shall forward immediately a copy of the application to the corporation and to the person whose title to office is contested and to the person, if any, claiming such office, in a postpaid, sealed, registered letter addressed to such corporation and such person at their post office addresses last known to the registered agent or furnished to the registered agent by the applicant shareholder. The court may make such order respecting further or other notice of such application as it deems proper under the circumstances.

B. Upon application of any shareholder or ~~any member of a corporation without capital stock~~ upon application of the corporation itself, the district court may hear and determine the result of any vote of shareholders ~~or members, as the case may be,~~ upon matters other than the election of directors~~,~~ or officers ~~or members of the governing body~~. Service of the application upon the registered agent of the corporation shall be deemed to be service upon the corporation, and no other party need be joined in order for the court to adjudicate the result of the vote. The court may make such order respecting notice of the application as it deems proper under the circumstances.

C. If one or more directors has been convicted of a felony in connection with the duties of such director or directors to the corporation, or if there has been a prior judgment on the merits by a court of competent jurisdiction that one or more directors has committed a breach of the duty of loyalty in connection with the duties of such director or directors to that corporation, then, upon application by the corporation, or derivatively in the right of the corporation by any shareholder, in a subsequent action brought for such purpose, the district court may remove from office such director or directors if the court determines that the director or directors did not act in good faith in performing the acts resulting in the prior conviction or judgment and judicial removal is necessary to avoid irreparable harm to the corporation. In connection with such removal, the court may make such orders as are necessary to effect such removal. In any such application, service of copies of the application upon the registered agent of the corporation shall be deemed to be service upon the corporation and upon the director or directors whose removal is sought; and the registered agent shall forward immediately a copy of the application

to the corporation and to such director or directors, in a postpaid, sealed, registered letter addressed to such corporation and such director or directors at their post office addresses last known to the registered agent or furnished to the registered agent by the applicant. The court may make such order respecting further or other notice of such application as it deems proper under the circumstances.

SECTION 19. AMENDATORY 18 O.S. 2011, Section 1073, is amended to read as follows:

Section 1073.

CONSENT OF SHAREHOLDERS IN LIEU OF MEETING

A. ~~Except as provided in subsection B of this section or unless~~ 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.

B. ~~1. With respect to any domestic corporation with both:~~

~~a.~~ ~~a class of voting stock listed or traded on a national securities exchange or registered under Section 12(g) of the Securities Exchange Act of 1934, 15 U.S.C. Section 78a et seq., as amended, and~~

~~b. one thousand (1,000) or more shareholders of record, any action by shareholders of the corporation shall be taken at an annual or special meeting of shareholders, and cannot be taken without a meeting of the shareholders, unless such action is approved by written consent, signed by all of the holders of all outstanding stock entitled to vote thereon and 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. The provisions of this subsection shall be effective with respect to corporate actions by written consent, and to written consent or consents, as to which the first written consent is executed or solicited after September 1, 2010.~~

~~2. This subsection shall cease to apply to any domestic corporation after such corporation either:~~

~~a. ceases to have any class of voting stock listed or traded on a national securities exchange or registered under Section 12(g) of the Securities Exchange Act of 1934, 15 U.S.C. Section 78a et seq., as amended, or~~

~~b. ceases to have one thousand (1,000) or more shareholders of record on the last business day of each month for a consecutive twelve-month period.~~

~~C.~~ Unless otherwise provided for in the certificate of incorporation, any action required by the provisions of ~~this act~~ 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.

~~D.~~ C. 1. A telegram, cablegram or other 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, signed and dated for the purposes of this section; provided that any telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine:

a. that the telegram, cablegram or other 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 telegram, cablegram or electronic transmission.

The date on which the telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which the consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until the consent is reproduced in paper form and until the paper form 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 or members are recorded. Delivery made to a corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by telegram, cablegram or other electronic transmission may be otherwise delivered to the principal place of

business of the corporation or to an officer or agent of the corporation having custody of the book in which proceedings of meetings of shareholders or members are recorded if, to the extent and in the manner provided by resolution of the board of directors or governing body of the corporation.

2. 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.

~~E.~~ D. Every written consent shall bear the date of signature of each shareholder or member who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest dated consent delivered in the manner required by this section to the corporation, written consents signed by a sufficient number of holders or members to take action are 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. 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 and, for the purposes of this section, if evidence of such instruction or provision is provided to the corporation, such later effective time shall serve as the date of signature. Unless otherwise provided, any such consent shall be revocable prior to its becoming effective.

~~F.~~ 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 subsection ~~C~~ B of 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 20. AMENDATORY 18 O.S. 2011, Section 1077, is amended to read as follows:

Section 1077.

AMENDMENT OF CERTIFICATE OF INCORPORATION AFTER RECEIPT OF PAYMENT FOR STOCK~~;~~ - NONSTOCK CORPORATIONS

A. 1. After a corporation has received payment for any of its capital stock, or after a nonstock corporation has members, it may amend its certificate of incorporation, from time to time, in any and as many respects as may be desired, so long as its certificate of incorporation as amended would contain only such provisions as it would be lawful and proper to insert in an original certificate of incorporation filed at the time of the filing of the amendment; and if a change in stock or the rights of shareholders, or an exchange, reclassification, subdivision, combination, or cancellation of stock or rights of shareholders is to be made, such provisions as may be necessary to effect ~~the~~ such change, exchange, reclassification, subdivision, combination, or cancellation. In particular, and without limitation upon the general power of amendment, a corporation may amend its certificate of incorporation, from time to time, so as:

a. to change its corporate name,

b. to change, substitute, enlarge~~,~~ or diminish the nature of its business or its corporate powers and purposes,

c. to increase or decrease its authorized capital stock or to reclassify the same, by changing the number, par value, designations, preferences, or relative,

participating, optional, or other special rights of the shares, or the qualifications, limitations~~,~~ or restrictions of such rights, or by changing shares with par value into shares without par value, or shares without par value into shares with par value either with or without increasing or decreasing the number of shares or by subdividing or combining the outstanding shares of any class or series of a class of shares into a greater or lesser number of outstanding shares,

d. to cancel or otherwise affect the right of the holders of the shares of any class to receive dividends which have accrued but have not been declared,

e. to create new classes of stock having rights and preferences either prior and superior or subordinate and inferior to the stock of any class then authorized, whether issued or unissued, ~~or~~

f. to change the period of its duration, or

g. to delete (1) such provisions of the original certificate of incorporation which named the incorporator or incorporators, the initial board of directors and the original subscribers for shares, and (2) 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.

2. Any or all changes or alterations provided for in paragraph 1 of this subsection may be effected by one certificate of amendment.

B. Every amendment authorized by the provisions of subsection A of this section shall be made and effected in the following manner:

1. If the corporation has capital stock, its board of directors shall adopt a resolution setting forth the amendment proposed,

declaring its advisability, and either calling a special meeting of the shareholders entitled to vote in respect thereof for the consideration of the amendment or directing that the amendment proposed be considered at the next annual meeting of shareholders; provided, however, that unless otherwise expressly required by the certificate of incorporation, no meeting or vote of shareholders shall be required to adopt an amendment that effects only changes described in paragraph (a) or (g) of subsection A of this section. The special or annual meeting shall be called and held upon notice in accordance with the provisions of Section 1067 of this title. The notice shall set forth the amendment in full or a brief summary of the changes to be effected thereby, ~~as the directors shall deem advisable~~ unless such notice constitutes a notice of Internet availability of proxy materials under the rules promulgated under the Securities Exchange Act of 1934. At the meeting~~,~~ a vote of the shareholders entitled to vote thereon shall be taken for and against ~~the~~ any proposed amendment that requires adoption by shareholders. If no vote of shareholders is required to effect such amendment, or if a majority of the outstanding stock entitled to vote thereon, and a majority of the outstanding stock of each class entitled to vote thereon as a class, has been voted in favor of the amendment, a certificate setting forth the amendment and certifying that the amendment has been duly adopted in accordance with the provisions of this section shall be executed, acknowledged~~,~~ and filed and shall become effective in accordance with the provisions of Section 1007 of this title.

2. The holders of the outstanding shares of a class shall be entitled to vote as a class upon a proposed amendment, whether or not entitled to vote thereon by the provisions of the certificate of incorporation, if the amendment would increase or decrease the aggregate number of authorized shares of the class, increase or decrease the par value of the shares of the class, or alter or change the powers, preferences~~,~~ or special rights of the shares of the class so as to affect them adversely. If any proposed amendment would alter or change the powers, preferences~~,~~ or special rights of one or more series of any class so as to affect them adversely, but shall not so affect the entire class, then only the shares of the series so affected by the amendment shall be considered a separate class for the purposes of this paragraph. The number of authorized shares of any such class or classes of stock may be increased or decreased, but not below the number of shares thereof then

outstanding, by the affirmative vote of the holders of a majority of the stock of the corporation entitled to vote irrespective of the provisions of this paragraph, if so provided in the original certificate of incorporation, in any amendment thereto which created the class or classes of stock or which was adopted prior to the issuance of any shares of the class or classes of stock, or in any amendment thereto which was authorized by a resolution or resolutions adopted by the affirmative vote of the holders of a majority of the class or classes of stock.

3. If the corporation ~~has no capital stock~~ is a nonstock corporation, then the governing body thereof shall adopt a resolution setting forth the amendment proposed and declaring its advisability. If a majority of all the members of the governing body shall vote in favor of the amendment, a certificate thereof shall be executed, acknowledged~~,~~ and filed and shall become effective in accordance with the provisions of Section 1007 of this title. The certificate of incorporation of ~~a~~ any nonstock corporation ~~without capital stock~~ may contain a provision requiring an amendment thereto to be approved by a specified number or percentage of the members or of any specified class of members of the corporation in which event the proposed amendment shall be submitted to the members or to any specified class of members of the corporation ~~without capital stock~~ in the same manner, so far as applicable, as is provided for in this section for an amendment to the certificate of incorporation of a stock corporation; and in the event of the adoption thereof by the members, a certificate evidencing the amendment shall be executed, acknowledged~~,~~ and filed and shall become effective in accordance with the provisions of Section 1007 of this title.

4. Whenever the certificate of incorporation shall require action by the board of directors of a corporation other than a nonstock corporation or by the governing body of a nonstock corporation, by the holders of any class or series of shares or by the members, or by the holders of any other securities having voting power, the vote of a greater number or proportion than is required by the provisions of the Oklahoma General Corporation Act, the provision of the certificate of incorporation requiring a greater vote shall not be altered, amended, or repealed except by a greater vote.

C. The resolution authorizing a proposed amendment to the certificate of incorporation may provide that at any time prior to the effectiveness of the filing of the amendment with the Secretary of State, notwithstanding authorization of the proposed amendment by the shareholders of the corporation or by the members of a nonstock corporation, the board of directors or governing body may abandon the proposed amendment without further action by the shareholders or members.

SECTION 21. AMENDATORY 18 O.S. 2011, Section 1080, is amended to read as follows:

Section 1080.

RESTATED CERTIFICATE OF INCORPORATION

A. A corporation, whenever desired, may integrate into a single instrument all of the provisions of its certificate of incorporation which are then in effect and operative as a result of there having up to that time been filed with the Secretary of State one or more certificates or other instruments pursuant to any of the sections referred to in Section 1008 of this title, and it may at the same time also further amend its certificate of incorporation by adopting a restated certificate of incorporation.

B. If the restated certificate of incorporation merely restates and integrates but does not further amend the certificate of incorporation, as up to that time amended or supplemented by any instrument that was filed pursuant to any of the sections mentioned in Section 1008 of this title, it may be adopted by the board of directors without a vote of the shareholders, or it may be proposed by the directors and submitted by them to the shareholders for adoption, in which case the procedure and vote required, if any, by Section 1077 of this title for amendment of the certificate of incorporation shall be applicable. If the restated certificate of incorporation restates and integrates and also further amends in any respect the certificate of incorporation, as up to that time amended or supplemented, it shall be proposed by the directors and adopted by the shareholders in the manner and by the vote prescribed by Section 1077 of this title or, if the corporation has not received any payment for any of its stock, in the manner and by the vote prescribed by Section 1076 of this title.

C. A restated certificate of incorporation shall be specifically designated as such in its heading. It shall state, either in its heading or in an introductory paragraph, the corporation's present name, and, if it has been changed, the name under which it was originally incorporated, and the date of filing of its original certificate of incorporation with the Secretary of State. If it was adopted by the board of directors without a vote of the shareholders, unless it was adopted pursuant to the provisions of Section 1076 of this title or without a vote of members pursuant to paragraph 3 of subsection B of Section 1077 of this title, it shall state that it only restates and integrates and does not further amend the provisions of the corporation's certificate of incorporation as up to that time amended or supplemented, and that there is no discrepancy between those provisions and the provisions of the restated certificate. A restated certificate of incorporation may omit:

1. Such provisions of the original certificate of incorporation which named the incorporator or incorporators, the initial board of directors, and the original subscribers for shares; and

2. 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.

Any such omissions shall not be deemed a further amendment.

D. A restated certificate of incorporation shall be executed, acknowledged and filed in accordance with the provisions of Section 1007 of this title. Upon its filing with the Secretary of State, the original certificate of incorporation, as up to that time amended or supplemented, shall be superseded. From that time forward, the restated certificate of incorporation, including any further amendments or changes made thereby, shall be the certificate of incorporation of the corporation, but the original date of incorporation shall remain unchanged.

E. Any amendment or change effected in connection with the restatement and integration of the certificate of incorporation

shall be subject to any other provision of the Oklahoma General Corporation Act, not inconsistent with the provisions of this section, which would apply if a separate certificate of amendment were filed to effect such amendment or change.

SECTION 22. AMENDATORY 18 O.S. 2011, Section 1081, is amended to read as follows:

Section 1081.

MERGER OR CONSOLIDATION OF DOMESTIC CORPORATIONS

A. Any two or more corporations existing under the laws of this state may merge into a single corporation, which may be any one of the constituent corporations or may consolidate into a new 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, <u>which amendments or changes may amend and restate the certificate of incorporation of the surviving corporation in its entirety,</u> 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, interests or rights, 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~~, as the directors shall deem advisable~~; 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, ~~certified,~~ 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 corporation, stating the address thereof; and

7. That a copy of the agreement of consolidation or merger will be furnished by the surviving 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 corporations of this state and the direct or indirect wholly owned subsidiary that is the other constituent entity to the merger is a corporation or limited liability company of this state,

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, 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 for its adoption under this act or its organizational documents the approval of the shareholders or members of the surviving entity 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 this act and/or by the organizational documents of the surviving entity; provided, however, that for purposes of this subdivision, 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 this 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 this 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 this act and/or by the organizational documents of the surviving entity, and

(c) 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 this 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 23. AMENDATORY 18 O.S. 2011, Section 1082, is amended to read as follows:

Section 1082.

MERGER OR CONSOLIDATION OF DOMESTIC AND FOREIGN CORPORATIONS; SERVICE OF PROCESS UPON SURVIVING OR RESULTING CORPORATION

A. Any one or more corporations of this state may merge or consolidate with one or more other corporations of any other state or states of the United States, or of the District of Columbia, if the laws of the other state or states or of the District permit a corporation of the jurisdiction to merge or consolidate with a corporation of another jurisdiction. The constituent corporations may merge into a single corporation, which may be any one of the constituent corporations, or they may consolidate into a new corporation formed by the consolidation, which may be a corporation of the state of incorporation of any one of the constituent corporations, pursuant to an agreement of merger or consolidation, as the case may be, complying and approved in accordance with the provisions of this section. In addition, any one or more corporations organized under the laws of any jurisdiction other than one of the United States may merge or consolidate with one or more corporations existing under the laws of this state if the surviving

or resulting corporation will be a corporation of this state, and if the laws under which the other corporation or corporations are formed permit a corporation of that jurisdiction to merge or consolidate with a corporation of another jurisdiction.

B. All the constituent corporations shall enter into an agreement of merger or consolidation. The agreement shall state:

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

2. The mode of carrying the same into effect;

3. 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 holder of the shares is 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 the shares or other securities of the surviving or resulting corporation;

4. 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 of the surviving or resulting corporation or of any other corporation the securities of which are to be received in the merger or consolidation, or for some other arrangement with respect thereto consistent with the provisions of Section 1036 of this title; and

5. Other provisions or facts as shall be required to be set forth in the certificate of incorporation by the laws of the state which are stated in the agreement to be the laws that shall govern the surviving or resulting corporation and that can be stated in the case of a merger or consolidation. 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 the 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 shall be adopted, approved, executed, and acknowledged by each of the constituent corporations in accordance with the laws under which it is formed, and, in the case of an Oklahoma corporation, in the same manner as is provided for in Section 1081 of this title. The agreement shall be filed and shall become effective for all purposes of the laws of this state when and as provided for in Section 1081 of this title with respect to the merger or consolidation of corporations of this state. In lieu of filing the agreement of merger or consolidation, 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, 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 subsection;

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 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 corporation, and the address thereof;

7. That a copy of the agreement of consolidation or merger will be furnished by the surviving corporation, on request and without cost, to any shareholder of any constituent corporation;

8. If the corporation surviving or resulting from the merger or consolidation is to be a domestic corporation, the authorized capital stock of each constituent corporation which is not a domestic corporation; and

9. The agreement, if any, required by the provisions of subsection D of this section. For purposes of Section 1085 of this title, the term "shareholder" in subsection D of this section shall be deemed to include "member".

D. If the corporation surviving or resulting from the merger or consolidation is to be governed by the laws of the District of Columbia or any state other than this state, it shall agree that it may be served with process in this state in any proceeding for enforcement of any obligation of any constituent corporation of this state, as well as for enforcement of any obligation of the surviving or resulting corporation arising from the merger or consolidation, including any suit or other proceeding to enforce the right of any shareholders as determined in appraisal proceedings pursuant to the provisions of Section 1091 of this title, and shall irrevocably appoint the Secretary of State as its agent to accept service of process in any suit or other proceedings and shall specify the address to which a copy of process shall be mailed by the Secretary of State. In the event of service upon the Secretary of State in accordance with the provisions of ~~this subsection~~ Section 2004 of Title 12 of the Oklahoma Statutes, the Secretary of State shall immediately notify the surviving or resulting corporation thereof by letter, certified mail, return receipt requested, directed to the surviving or resulting corporation at the address specified unless the surviving or resulting 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.

E. The provisions of ~~subsections C and~~ subsection D of Section 1081 of this title shall apply to any merger or consolidation pursuant to the provisions of this section. The provisions of subsection E of Section 1081 of this title shall apply to a merger pursuant to the provisions of this section in which the surviving corporation is a corporation of this state. The provisions of ~~subsection~~ subsections F and H of Section 1081 of this title shall apply to any merger pursuant to the provisions of this section.

SECTION 24. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1083.1 of Title 18, unless there is created a duplication in numbering, reads as follows:

MERGER OF PARENT ENTITY AND SUBSIDIARY

CORPORATION OR CORPORATIONS

A. In any case in which:

1. At least ninety percent (90%) of the outstanding shares of each class of the stock of a corporation or corporations, other than a corporation which has in its certificate of incorporation the provision required by division (1) of subparagraph g of paragraph 1 of subsection G of Section 1081 of Title 18 of the

Oklahoma Statutes, of which class there are outstanding shares that, absent this subsection, would be entitled to vote on such merger, is owned by an entity;

2. One or more of such corporations is a corporation of this state; and

3. Any entity or corporation that is not an entity or corporation of this state is an entity or corporation of any other state or the District of Columbia, the laws of which do not forbid such merger, the entity having such stock ownership may either merge the corporation or corporations into itself and assume all of its or their obligations, or merge itself, or itself and one or more of such corporations, into one of the other corporations by:

a. authorizing such merger in accordance with such entity's governing documents and the laws of the jurisdiction under which such entity is formed or organized, and

b. acknowledging and filing with the Secretary of State, in accordance with Section 1007 of Title 18 of the Oklahoma Statutes, a certificate of such ownership and merger certifying:

(1) that such merger was authorized in accordance with such entity's governing documents and the laws of the jurisdiction under which such entity is formed or organized, such certificate executed in accordance with such entity's governing documents and in accordance with the laws of the jurisdiction under which such entity is formed or organized, and

(2) the type of entity of each constituent entity to the merger; provided, however, that in case the entity shall not own all the outstanding stock of all the corporations, parties to a merger as aforesaid:

(a) the certificate of ownership and merger shall state the terms and conditions of the merger, including the securities, cash, property, or rights to be issued, paid, delivered or granted by the surviving constituent party upon surrender of each share of the corporation or corporations not owned by the entity, or the cancellation of some or all of such shares, and

(b) such terms and conditions of the merger may not result in a holder of stock in a corporation becoming a general partner in a surviving entity that is a partnership, other than a limited liability partnership or a limited liability limited partnership.

Any of the terms of the merger may be made dependent upon facts ascertainable outside of the certificate of ownership and merger, provided that the manner in which such facts shall operate upon the terms of the merger is clearly and expressly set forth in the certificate of ownership and merger. The term "facts", as used in the preceding sentence, includes, but is not limited to, the occurrence of any event including a determination or action by any person or body, including the entity. If the surviving constituent party exists under the laws of the District of Columbia or any state or jurisdiction other than this state, subsection D of Section 1082 of Title 18 of the Oklahoma Statutes shall also apply to a merger under this section; if the surviving constituent party is the entity, the word "corporation" where applicable, as used in subsection D of Section 1082 of Title 18 of the Oklahoma Statutes, shall be deemed to include an entity as defined herein; and the terms and conditions of the merger shall obligate the surviving constituent party to provide the agreement, and take the actions required by subsection D of Section 1082 of Title 18 of the Oklahoma Statutes.

B. Sections 1088, 1090 and 1127 of Title 18 of the Oklahoma Statutes shall, insofar as they are applicable, apply to a merger under this section, and Section 1089 and subsection E of Section

1081 of Title 18 of the Oklahoma Statutes shall apply to a merger under this section in which the surviving constituent party is a corporation of this state. For purposes of this subsection, references to "agreement of merger" in subsection F of Section 1081 of Title 18 of the Oklahoma Statutes shall mean the terms and condition of the merger set forth in the certificate of ownership and merger, and references to "corporation" in Sections 1088, 1089, and 1090 of Title 18 of the Oklahoma Statutes and Section 1127 of Title 18 of the Oklahoma Statutes shall be deemed to include the entity, as applicable. Section 1091 of Title 18 of the Oklahoma Statutes shall not apply to any merger effected under this section, except as provided in subsection C of this section.

C. In the event all of the stock of an Oklahoma corporation party to a merger effected under this section is not owned by the entity immediately prior to the merger, the shareholders of such Oklahoma corporation party to the merger shall have appraisal rights as set forth in Section 1091 of Title 18 of the Oklahoma Statutes.

D. A merger may be effected under this section although one or more of the constituent parties is a corporation organized under the laws of a jurisdiction other than one of the United States, provided that the laws of such jurisdiction do not forbid such merger.

E. As used in this section only, the term:

1. "Constituent party" means an entity or corporation to be merged pursuant to this section;

2. "Entity" means a partnership, whether general or limited, and including a limited liability partnership and a limited liability limited partnership, a 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

3. "Governing documents" means a partnership agreement, operating agreement, articles of association or any other

instrument containing the provisions by which an entity is formed or organized.

SECTION 25. AMENDATORY 18 O.S. 2011, Section 1090.3, is amended to read as follows:

Section 1090.3

BUSINESS COMBINATIONS WITH INTERESTED SHAREHOLDERS

A. Notwithstanding any other provisions of this title, a corporation shall not engage in any business combination with any interested shareholder for a period of three (3) years following the time that the person became an interested shareholder, unless:

1. Prior to that time, the board of directors of the corporation approved either the business combination or the transaction which resulted in the person becoming an interested shareholder;

2. Upon consummation of the transaction which resulted in the person becoming an interested shareholder, the interested shareholder owned at least eighty-five percent (85%) of the outstanding voting stock of the corporation at the time the transaction commenced, excluding for purposes of determining the outstanding voting stock, but not the outstanding voting stock owned by the interested shareholder, those shares owned by:

a. persons who are directors and also officers, and

b. employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

3. At or subsequent to such time, the business combination is approved by the board of directors and authorized at an annual or special meeting of shareholders, and not by written consent, by the affirmative vote of at least two-thirds (2/3) of the outstanding voting stock which is not owned by the interested shareholder.

B. The restrictions contained in this section shall not apply if:

1. The corporation's original certificate of incorporation contains a provision expressly electing not to be governed by this section;

2. The corporation, by action of its board of directors, adopted an amendment to its bylaws by November 30, 1991, expressly electing not to be governed by this section, which amendment shall not be further amended by the board of directors;

3. a. The corporation, with the approval of its shareholders, adopts an amendment to its certificate of incorporation or bylaws expressly electing not to be governed by this section; provided that, in addition to any other vote required by law, an amendment to the certificate of incorporation or bylaws must be approved by the affirmative vote of a majority of the outstanding voting stock of the corporation.

b. An amendment adopted pursuant to this paragraph shall be effective immediately in the case of a corporation that both:

(1) has never had a class of voting stock that falls within any of the three categories set out in paragraph 4 of this subsection, and

(2) has not elected by a provision in its original certificate of incorporation or any amendment thereto to be governed by this section.

c. In all other cases, an amendment adopted pursuant to this paragraph shall not be effective until twelve (12) months after the adoption of the amendment and shall not apply to any business combination between a corporation and any person who became an interested shareholder of the corporation on or prior to the adoption. A bylaw amendment adopted pursuant to this paragraph shall not be further amended by the board of directors;

4. The corporation does not have a class of voting stock that is:

a. listed on a national securities exchange, or

b. ~~authorized for quotation on the NASDAQ Stock Market, or~~

~~c.~~ held of record by one thousand or more shareholders, unless any of the foregoing results from action taken, directly or indirectly, by an interested shareholder or from a transaction in which a person becomes an interested shareholder;

5. A person becomes an interested shareholder inadvertently and:

a. as soon as practicable divests itself of ownership of sufficient shares so that the person ceases to be an interested shareholder, and

b. would not, at any time within the three-year period immediately prior to a business combination between the corporation and the person, have been an interested shareholder but for the inadvertent acquisition;

6. a. The business combination is proposed prior to the consummation or abandonment of, and subsequent to the earlier of the public announcement or the notice required hereunder of, a proposed transaction which:

(1) constitutes one of the transactions described in subparagraph b of this paragraph,

(2) is with or by a person who:

(a) was not an interested shareholder during the previous three (3) years, or

(b) became an interested shareholder with the approval of the corporation's board of directors or during the period described in paragraph 7 of this subsection, and

(3) is approved or not opposed by a majority of the members of the board of directors then in office, but not less than one, who were directors prior to any person becoming an interested shareholder during the previous three (3) years or were recommended for election or elected to succeed the directors by a majority of the directors.

b. The proposed transactions referred to in subparagraph a of this paragraph are limited to:

(1) a share acquisition pursuant to Section 1090.1 of this title, or a merger or consolidation of the corporation, except for a merger in respect of which, pursuant to subsection F or G of Section 1081 of this title, no vote of the shareholders of the corporation is required,

(2) a sale, lease, exchange, mortgage, pledge, transfer, or other disposition, in one transaction or a series of transactions, whether as part of a dissolution or otherwise, of assets of the corporation or of any direct or indirect majority-owned subsidiary of the corporation, other than to any direct or indirect wholly owned subsidiary or to the corporation, having an aggregate market value equal to fifty percent (50%) or more of either the aggregate market value of all of the assets of the corporation determined on a consolidated basis or the aggregate market value of all the outstanding stock of the corporation, or

(3) a proposed tender or exchange offer for outstanding stock of the corporation which represents fifty percent (50%) or more of the outstanding voting stock of the corporation. The

corporation shall give not less than twenty (20) days' notice to all interested shareholders prior to the consummation of any of the transactions described in divisions (1) or (2) of this subparagraph; or

7. The business combination is with an interested shareholder who became an interested shareholder at a time when the restriction contained in this section did not apply by reason of any of paragraphs 1 through 4 of this subsection; provided, however, that this paragraph shall not apply if, at the time the interested shareholder became an interested shareholder, the corporation's certificate of incorporation contained a provision authorized by subsection C of this section.

C. Notwithstanding paragraphs 1, 2, 3~~,~~ and 4 of subsection B of this section, a corporation may elect by a provision of its original certificate of incorporation or any amendment thereto to be governed by this section; provided, that any amendment to the certificate of incorporation shall not apply to restrict a business combination between the corporation and an interested shareholder of the corporation if the interested shareholder became an interested shareholder prior to the effective date of the amendment.

D. As used in this section:

1. "Affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another person;

2. "Associate", when used to indicate a relationship with any person, means:

a. any corporation, partnership, unincorporated association, or other entity of which the person is a director, officer, or partner or is the owner of twenty percent (20%) or more of any class of voting stock,

b. any trust or other estate in which the person has at least a twenty-percent beneficial interest or as to

which such person serves as trustee or in a similar fiduciary capacity, and

c. any relative or spouse of the person, or any relative of the spouse, who has the same residence as the person;

3. "Business combination", when used in reference to any corporation and any interested shareholder of the corporation, means:

a. any merger or consolidation of the corporation or any direct or indirect majority-owned subsidiary of the corporation with:

(1) the interested shareholder, or

(2) any other corporation, partnership, unincorporated association, or other entity if the merger or consolidation is caused by the interested shareholder and, as a result of the merger or consolidation subsection A of this section is not applicable to the surviving entity,

b. any sale, lease, exchange, mortgage, pledge, transfer, or other disposition, in one transaction or a series of transactions, except proportionately as a shareholder of the corporation, to or with the interested shareholder, whether as part of a dissolution or otherwise, of assets of the corporation or of any direct or indirect majority-owned subsidiary of the corporation which assets have an aggregate market value equal to ten percent (10%) or more of either the aggregate market value of all the assets of the corporation determined on a consolidated basis or the aggregate market value of all the outstanding stock of the corporation,

c. any transaction which results in the issuance or transfer by the corporation or by any direct or indirect majority-owned subsidiary of the corporation

of any stock of the corporation or of the subsidiary to the interested shareholder, except:

(1) pursuant to the exercise, exchange, or conversion of securities exercisable for, exchangeable for, or convertible into stock of the corporation or any subsidiary which securities were outstanding prior to the time that the interested shareholder became an interested shareholder,

(2) pursuant to a merger under subsection G of Section 1081 of this title,

(3) pursuant to a dividend or distribution paid or made, or the exercise, exchange, or conversion of securities exercisable for, exchangeable for, or convertible into stock of the corporation or any subsidiary which security is distributed, pro rata, to all holders of a class or series of stock of the corporation subsequent to the time the interested shareholder became an interested shareholder,

(4) pursuant to an exchange offer by the corporation to purchase stock made on the same terms to all holders of the stock, or

(5) any issuance or transfer of stock by the corporation; provided, however, that in no case under divisions (3) through (5) of this subparagraph shall there be an increase in the interested shareholder's proportionate share of the stock of any class or series of the corporation or of the voting stock of the corporation,

d. any transaction involving the corporation or any direct or indirect majority-owned subsidiary of the corporation which has the effect, directly or indirectly, of increasing the proportionate share of the stock of any class or series, or securities convertible into the stock of any class or series, or

the outstanding voting stock, of the corporation or of any subsidiary which is owned by the interested shareholder, except as a result of immaterial changes due to fractional share adjustments or as a result of any purchase or redemption of any shares of stock not caused, directly or indirectly, by the interested shareholder,

e. any receipt by the interested shareholder of the benefit, directly or indirectly, except proportionately as a shareholder of the corporation, of any loans, advances, guarantees, pledges, or other financial benefits, other than those expressly permitted in subparagraphs a through d of this paragraph, provided by or through the corporation or any direct or indirect majority-owned subsidiary, or

f. any share acquisition by the interested shareholder from the corporation or any direct or indirect majority-owned subsidiary of the corporation pursuant to Section 1090.1 of this title;

4. "Control", including the terms "controlling", "controlled by" and "under common control with", means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting stock, by contract, or otherwise. A person who is the owner of twenty percent (20%) or more of the outstanding voting stock of any corporation, partnership, unincorporated association or other entity shall be presumed to have control of the entity, in the absence of proof by a preponderance of the evidence to the contrary. Notwithstanding the foregoing, a presumption of control shall not apply where the person holds stock, in good faith and not for the purpose of circumventing this section, as an agent, bank, broker, nominee, custodian, or trustee for one or more owners who do not individually or as a group have control of the entity;

5. a. "Interested shareholder" means:

(1) any person, other than the corporation and any direct or indirect majority-owned subsidiary of the corporation, that:

(a) is the owner of fifteen percent (15%) or more of the outstanding voting stock of the corporation, or

(b) is an affiliate or associate of the corporation and was the owner of fifteen percent (15%) or more of the outstanding voting stock of the corporation at any time within the three-year period immediately prior to the date on which it is sought to be determined whether the person is an interested shareholder, and

(2) the affiliates and associates of the person.

b. "Interested shareholder" shall not mean:

(1) any person who:

(a) owned shares in excess of the fifteen percent (15%) limitation set forth herein as of, or acquired such shares pursuant to a tender offer commenced prior to, September 1, 1991, or pursuant to an exchange offer announced prior to September 1, 1991, and commenced within ninety (90) days thereafter and either:

i. continued to own shares in excess of the fifteen percent (15%) limitation or would have but for action by the corporation, or

ii. is an affiliate or associate of the corporation and so continued, or so would have continued but for action by the corporation, to be the owner of fifteen percent (15%) or more of the outstanding voting stock of the corporation at any time within the three-year period immediately prior to

the date on which it is sought to be determined whether the person is an interested shareholder, or

(b) acquired the shares from a person described in subdivision (a) of this division by gift, inheritance, or in a transaction in which no consideration was exchanged, or

(2) any person whose ownership of shares in excess of the fifteen percent (15%) limitation set forth herein is the result of action taken solely by the corporation; provided, that the person shall be an interested shareholder if thereafter the person acquires additional shares of voting stock of the corporation, except as a result of further corporate action not caused, directly or indirectly, by the person.

c. For the purpose of determining whether a person is an interested shareholder, the stock of the corporation deemed to be outstanding shall include stock deemed to be owned by the person through application of paragraph 9 of this subsection, but shall not include any other unissued stock of the corporation which may be issuable pursuant to any agreement, arrangement, or understanding, or upon exercise of conversion rights, warrants, or options, or otherwise;

6. "Person" means any individual, corporation, partnership, unincorporated association, any other entity, any group and any member of a group;

7. "Stock" means, with respect to any corporation, capital stock and, with respect to any other entity, any equity interest;

8. "Voting stock" means, with respect to any corporation, stock of any class or series entitled to vote generally in the election of directors and, with respect to any entity that is not a corporation, any equity interest entitled to vote generally in the election of the governing body of the entity. Every reference to a percentage

of voting stock refers to the percentage of the votes of the voting stock; and

9. "Owner", including the terms "own" and "owned", when used with respect to any stock, means a person who individually or with or through any of its affiliates or associates:

a. beneficially owns the stock, directly or indirectly, or

b. has:

(1) the right to acquire the stock, whether the right is exercisable immediately or only after the passage of time, pursuant to any agreement, arrangement, or understanding, or upon the exercise of conversion rights, exchange rights, warrants, or options, or otherwise; provided, however, that a person shall not be deemed the owner of stock tendered pursuant to a tender or exchange offer made by the person or any of the person's affiliates or associates until the tendered stock is accepted for purchase or exchange, or

(2) the right to vote the stock pursuant to any agreement, arrangement, or understanding; provided, however, that a person shall not be deemed the owner of any stock because of the person's right to vote the stock if the agreement, arrangement, or understanding to vote the stock arises solely from a revocable proxy or consent given in response to a proxy or consent solicitation made to ten or more persons, or

c. has any agreement, arrangement, or understanding for the purpose of acquiring, holding, or voting, except voting pursuant to a revocable proxy or consent as described in division (2) of subparagraph b of this paragraph, or disposing of the stock with any other person that beneficially owns, or whose affiliates or

associates beneficially own, directly or indirectly, the stock.

E. No provisions of a certificate of incorporation or bylaw shall require, for any vote of shareholders required by this section, a greater vote of shareholders than that specified in this section.

SECTION 26. AMENDATORY 18 O.S. 2011, 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, 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 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 ~~and also a member of record of a nonstock corporation~~; the words "stock" and "share" mean and include what is ordinarily meant by those words ~~and also membership or membership interest of a member of a nonstock corporation~~; 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. ~~The provisions of this subsection shall be effective only with respect to mergers or consolidations consummated pursuant to an agreement of merger or consolidation entered into after November 1, 1988.~~

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 of the acquired corporation in a share

acquisition, to be effected pursuant to the provisions of Section 1081, other than a merger effected pursuant to subsection G of Section 1081, or, subject to paragraph 3 of this subsection, subsection H of Section 1081, and Section 1082, 1084, 1085, 1086, 1087, 1090.1 or 1090.2 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 ~~and to vote at~~ the meeting of shareholders to act upon the agreement of merger or consolidation, were either:

(1) listed on a national securities exchange ~~or designated as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc.~~; or

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

No appraisal rights shall be available for any shares of stock 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 in subsection G of Section 1081 of this title.

b. ~~In~~ 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 corporation if the holders thereof are required by the terms of an agreement of merger or consolidation pursuant to the

provisions of Section 1081, 1082, 1084, 1085, 1086, 1087, 1090.1 or 1090.2 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 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 will be either listed on a national securities exchange ~~or designated as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc.~~ 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 corporation party to a merger effected pursuant to the provisions of subsection H of Section 1081 or 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 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. 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 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 ~~entitled to appraisal rights~~ 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, and shall include in the notice a copy of this section and, if one of the constituent corporations is a nonstock corporation, a copy of Section 1004.1 of this title. 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, 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 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, the surviving or resulting corporation shall notify each shareholder of each constituent corporation who has complied with the provisions of this subsection and has not voted in favor of or consented to the merger or consolidation as of the date that the merger or consolidation has become effective; or

2. If the merger or consolidation is approved pursuant to the provisions of Section 1073 ~~or~~, subsection H of Section 1081, Section 1083 or Section 1083.1 of this title, either a constituent corporation before the effective date of the merger or consolidation or the surviving or resulting corporation within ten (10) days thereafter shall notify each of the holders of any class or series of stock of the constituent corporation who are 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 a copy of this section and, if one of the constituent corporations is a nonstock corporation, a copy of Section 1004.1 of this title. The notice may, and, if given on or after the effective date of the merger or consolidation, shall, also notify the shareholders of the effective date of the merger or consolidation. 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 the appraisal of the holder's shares. The demand will be sufficient if it reasonably informs the corporation 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 either:

a. each constituent corporation shall send a second notice before the effective date of the merger or consolidation notifying each of the holders of any class or series of stock of the constituent corporation that are entitled to appraisal rights of the effective date of the merger or consolidation, or

b. the surviving or resulting corporation shall send a second notice to all holders on or within ten (10) days after the effective date of the merger or consolidation; 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. An affidavit of the secretary or assistant secretary or of the transfer agent of the corporation 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 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, 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.

E. Within one hundred twenty (120) days after the effective date of the merger or consolidation, the surviving or resulting corporation or any shareholder 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~~; provided, however~~. Notwithstanding the foregoing, at any time within sixty (60) days after the effective date of the merger or consolidation, any shareholder who has not commenced an appraisal proceeding or joined that proceeding as a named party shall have the right to withdraw the demand of the shareholder for appraisal and to accept the terms offered upon the merger or consolidation. Within one hundred twenty (120) days after the effective date of the merger or consolidation, any shareholder who has complied with the requirements of subsections A and D of this section, upon written request, shall be entitled to receive from the corporation surviving the merger or resulting from the consolidation a statement setting forth the aggregate number of shares not voted in favor of the merger or consolidation and with respect to which demands for appraisal have been received and the aggregate number of holders of the shares. The written statement shall be mailed to the shareholder within ten (10) days after the shareholder's written request for a statement is received by the surviving or resulting corporation 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, service of a copy thereof shall be made upon the surviving or resulting corporation, 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 who have demanded payment for their shares and with whom agreements regarding the value of their shares have not been reached by the surviving or resulting corporation. If the petition shall be filed by the surviving or resulting corporation, 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 and to the shareholders 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.

G. At the hearing on the petition, the court shall determine the shareholders who have complied with the provisions of this section and who have become entitled to appraisal rights. The court may require the shareholders 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 fails to comply with this direction, the court may dismiss the proceedings as to that shareholder. If immediately before the merger or consolidation the shares of the class or series of stock of the constituent 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 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 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, together with ~~a fair rate of~~ 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~~, including the rate of interest which the surviving or resulting corporation would have to pay to borrow money during the pendency of the proceeding~~. 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 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 and the date of payment of judgment. At any time before the entry of judgment in the proceedings, the surviving corporation may pay to each shareholder 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 by any shareholder entitled to participate in the appraisal proceeding, the court may, in its discretion, ~~permit discovery or other pretrial proceedings and may~~ proceed to trial upon the appraisal prior to the final determination of the shareholder entitled to an appraisal. Any shareholder whose name appears on the list filed by the surviving or resulting corporation 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 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 to the shareholders entitled thereto. ~~Interest may be simple or compound, as the court may direct.~~ 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. 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 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, the court may order all or a portion of the expenses incurred by any shareholder in connection with the appraisal proceeding, including, without limitation, reasonable attorney's 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.

K. From and after the effective date of the merger or consolidation, no shareholder who has demanded appraisal rights as provided for in subsection D of this section shall be entitled to vote the stock for any purpose or to receive payment of dividends or other distributions on the stock, 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; provided, however, that if no petition for an appraisal shall be filed within the time provided for in subsection E of this section, or if the shareholder shall deliver to the surviving or resulting corporation a written withdrawal of the shareholder'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 subsection E of this section or thereafter with the written approval of the corporation, then the right of the shareholder to an appraisal shall cease; provided further, no appraisal proceeding in the district court shall be dismissed as to any shareholder without the approval of the court,

and approval may be conditioned upon terms as the court deems just; provided, however, that this provision shall not affect the right of any shareholder who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such shareholder's demand for appraisal and to accept the terms offered upon the merger or consolidation within sixty (60) days after the effective date of the merger or consolidation, as set forth in subsection E of this section.

L. The shares of the surviving or resulting corporation into which the shares of any objecting shareholders would have been converted had they assented to the merger or consolidation shall have the status of authorized and unissued shares of the surviving or resulting corporation.

SECTION 27. AMENDATORY 18 O.S. 2011, Section 1095, is amended to read as follows:

Section 1095.

DISSOLUTION BEFORE THE ISSUANCE OF SHARES OR

BEGINNING BUSINESS; PROCEDURE

If a corporation has not issued shares or has not commenced the business for which the corporation was organized, a majority of the incorporators, or, if directors were named in the certificate of incorporation or have been elected, a majority of the directors, may surrender all of the corporation's 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 directors, stating ~~that~~:

1. That no shares of stock have been issued or that the business of activity for which the corporation was organized has not begun; ~~that~~

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

3. That no part of the capital of the corporation has been paid, or, if some capital has been paid, that the amount actually

paid in for the corporation's shares, less any part thereof disbursed for necessary expenses, has been returned to those entitled thereto; ~~that~~

4. That if the corporation has begun business but it has not issued shares, all debts of the corporation have been paid; ~~that~~

5. That if the corporation has not begun business but has issued stock certificates, all issued stock certificates, if any, have been surrendered and canceled; and ~~that~~

6. That all rights and franchises of the corporation are surrendered. Upon such certificate becoming effective in accordance with the provisions of Section 1007 of this title, the corporation shall be dissolved.

SECTION 28. AMENDATORY 18 O.S. 2011, 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~~ The name of the corporation;

2. ~~the~~ The date dissolution was authorized;

3. ~~that~~ 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; ~~and~~

4. ~~the~~ 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.

SECTION 29. AMENDATORY 18 O.S. 2011, Section 1099, is amended to read as follows:

Section 1099.

CONTINUATION OF CORPORATION AFTER DISSOLUTION FOR PURPOSES OF SUIT AND WINDING UP AFFAIRS

All corporations, whether they expire by their own limitation or are otherwise dissolved, nevertheless shall be continued, for the term of three (3) years from such expiration or dissolution or for such longer period as the district court shall in its discretion direct, bodies corporate for the purpose of prosecuting and defending suits, whether civil, criminal or administrative, by or against them, and of enabling them gradually to settle and close their business, to dispose of and convey their property, to discharge their liabilities, and to distribute to their shareholders any remaining assets, but not for the purpose of continuing the business for which the corporation was organized. With respect to any action, suit, or proceeding begun by or against the corporation either prior to or within three (3) years after the date of its expiration or dissolution, the action shall not abate by reason of the expiration or dissolution of the corporation. The corporation, solely for the purpose of such action, suit or proceeding, shall be continued as a body corporate beyond the three-year period and until any judgments, orders or decrees therein shall be fully executed, without the necessity for any special direction to that effect by the district court. Sections 1100 through 1100.3 of this title shall apply to any corporation that has expired by its own limitation, and when so applied, all references in those sections to a dissolved corporation or dissolution shall include a corporation that has expired by its own limitation and to such expiration respectively.

SECTION 30. AMENDATORY 18 O.S. 2011, Section 1119, is amended to read as follows:

Section 1119.

REVOCATION OF VOLUNTARY DISSOLUTION; RESTORATION OF EXPIRED CERTIFICATE OF INCORPORATION

A. At any time prior to the expiration of three (3) years following the dissolution of a corporation pursuant to the provisions of Section 1096 of this title or such longer period as the district court may have directed pursuant to Section 1099 of this title, or, at any time prior to the expiration of three (3)

years following the expiration of the time limited for the corporation's existence as provided in its certificate of incorporation or such longer period as the district court may have directed pursuant to the provisions of Section 1099 of this title, a corporation may revoke the dissolution up to that time effected by it or restore its certificate of incorporation after it has expired by its own limitation in the following manner:

1. For purposes of this section, "shareholders" means the shareholders of record on the date the dissolution becomes effective or the date of expiration by limitation;

2. The board of directors shall adopt a resolution recommending that the dissolution be revoked in the case of a dissolution or that the certificate of incorporation be restored in the case of an expiration by limitation and directing that the question of the revocation or restoration be submitted to a vote at a special meeting of shareholders;

3. Notice of the special meeting of shareholders shall be given in accordance with the provisions of Section 1067 of this title to each of the shareholders; and

4. At the meeting a vote of the shareholders shall be taken on a resolution to revoke the dissolution in the case of a dissolution or to restore the certificate of incorporation in the case of an expiration by limitation. If a majority of the stock of the corporation which was outstanding and entitled to vote upon a dissolution at the time of its dissolution, in the case of a revocation of dissolution, or which was outstanding and entitled to vote upon an amendment to the certificate of incorporation to change the period of the corporation's duration at the time of its expiration by limitation, in the case of a restoration, shall be voted for the resolution, a certificate of revocation of dissolution or a certificate of restoration shall be executed, and acknowledged and filed in accordance with the provisions of Section 1007 of this title which shall be specifically designated as a certificate of revocation of dissolution or a certificate of restoration in its heading and shall state:

a. the name of the corporation~~;~~,

b. 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,

c. the names and respective addresses of its officers~~;~~,

~~c.~~

d. the names and respective addresses of its directors~~; and~~,

~~d.~~

e. that a majority of the stock of the corporation which was outstanding and entitled to vote upon a dissolution at the time of its dissolution have voted in favor of a resolution to revoke the dissolution, in the case of a revocation of dissolution, or that a majority of the stock of the corporation which was outstanding and entitled to vote upon an amendment to the certificate of incorporation to change the period of the corporation's duration at the time of its expiration by limitation, in the case of a restoration, have voted in favor of a resolution to restore the certificate of incorporation; or, if it be the fact, that, in lieu of a meeting and vote of shareholders, the shareholders have given their written consent to the revocation or restoration in accordance with the provisions of Section 1073 of this title, and

f. in the case of a restoration, the new specified date limiting the duration of the corporation's existence or that the corporation shall have perpetual existence.

B. Upon the effective time of the filing in the Office of the Secretary of State of the certificate of revocation of dissolution or the certificate of restoration, ~~the Secretary of State, upon being satisfied that the requirements of this section have been complied with, shall issue his certificate that the dissolution has~~

~~been revoked. Upon the issuance of such certificate by the Secretary of State,~~ the revocation of the dissolution or the restoration of the corporation shall become effective and the corporation may again carry on its business.

C. Upon the ~~issuance of the certificate by the Secretary of State to which~~ effectiveness of the revocation of the dissolution or the restoration of the corporation as provided in subsection B of this section ~~refers~~, the provisions of Section 1056 of this title shall govern, and the period of time the corporation was in dissolution or was expired by limitation 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. An election of directors, however, may be held at the special meeting of shareholders to which subsection A of this section refers, and in that event, that meeting of shareholders shall be deemed an annual meeting of shareholders for purposes of subsection C of Section 1056 of this title.

D. If, after three (3) years from the date upon which the dissolution became effective or after the expiration by limitation, the name of the corporation is unavailable upon the records of the Secretary of State, then, in such case, the corporation shall not be reinstated under the same name which it bore when its dissolution became effective or it expired by limitation, but shall adopt and be reinstated or restored under some other name, and in such case the certificate to be filed pursuant to the provisions of this section shall set forth the name borne by the corporation at the time its dissolution became effective or it expired by limitation and the new name under which the corporation is to be reinstated or restored.

E. Nothing in this section shall be construed to affect the jurisdiction or power of the district court pursuant to the provisions of Section 1100 or 1101 of this title.

F. At any time prior to the expiration of three (3) years following the dissolution of a nonstock corporation pursuant to Section 1097 of this title, or such longer period as the district court may have directed pursuant to Section 1099 of this title, or at any time prior to the expiration of three (3) years following the expiration of the time limited for a nonstock corporation's existence as provided in its certificate of incorporation or such

longer period as the district court may have directed pursuant to Section 1099 of this title, a nonstock corporation may revoke the dissolution theretofore effected by it or restore its certificate of incorporation after it has expired by limitation in a manner analogous to that by which the dissolution was authorized or, in the case of a restoration, in the manner in which an amendment to the certificate of incorporation to change the period of the corporation's duration would have been authorized at the time of its expiration by limitation, including:

1. If applicable, a vote of the members entitled to vote, if any, on the dissolution or the amendment; and

2. The filing of a certificate of revocation of dissolution or a certificate of restoration containing information comparable to that required by paragraph 4 of subsection A of this section.

Notwithstanding the foregoing, only this subsection and subsections B, D and E of this section shall apply to nonstock corporations.

G. Any corporation that revokes its dissolution or restores its certificate of incorporation pursuant to this section shall file all annual franchise tax reports that the corporation would have had to file if it had not dissolved or expired and shall pay all franchise taxes that the corporation would have had to pay if it had not dissolved or expired. No payment made pursuant to this subsection shall reduce the amount of franchise tax due for the year in which such revocation or restoration is effected.

SECTION 31. AMENDATORY 18 O.S. 2011, Section 1120, is amended to read as follows:

Section 1120.

~~RENEWAL,~~ REVIVAL~~, EXTENSION AND RESTORATION~~ OF CERTIFICATE OF INCORPORATION

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

B. Any ~~corporation, at any time before the expiration of the time limited for its existence and any~~ corporation whose certificate of incorporation has become forfeited by law for nonpayment of taxes ~~and any corporation whose certificate of incorporation has expired by reason of failure to renew it~~ or whose certificate of incorporation has been ~~renewed~~ revived, but, through failure to comply strictly with the provisions of the Oklahoma General Corporation Act, the validity of whose ~~renewal~~ revival has been brought into question, may at any time procure ~~an extension, restoration, renewal or~~ 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 ~~extension, restoration, renewal or~~ 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 ~~name~~ date of filing of the ~~corporation, which shall be the existing~~ corporation's original certificate of incorporation; the name under which the corporation was originally incorporated; the name of the corporation ~~or~~ at the ~~name it bore when~~ time its certificate of incorporation ~~expired, except as provided for in~~ 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~~, including the street, city and county,~~ 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. ~~Whether or not the renewal, restoration or revival is to be perpetual and if not perpetual the time for which the renewal, restoration or revival is to continue and, in case of renewal before the expiration of the time limited for its existence, the date when the renewal is to commence, which shall be prior to the date of the expiration of the old certificate of incorporation which it is desired to renew;~~

~~4.~~ That the corporation desiring to be ~~renewed or~~ revived and so ~~renewing or~~ reviving its certificate of incorporation was organized pursuant to the laws of this state;

~~5.~~ 4. The date when the certificate of incorporation ~~would expire, if such is the case, or such other facts as may show that the certificate of incorporation has become~~ became forfeited or that the validity of any ~~renewal~~ revival has been brought into question; and

~~6.~~ 5. That the certificate ~~for renewal or~~ of revival is filed by authority of ~~those who were directors or members of the governing body of the corporation at the time its certificate of incorporation expired or who were elected~~ 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 ~~renewed and~~ revived with the same force and effect as if its certificate of incorporation had not become forfeited~~, or had not expired by limitation~~. Such ~~reinstatement~~ 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 ~~and~~, agents and shareholders or members during the time when its certificate of incorporation was forfeited ~~or after its expiration by limitation~~, 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~~, or expired by limitation~~ and which were not disposed of prior to the time of its revival ~~or renewal shall be vested in the corporation~~

~~after the renewal or revival, as fully and amply as they were held by the corporation at and before the time its certificate of incorporation became forfeited, or expired by limitation,~~ and all real and personal property, rights and credits acquired by the corporation after its ~~renewal and~~ 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 ~~and~~, agents and shareholders or members prior to its ~~reinstatement~~ 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, ~~or expired by limitation,~~ the name of the corporation is unavailable upon the records of the Secretary of State, then in such case the corporation to be ~~renewed or~~ revived shall not be ~~renewed~~ revived under the same name which it bore when its certificate of incorporation became forfeited, or expired but shall ~~adopt or be renewed~~ be revived under some other name ~~and in such case~~ as set forth in the certificate to be filed ~~under the provisions of this section shall set forth the name borne by the corporation at the time its certificate of incorporation became forfeited, or expired and the new name under which the corporation is to be renewed or revived~~ pursuant to subsection C of this section.

G. Any corporation that ~~renews or~~ 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 ~~renewal or~~ revival is effected.

H. ~~If a sufficient number of the last acting officers of any corporation desiring to renew or revive its certificate of incorporation are not available by reason of death, unknown address or refusal or neglect to act, the directors of the corporation or~~

~~those remaining on the board, even if only one, may elect successors to such officers~~ 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 ~~renew or~~ 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 ~~shall then elect such officers as are provided by law, by~~ so elected may then authorize the revival of the certificate of incorporation ~~or by the bylaws to carry on the business and affairs~~ of the corporation and the filing of the certificate required by subsection C of this section. A special meeting of the shareholders for the ~~purposes~~ purpose of electing directors may be called by any officer~~, director~~ 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 ~~renewal or~~ 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 ~~or expired~~ 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 ~~renew or~~ revive the certificate of incorporation of any nonstock corporation ~~organized~~

~~pursuant to the provisions of the Oklahoma General Corporation Act not for profit and having no capital stock~~, the governing body shall perform all the acts necessary for the ~~renewal or~~ revival of the charter of the corporation which are performed by the board of directors in the case of a corporation having capital stock. ~~The~~ In addition, the members of any nonstock corporation ~~not for profit and having no capital stock~~ 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 ~~renewal or~~ 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 ~~renewal or~~ revival of the certificate of incorporation of a nonstock corporation ~~not for profit or having no capital stock~~ shall conform, as nearly as may be applicable, to the procedure prescribed in this section for the ~~renewal or~~ 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 32. AMENDATORY 18 O.S. 2011, Section 1121, is amended to read as follows:

Section 1121.

STATUS OF CORPORATION

Any corporation desiring to renew, extend and continue its corporate existence, upon complying with the provisions of ~~Section 120 of this act~~ Section 1120 of this title, shall be and continue ~~for the time stated~~ as provided in its certificate ~~of renewal,~~ effecting the renewal, extension or continuation as a corporation and, in addition to the rights, privileges and immunities conferred by its charter, shall possess and enjoy all the benefits of the provisions of the Oklahoma General Corporation Act, which are applicable to the nature of its business, and shall be subject to the restrictions and liabilities prescribed by the provisions of the Oklahoma General Corporation Act imposed on such corporations.

SECTION 33. AMENDATORY 18 O.S. 2011, Section 1130, is amended to read as follows:

Section 1130.

FOREIGN CORPORATIONS; DEFINITION; QUALIFICATION TO DO BUSINESS IN STATE; PROCEDURE

A. As used in the Oklahoma General Corporation Act, the words "foreign corporation" mean a corporation organized pursuant to the laws of any jurisdiction other than this state.

B. No foreign corporation shall do any business in this state, through or by branch offices, agents or representatives located in this state, until it shall have paid to the Secretary of State of this state the fees prescribed in Section 1142 of this title and shall have filed with the Secretary of State:

1. A certificate as of a date not earlier than six (6) months prior to the filing date issued by an authorized officer of the jurisdiction of its incorporation evidencing its corporate existence. If such certificate is in a foreign language, a translation thereof, under oath of the translator, shall be attached thereto;

2. A statement executed by an authorized officer of the corporation and acknowledged in accordance with the provisions of Section 1007 of this title, setting forth:

a. the mailing address of the corporation's principal place of business, wherever located,

b. the name and street address of its additional registered agent in this state, if any, which agent ~~shall be either~~ may be an individual resident in this state ~~when appointed or another~~, a domestic corporation, a domestic partnership whether general or limited and including a limited liability partnership or a limited liability limited partnership, a domestic limited liability company, ~~or limited partnership~~ a domestic statutory trust, a foreign corporation other than a foreign partnership whether general or limited and including a limited liability partnership or a limited liability limited partnership, a foreign

limited liability company or a foreign statutory trust, if authorized to transact business in this state,

c. the aggregate number of its authorized shares itemized by classes, par value of shares, shares without par value, and series, if any, within any classes authorized, unless it has no authorized capital,

d. a statement, as of a date not earlier than six (6) months prior to the filing date, of the assets and liabilities of the corporation,

e. the business it proposes to do in this state and a statement that it is authorized to do that business in the jurisdiction of its incorporation, and

f. a statement of the maximum amount of capital such corporation intends and expects to invest in the state at any time during the current fiscal year. "Invested capital" is defined as the value of the maximum amount of funds, credits, securities and property of whatever kind existing at any time during the fiscal year in the State of Oklahoma and used or employed by such corporation in its business carried on in this state.

C. The Secretary of State, upon payment to the Secretary of State of the fees prescribed in Section 1142 of this title, shall issue a sufficient number of certificates under the hand and official seal of the Secretary of State, evidencing the filing of the statement required by the provisions of subsection B of this section. The certificate of the Secretary of State shall be prima facie evidence of the right of the corporation to do business in this state; provided that the Secretary of State shall not issue such certificate unless the name of the corporation is such as to distinguish it upon the records of the Office of the Secretary of State in accordance with the provisions of Section 1141 of this title.

D. A foreign corporation, upon receiving a certificate from the Secretary of State, shall enjoy the same rights and privileges as, but not greater than, a corporation organized under the laws of this

state for the purposes set forth in the statement filed by the corporation with the Secretary of State pursuant to which such certificate is issued and, except as otherwise provided in the Oklahoma General Corporation Act, shall be subject to the same duties, restrictions, penalties and liabilities now or hereafter imposed upon a corporation organized under the laws of this state with like purpose and of like character.

SECTION 34. AMENDATORY 18 O.S. 2011, Section 1133, is amended to read as follows:

Section 1133.

CHANGE OF REGISTERED AGENT UPON WHOM PROCESS MAY BE SERVED

A. 1. Any foreign corporation which has qualified to do business in this state may change its registered agent and substitute ~~therefor~~ another registered agent by filing a certificate with the Secretary of State, acknowledged in accordance with the provisions of Section 1007 of this title, setting forth:

a. the name and street address of its registered agent designated in this state upon whom process directed to the corporation may be served, and

b. a revocation of all previous appointments of agent for such purposes.

2. ~~The~~ Such registered agent shall be either an individual residing in this state when appointed or a corporation, limited liability company, or limited partnership authorized to transact business in this state and in compliance with subparagraph b of paragraph 2 of subsection B of Section 1130 of this title.

B. Any individual or ~~corporation~~ entity designated by a foreign corporation as its registered agent for service of process may resign by filing with the Secretary of State a signed statement that the agent is unwilling to continue to act as the registered agent of the corporation for service of process, including in the statement the post office address of the main or headquarters office of the foreign corporation, but the resignation shall not become effective until thirty (30) days after the statement is filed. The statement

shall be acknowledged by the registered agent and shall contain a representation that written notice of resignation was given to the corporation at least thirty (30) days prior to the filing of the statement by mailing or delivering the notice to the corporation at its address given in the statement.

C. If any agent designated and certified as required by the provisions of Section 1130 of this title shall die, remove himself or herself from this state or resign, then the foreign corporation for which the agent had been so designated and certified, within ten (10) days after the death, removal or resignation of its agent, shall substitute, designate and certify to the Secretary of State, the name of another registered agent for the purposes of the Oklahoma General Corporation Act, and all process, orders, rules and notices may be served on or given to the substituted agent with like effect.

D. Any individual~~, corporation, limited liability company or limited partnership~~ or entity designated by a foreign corporation as its registered agent for service of process may change the address of the registered office of the corporation or corporations for which he or she is the registered agent to another address in this state by filing with the Secretary of State a certificate in the name of each affected corporation, executed and acknowledged by the registered agent, setting forth the address at which the registered agent has maintained the registered office, and further certifying to the new address to which the registered office will be changed on a given day, and at which new address the registered agent will thereafter maintain the registered office. Thereafter, or until further change of address, as authorized by law, the registered office in this state shall be located at the new address of the registered agent thereof as given in the certificate.

E. In the event of a change of name of any individual or ~~corporation~~ entity designated by a foreign corporation as its registered agent for service of process, the registered agent shall file with the Secretary of State a certificate in the name of each affected corporation, executed and acknowledged by the registered agent, setting forth the new name of the registered agent, the name of the registered agent before it was changed, and the address at which the registered agent has maintained the registered office for the affected corporation. A change of name of any person or

~~corporation~~ entity acting as registered agent as a result of a merger or consolidation of the registered agent, with or into another person or corporation which succeeds to its assets by operation of law, shall be deemed a change of name for purposes of this section.

SECTION 35. AMENDATORY 18 O.S. 2011, Section 1135, is amended to read as follows:

Section 1135.

WITHDRAWAL OF FOREIGN CORPORATION FROM STATE; PROCEDURE; SERVICE OF PROCESS ON SECRETARY OF STATE

A. Any foreign corporation which shall have qualified to do business in this state pursuant to the provisions of Section 1130 of this title~~,~~ may surrender its authority to do business in this state and may withdraw ~~therefrom~~ by filing with the Secretary of State:

1. A certificate, executed by an authorized officer of the corporation and acknowledged in accordance with the provisions of Section 1007 of this title, stating that it surrenders its authority to transact business in Oklahoma and withdraws ~~therefrom~~; and stating the address to which the Secretary of State may mail any process against the corporation that may be served upon the Secretary of State; or

2. A copy of a certificate of dissolution issued by the proper official of the state or other jurisdiction of its incorporation, together with a certificate, which shall be executed in accordance with the provisions of paragraph 1 of this subsection, stating the address to which the Secretary of State may mail any process against the corporation that may be served upon the Secretary of State~~; or~~

~~3. A~~ or a copy of an order or decree of dissolution made by any court of competent jurisdiction or other competent authority of the state or other jurisdiction of its incorporation, certified to be a true copy under the hand of the clerk of the court or other official body, and the official seal of the court or official body or clerk thereof, together with a certificate executed in accordance with the provisions of paragraph 1 of this subsection, stating the address to

which the Secretary of State may mail any process against the corporation that may be served upon the Secretary of State.

B. The Secretary of State, upon payment to the Secretary of State of the fees prescribed in Section 1142 of this title, shall issue a sufficient number of certificates, under the hand and official seal of the Secretary of State, evidencing the surrender of the authority of the corporation to do business in this state and its withdrawal therefrom.

C. Upon the issuance of the certificates by the Secretary of State, the appointment of the registered agent of the corporation in this state, upon whom process against the corporation may be served, shall be revoked, and service on the corporation may be made by serving the Secretary of State as its agent as provided in Section 2004 of Title 12 of the Oklahoma Statutes.

D. In the event of 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 the corporation by letter, certified mail or return receipt requested at the address stated in the certificate which was filed by the corporation with the Secretary of State pursuant to subsection A of this section. The letter 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 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 names 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.

SECTION 36. AMENDATORY 18 O.S. 2011, Section 1136, is amended to read as follows:

Section 1136.

SERVICE OF PROCESS ON NONQUALIFYING FOREIGN CORPORATIONS

A. If any foreign corporation shall transact business in this state without having qualified to do business in accordance with the provisions of Section 1130 of this title, service on the corporation may be made by serving the Secretary of State as its agent as provided in Section 2004 of Title 12 of the Oklahoma Statutes.

B. If any foreign corporation consents in writing to be subject to the jurisdiction of any state or federal court in this state for any civil action, suit or proceeding against it arising or growing out of any business or matter, and if the agreement or instrument setting forth such consent does not otherwise provide a manner of service of legal process in any such civil action, suit or proceeding against it, such foreign corporation shall be deemed to have thereby appointed and constituted the Secretary of State of this state its agent for the acceptance of legal process in any such civil action, suit or proceeding against it. The transaction of business in this state by such corporation or such consent by such corporation to the jurisdiction of any state or federal court in this state without provision for a manner of service of legal process shall be a signification of the agreement of such corporation that any process served upon the Secretary of State when so served shall be of the same legal force and validity as if served upon an authorized officer or agent personally within this state.

C. The provisions of Section 1132 of this title shall not apply in determining whether any foreign corporation is transacting business in this state within the meaning of this section; and "the transaction of business" or "business transacted in this state", by any such foreign corporation, whenever those words are used in this section, shall mean the course or practice of carrying on any business activities in this state, including, without limiting the generality of the foregoing, the solicitation of business or orders in this state. The provisions of this section shall not apply to any insurance company doing business in this state.

SECTION 37. AMENDATORY 18 O.S. 2011, Section 2001, is amended to read as follows:

Section 2001.

DEFINITIONS

As used in ~~this act~~ the Oklahoma Limited Liability Company Act, unless the context otherwise requires:

1. "Articles of organization" means documents filed ~~under Section 2019 of this title~~ for the purpose of forming a limited liability company, and the articles as amended;

2. "Bankrupt" means bankrupt under the United States Bankruptcy Code, as amended, or insolvent under any state insolvency act;

3. "Business" means any trade, occupation, profession or other activity regardless of whether engaged in for gain, profit or livelihood;

4. "Capital contribution" means anything of value that a person contributes to the limited liability company as a prerequisite for, or in connection with, membership, including cash, property, services rendered, or a promissory note or other binding obligation to contribute cash or property or to perform services;

5. "Capital interest" means the fair market value as of the date contributed of a member's capital contribution as adjusted for any additional capital contributions or withdrawals, a person's share of the profits and losses of a limited liability company and a person's right to receive distributions of the limited liability company's assets;

6. "Corporation" means a corporation formed under the laws of this state or a foreign corporation as defined in this section;

7. "Court" includes every court and judge having jurisdiction in the case;

8. "Foreign corporation" means a corporation formed under the laws of any state other than this state, or under the laws of the District of Columbia or any foreign country;

9. "Foreign limited liability company" means ~~an entity that is~~:

a. an unincorporated association,

b. organized under the laws of a state other than the laws of this state or organized under the laws of any foreign country, and

c. organized under a statute pursuant to which an association may be formed that affords to each of its members limited liability with respect to the liabilities of the entity, and

~~d.~~ ~~not required to be registered or organized under any statute of this state other than this act~~ a limited liability company formed under the laws of any state other than this state, or under the laws of the District of Columbia or any foreign country;

10. "Foreign limited partnership" means a limited partnership formed under the laws of any state other than this state, or under the laws of the District of Columbia or any foreign country;

11. "Limited liability company" or "domestic limited liability company" means an entity ~~that is an unincorporated association or proprietorship having one or more members that is organized~~ formed under the Oklahoma Limited Liability Company Act and existing under the laws of this state;

12. "Limited partnership" means a limited partnership formed under the laws of this state or a foreign limited partnership as defined in this section;

13. "Manager" or "managers" means a person or persons designated by the members of a limited liability company to manage the limited liability company as provided in the articles of organization or an operating agreement;

14. "Member" means a person with an ownership interest in a limited liability company, with the rights and obligations specified under this act;

15. "Membership interest" or "interest" means a member's rights in the limited liability company, collectively, including the member's share of the profits and losses of the limited liability company, the right to receive distributions of the limited liability company's assets~~,~~ and capital interest, any right to vote or participate in management, and such other rights accorded to members under the articles of organization, operating agreement, or the Oklahoma Limited Liability Company Act;

16. "Operating agreement", regardless of whether referred to as an operating agreement and whether oral, in a record, implied, or in any combination thereof, means any agreement of the members, including a sole member, as to the affairs of a limited liability company and the conduct of its business, including the agreement as amended or restated;

17. "Person" means an individual, a general partnership, a limited partnership, a limited liability company, a trust, an estate, an association, a corporation or any other legal or commercial entity; ~~and~~

18. "State" means a state, territory or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico; and

19. "Charitable entity" means any nonprofit limited liability company or other entity that is exempt from taxation under Section 501(c)(3) of the United States Internal Revenue Code (26 U.S.C., Section 501(c)(3)), or any successor provisions.

SECTION 38. AMENDATORY 18 O.S. 2011, Section 2004, is amended to read as follows:

Section 2004.

FILING THE ARTICLES OF ORGANIZATION

A. One or more persons may form a limited liability company upon the filing of executed articles of organization with the Office of the Secretary of State.

B. 1. When the articles of organization become effective, the proposed organization becomes a limited liability company under the name and subject to the purposes, conditions, and provisions stated in the articles. A limited liability company formed under ~~this act~~ the Oklahoma Limited Liability Company Act is a separate legal entity, the existence of which as a separate legal entity continues until cancellation of the limited liability company's articles of organization and completion of its winding up, if any.

2. Filing of the articles by the Office of the Secretary of State is conclusive evidence of the formation of the limited liability company.

3. A limited liability company's status for tax purposes shall not affect its status as a separate legal entity formed under the Oklahoma Limited Liability Company Act.

SECTION 39. AMENDATORY 18 O.S. 2011, Section 2012.2, is amended to read as follows:

Section 2012.2

OPERATING AGREEMENT OF LLC

A. The operating agreement of the limited liability company governs generally:

1. Relations among the members as members and between the members and the limited liability company;

2. The rights and duties under ~~this act~~ the Oklahoma Limited Liability Company Act of a person in the capacity of manager;

3. The activities of the company and the conduct of those activities; and

4. The means and conditions for amending the operating agreement.

If the operating agreement does not otherwise provide, ~~this act~~ the Oklahoma Limited Liability Company Act governs the matter. The operating agreement may not vary the rights, privileges, duties and obligations imposed specifically under ~~this act~~ the Oklahoma Limited Liability Company Act.

B. A limited liability company is bound by its operating agreement regardless of whether it executes the operating agreement. A member or manager of a limited liability company or an assignee of a ~~membership~~ capital interest is bound by the operating agreement regardless of whether the member, manager or assignee executes the operating agreement.

C. An operating agreement of a limited liability company having only one member is not unenforceable because there is only one person who is a party to the operating agreement.

D. The obligations of a limited liability company and its members to an assignee or dissociated member are governed by the operating agreement. Subject only to any court order to effectuate a charging order, an amendment to the operating agreement made after a person becomes an assignee or dissociated member is effective with regard to any debt, obligation, or other liability of the limited liability company or its members to the assignee or dissociated member.

SECTION 40. AMENDATORY 18 O.S. 2011, Section 2015, is amended to read as follows:

Section 2015.

MANAGEMENT OF COMPANY WITHOUT DESIGNATED MANAGERS;

RESIGNATION OF MEMBER

A. The articles of organization or operating agreement may provide that the business of the limited liability company shall be managed without designated managers. So long as such provision continues in effect:

1. The members shall be deemed to be managers for purposes of applying provisions of ~~this act~~ the Oklahoma Limited Liability Company Act, unless the context clearly requires otherwise;

2. The members shall have and be subject to all duties and liabilities of managers; and

3. A member signing on behalf of the limited liability company shall sign as a manager.

B. A member of a member-managed limited liability company may resign ~~as a member~~ from the member's management duties in accordance with the operating agreement or, if the operating agreement does not provide for the member's resignation, upon notice to the limited liability company. ~~When~~ Unless otherwise provided in the operating agreement, when a member of a member-managed limited liability company resigns, the member shall cease to have the rights and duties of a member and shall become an assignee; provided that the profits and losses of the limited liability company shall continue to be allocated to the member and any binding commitments for contributions shall continue as if the member had not resigned. If the resignation violates the operating agreement, in addition to any remedies otherwise available under applicable law, a limited liability company may recover from the resigning member damages for breach of the operating agreement and damages for a prohibited withdrawal under either the operating agreement or Section 2036 of this title and offset the damages against the amount otherwise distributable to the resigning member. ~~The member's resignation shall not constitute a withdrawal from the limited liability company.~~

SECTION 41. AMENDATORY 18 O.S. 2011, Section 2019, is amended to read as follows:

Section 2019.

MANAGERS AS AGENTS

A. Every manager is an agent of the limited liability company for the purpose of its business, and the act of every manager, including the execution in the limited liability company name of any instrument for apparently carrying on the business of the limited

liability company of which he is a manager, binds the limited liability company, unless the manager so acting lacks the authority to act for the limited liability company in the particular matter, and the person with whom he is dealing has knowledge of the fact that he has no such authority. The unauthorized acts of the manager shall bind the limited liability company as to persons acting in good faith who have no knowledge of the fact that the manager had no such authority.

B. Subject to the provisions of subsection A of this section and Section ~~30~~ 2019.1 of this ~~act~~ title, instruments and documents providing for the acquisition, mortgage, or disposition of real or personal property of the limited liability company shall be valid and binding upon the limited liability company if executed by one or more of its managers.

SECTION 42. AMENDATORY 18 O.S. 2011, Section 2020, is amended to read as follows:

Section 2020.

VOTING RIGHTS OF MEMBERS

A. Voting by members may be on a per capita, number, financial interest, class, group or any other basis. Unless otherwise provided in the articles of organization or operating agreement, the members of a limited liability company vote in proportion to their respective ~~capital~~ interests in the profits of the limited liability company. Except as otherwise provided in subsection D of this section or unless the context otherwise requires, references in ~~this act~~ the Oklahoma Limited Liability Company Act to a vote or the consent of the members mean a vote or consent of the members holding a majority of the ~~capital~~ interests in the profits of the limited liability company. The vote or consent may be evidenced in the minutes of a meeting of the members or by a written consent in lieu of a meeting.

B. Except as otherwise provided in subsection D of this section or in the articles of organization or operating agreement, a majority vote of the members shall be required to approve the following matters:

1. The sale, exchange, lease, mortgage, pledge, or other transfer of all or substantially all of the assets of the limited liability company;

2. Merger of the limited liability company with another limited liability company or other ~~business~~ entity; and

3. An amendment to the articles of organization or operating agreement.

C. The articles of organization or operating agreement may alter the above voting rights and provide for any other voting rights of members.

D. Unless otherwise provided in the articles of organization or a written operating agreement, the unanimous vote or consent of the members shall be required to approve the following matters:

1. The dissolution of the limited liability company pursuant to paragraph 3 of subsection A of Section 2037 of this title; or

2. An amendment to the articles of organization or an amendment to a written operating agreement:

a. which reduces the term of the existence of the limited liability company,

b. which reduces the required vote of members to approve a dissolution, merger or sale, exchange, lease, mortgage, pledge, or other transfer of all or substantially all of the assets of the limited liability company,

c. which permits a member to voluntarily withdraw from the limited liability company, or

d. which reduces the required vote of members to approve an amendment to the articles of organization or written operating agreement reducing the vote previously required on the matters described in this paragraph.

E. An operating agreement may grant to all or certain identified members or a specified class or group of the members the right to vote separately or with all or any class or group of the members or managers, on any matter.

SECTION 43. AMENDATORY 18 O.S. 2011, Section 2025, is amended to read as follows:

Section 2025.

PROFITS AND LOSSES; DISTRIBUTIONS

Except as otherwise provided in the operating agreement:

1. The profits and losses of a limited liability company shall be allocated among the members, and among classes or groups of members, ~~in proportion to their respective capital interests~~ on the basis of the agreed value, as stated in the records of the limited liability company, of the contributions made by each member to the extent they have been received by the limited liability company and have not been returned; and

2. Distributions of the limited liability company shall be made to the members, and among classes or groups of members, in proportion to their right to share in the profits and losses of the limited liability company.

SECTION 44. AMENDATORY 18 O.S. 2011, Section 2030, is amended to read as follows:

Section 2030.

RESTRICTIONS ON DISTRIBUTIONS; DETERMINATION OF PROHIBITED DISTRIBUTIONS; EFFECT OF DISTRIBUTION; INDEBTEDNESS

A. A distribution may not be made if, after giving effect to the distribution:

1. The limited liability company would not be able to pay its debts as they become due in the usual course of business; or

2. The limited liability company's total assets would be less than the sum of its total liabilities plus, unless the operating agreement permits otherwise, the amount that would be needed, if the limited liability company were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of members whose preferential rights are superior to the rights of members receiving the distribution.

B. The limited liability company may base a determination that a distribution is not prohibited under subsection A of this section on:

1. Financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances; or

2. A fair valuation or other method that is reasonable in the circumstances.

C. Except as provided in subsection E of this section, the effect of a distribution under subsection A of this section is measured as of:

1. ~~The date~~ In the case of a distribution by purchase, redemption or other acquisition of a capital interest in the limited liability company, the date money or other property is transferred or debt incurred by the limited liability company; and

2. In all other cases, the date:

a. the distribution is authorized, if the payment occurs within one hundred twenty (120) days after the date of authorization~~.~~, or

~~2. The date~~

b. the payment is made if it occurs more than one hundred twenty (120) days after the date of authorization.

D. A limited liability company's indebtedness to a member, incurred by reason of a distribution made in accordance with this section, is at parity with the limited liability company's

indebtedness to its general, unsecured creditors, except to the extent subordinated by agreement.

E. 1. If the terms of the indebtedness provide that payment of principal and interest is to be made only if, and to the extent that, payment of a distribution to members could then be made under this section, indebtedness of a limited liability company, including indebtedness issued as a distribution, is not a liability for purposes of determinations made under subsection B of this section~~;~~ ~~and~~.

2. If the indebtedness is issued as a distribution, each payment of principal or interest on the indebtedness is treated as a distribution, the effect of which is measured on the date the payment is actually made.

SECTION 45. AMENDATORY 18 O.S. 2011, Section 2032, is amended to read as follows:

Section 2032.

MEMBERSHIP INTEREST AS PERSONAL PROPERTY

A ~~membership~~ capital interest is personal property. A member has no interest in specific limited liability company property.

SECTION 46. AMENDATORY 18 O.S. 2011, Section 2033, is amended to read as follows:

Section 2033.

ASSIGNABILITY OF MEMBERSHIP INTEREST

A. Unless otherwise provided in an operating agreement:

1. A membership interest is not transferable; provided, however, that a member may assign the ~~economic rights~~ capital interest associated with a membership interest in whole or in part;

2. An assignment of the ~~economic rights~~ capital interest associated with a membership interest does not entitle the assignee to participate in the management and affairs of the limited

liability company or to become or to exercise any rights or powers of a member;

3. An assignment entitles the assignee to share in profits and losses, to receive any distribution or distributions and to receive the allocation of income, gain, loss, deduction, or credit or similar item to which the assignor was entitled to the extent assigned;

4. Unless the assignee of ~~an~~ a capital interest in a limited liability company becomes a member ~~by virtue of that interest~~, the assignor continues to be a member and to have the power to exercise any rights of a member, unless the assignor is removed as a member either in accordance with the operating agreement or, after having assigned all of the ~~membership~~ capital interest, by an affirmative vote of the members who have not assigned their interests. The removal of an assignor shall not, by itself, cause the assignee to become a member;

5. Until an assignee of a ~~membership~~ capital interest becomes a member, the assignee has no liability as a member solely as a result of the assignment; and

6. The assignor of a ~~membership~~ capital interest is not released from liability as a member solely as a result of the assignment.

B. The operating agreement may provide that a member's interest in a limited liability company may be evidenced by a certificate of membership interest issued by the limited liability company and also may provide for the assignment or transfer of any membership interest represented by such a certificate and may make other provisions with respect to such certificates.

C. Unless otherwise provided in the operating agreement, the pledge of, or granting of a security interest, lien, or other encumbrance in or against any or all of the membership interest of a member is not an assignment and shall not cause the member to cease to be a member or cease to have the power to exercise any rights or powers of a member.

SECTION 47. AMENDATORY 18 O.S. 2011, Section 2034, is amended to read as follows:

Section 2034.

JUDGMENT CREDITOR; RIGHTS; EXCLUSIVE REMEDY

On application to a court of competent jurisdiction by any judgment creditor of a member, the court may charge the ~~membership~~ capital interest of the member with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of an assignee of the ~~membership~~ capital interest. A charging order entered by a court pursuant to this section shall in no event be convertible into a membership interest through foreclosure or other action. ~~This act~~ The Oklahoma Limited Liability Company Act does not deprive any member of the benefit of any exemption laws applicable to his or her membership or capital interest. This section shall be the sole and exclusive remedy of a judgment creditor with respect to the judgment debtor's membership and capital interest, whether the limited liability company has one member or more than one member.

SECTION 48. AMENDATORY 18 O.S. 2011, Section 2035, is amended to read as follows:

Section 2035.

ASSIGNEE OF INTEREST BECOMING MEMBER; RIGHTS AND POWERS, RESTRICTIONS AND LIABILITIES; ASSIGNOR'S LIABILITIES; TIME OF ADMISSION OF MEMBER

A. An assignee of ~~an~~ a capital interest in a limited liability company may become a member if and to the extent that:

1. The operating agreement provides; or

2. ~~The~~ Unless the operating agreement otherwise provides, the members representing a majority of the ~~capital interests~~ profits which are not the subject of the assignment consent in writing.

B. An assignee who becomes a member, to the extent assigned, has the rights and powers, and is subject to the restrictions and

liabilities, of a member under the operating agreement and ~~this act, Section 2000 et seq. of this title~~ the Oklahoma Limited Liability Company Act; however, unless otherwise provided in writing in the operating agreement or other written agreement, an assignee who becomes a member also is liable for any obligations of the assignor to make contributions as provided in Section 2024 of this title, but shall not be liable for the obligations of the assignor under Section 2031 of this title; however, the assignee is not obligated for liabilities of which the assignee had no knowledge at the time the assignee became a member and which could not be ascertained from a written operating agreement.

C. Regardless of whether an assignee of an interest becomes a member, the assignor is not released from liability to the limited liability company under Sections 2024, 2031~~,~~ and 2033 of this title.

D. Except as otherwise provided in writing in the operating agreement, a member who assigns the member's entire capital interest in the limited liability company ceases to be a member or to have the power to exercise any rights of a member when any assignee of the capital interest becomes a member with respect to the assigned interest.

E. Subject to subsection F of this section, a person acquiring a limited liability company interest directly from the limited liability company may become a member in a limited liability company upon compliance with the operating agreement or, if the operating agreement does not so provide in writing, upon the written consent of the members.

F. The effective time of admission of a member to a limited liability company shall be the later of:

1. The date the limited liability company is formed; or

2. The time provided in the operating agreement, or if no such time is provided therein, then when the person's admission is reflected in the records of the limited liability company.

SECTION 49. AMENDATORY 18 O.S. 2011, Section 2036, is amended to read as follows:

Section 2036.

EVENTS CAUSING CESSATION OF MEMBERSHIP; WITHDRAWAL;

DEATH OR INCAPACITY

A. ~~Unless the operating agreement specifically permits in writing the power to withdraw voluntarily, a member may not withdraw at any time. If the operating agreement specifically provides in writing the power to withdraw voluntarily, but the withdrawal occurs as a result of wrongful conduct of the member, a member's voluntary withdrawal~~ A member has the power to withdraw as a member at any time, rightfully or wrongfully. A withdrawal is wrongful if the operating agreement does not specifically grant to the member a right to withdraw or the member resigns from the member's managerial duties in a member-managed limited liability company. The wrongful withdrawal shall constitute a breach of the operating agreement and the limited liability company may recover from the withdrawing member damages, including the reasonable cost of replacing the services that the withdrawn member was obligated to perform. The limited liability company may offset its damages against the amount otherwise distributable to the member, in addition to pursuing any remedies provided for in the operating agreement or otherwise available under applicable law. The limited liability company shall not, however, be entitled to any equitable remedy that would prevent a member from exercising the power to withdraw if such power is permitted in the operating agreement withdrawing from the limited liability company. Unless the operating agreement otherwise provides, a member who has withdrawn shall be deemed an assignee with respect to the interest.

B. If a member who is an individual dies or a court of competent jurisdiction adjudges the member to be incompetent to manage the member's person or property, the member's personal representative shall have all of the rights of an assignee of the member's interest. If a member is a corporation, trust or other entity and is dissolved or terminated, the powers of that member may be exercised by its personal representative.

C. If the sole member of a limited liability company dies or dissolves, or a court of competent jurisdiction adjudges the member to be incompetent or otherwise lacking legal capacity, the member's

personal representative accedes to the membership interest and possesses all rights, powers and duties associated with the interest for the benefit of the incompetent member or the deceased member's estate.

D. The operating agreement may provide for the expulsion of a member, with or without cause, which shall include reasonable provision for the ~~distributable~~ buyout of the member's capital interest.

SECTION 50. AMENDATORY 18 O.S. 2011, Section 2040, is amended to read as follows:

Section 2040.

DISTRIBUTION OF ASSETS UPON WINDING UP

A. Upon the winding up of a limited liability company, the assets shall be distributed as follows:

1. Payment, or adequate provision for payment, shall be made to creditors, including to the extent permitted by law, members who are creditors, in satisfaction of liabilities of the limited liability company;

2. Except as provided in writing in the articles of organization ~~or~~, operating agreement or other binding agreement, to members ~~or~~, any assignees, and any former members for the purchase, redemption or other acquisition of capital interests in satisfaction of liabilities for distributions authorized but not paid under ~~Sections 2026 and 2027~~ Section 2030 of this title; and

3. Except as provided in writing in the articles of organization or operating agreement or other binding agreement, to members, any assignees, and any former members for the purchase, redemption or other acquisition of capital interests first for the return of their contributions in proportion to their respective contributions, and second respecting their ~~membership~~ capital interests or former capital interests, in proportions in which the members, assignees and former members would share in ~~distributions~~ any profits.

B. A member, assignee or former member who receives a distribution in violation of subsection A of this section, and who knew or should have known at the time of the distribution that the distribution violated subsection A of this section, shall be liable to a limited liability company for the amount of the distribution. A member, assignee or former member who receives a distribution in violation of subsection A of this section, and who did not know and had no reason to know at the time of the distribution that the distribution violated subsection A of this section, shall not be liable for the amount of the distribution. Subject to subsection C of this section, this subsection shall not affect any obligation or liability of a member, assignee or former member under an agreement or other applicable law for a distribution.

C. Unless otherwise agreed, a member, assignee or former member who receives a distribution from a limited liability company shall have no liability under ~~this act~~ the Oklahoma Limited Liability Company Act or other applicable law for the amount of the distribution after the expiration of three (3) years from the date of the distribution unless an action to recover the distribution from the member, assignee or former member is commenced before the expiration of the three-year period and an adjudication of liability against the member, assignee or former member is made in the action.

SECTION 51. AMENDATORY 18 O.S. 2011, Section 2054, is amended to read as follows:

Section 2054.

AGREEMENT OF MERGER OF CONSOLIDATION

A. Pursuant to an agreement of merger or consolidation, a domestic limited liability company may merge or consolidate with or into one or more domestic or foreign limited liability companies or other ~~business~~ entities. As used in this section, "~~business~~ entity" means a domestic or foreign corporation, ~~business trust, common law trust, or unincorporated business including a partnership, whether general or limited~~ a domestic or foreign partnership whether general or limited, and including a limited liability partnership and a limited liability limited partnership, 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.

B. Unless otherwise provided in the articles of organization or the operating agreement, a merger or consolidation shall be approved by each domestic limited liability company which is to merge or consolidate by a majority of the membership interest or, if there is more than one class or group of members, then by a majority of the membership interest of each class or group. In connection with a merger or consolidation hereunder, rights or securities of, or memberships or membership, economic or ownership interests in, a domestic limited liability company or other ~~business~~ entity which is a constituent party to the merger or consolidation may be exchanged for or converted into cash, property, rights or securities of, or memberships or membership, economic or ownership interests in, the surviving or resulting domestic limited liability company or other ~~business~~ entity or, in addition to or in lieu thereof, may be exchanged for or converted into cash, property, rights or securities of, or memberships or membership, economic or ownership interests in, a domestic limited liability company or other ~~business~~ entity which is not the surviving or resulting limited liability company or other ~~business~~ entity in the merger or consolidation. Notwithstanding prior approval, an agreement of merger or consolidation may be terminated or amended pursuant to a provision for such termination or amendment contained in the agreement of merger or consolidation.

C. If a domestic limited liability company is merging or consolidating pursuant to this section, the domestic limited liability company or other ~~business~~ entity surviving or resulting in or from the merger or consolidation shall file articles of merger or consolidation with the Office of the Secretary of State. The articles of merger or consolidation shall state:

1. The name ~~and~~, jurisdiction of formation or organization, and type of entity of each of the limited liability companies or other ~~business~~ entities which are to merge or consolidate;

2. That an agreement of merger or consolidation has been approved and executed by each of the domestic limited liability companies or other ~~business~~ entities which is to merge or consolidate;

3. The name of the surviving or resulting domestic limited liability company or other ~~business~~ entity;

4. The future effective date or time, which shall be a specific date or time not later than a time on the ~~nineteenth~~ ninetieth day after the filing, of the merger or consolidation if it is not to be effective upon the filing of the articles of merger or consolidation;

5. That the agreement of merger or consolidation is on file at a place of business of the surviving or resulting domestic limited liability company or other ~~business~~ entity, and shall state the street address thereof;

6. That a copy of the agreement of merger or consolidation shall be furnished by the surviving or resulting domestic limited liability company or other ~~business~~ entity, upon request and without cost, to any member of any domestic limited liability company or any person holding ~~an~~ a membership or membership, economic or ownership interest in any other ~~business~~ entity which is to merge or consolidate;

7. In the case of a merger, any amendments or changes in the articles of organization of the surviving domestic limited liability company that are to be effected by the merger, which amendments or changes may amend and restate the articles of organization of the surviving domestic limited liability company in its entirety;

8. In the case of a consolidation, that the articles of organization of the resulting domestic limited liability company shall be as set forth in an attachment to the articles of consolidation; and

9. If the surviving or resulting entity is not a domestic limited liability company or ~~business~~ entity formed or organized pursuant to the laws of this state, a statement that the surviving or resulting other ~~business~~ entity agrees to be served with process in this state in any action, suit, or proceeding for the enforcement of any obligation of any domestic limited liability company which is to merge or consolidate; irrevocably appoints the Secretary of State as its agent to accept service of process in any action, suit, or

proceeding; and specifies the street address to which process shall be mailed to the entity by the Secretary of State.

D. Any failure to file the articles of merger or consolidation in connection with a merger or consolidation which was effective prior to September 1, 1992, shall not affect the validity or effectiveness of any such merger or consolidation.

~~E.~~ A merger or consolidation shall be effective upon the filing with the Secretary of State of articles of merger or consolidation, unless a future effective date or time is provided in the articles of merger or consolidation.

~~F.~~ E. Articles of merger or consolidation terminate the separate existence of a domestic limited liability company which is not the surviving or resulting entity in the merger or consolidation.

~~G.~~ F. Once any merger or consolidation is effective pursuant to this section, for all purposes of the laws of this state, all of the rights, privileges, and powers of each of the domestic limited liability companies and other ~~business~~ entities that have merged or consolidated and all property, real, personal, and mixed, and all debts due to each domestic limited liability company or other ~~business~~ entity, as well as all other things and causes of action belonging to each domestic limited liability company or other ~~business~~ entity shall be vested in the surviving or resulting domestic limited liability company or other ~~business~~ entity, and shall thereafter be the property of the surviving or resulting domestic limited liability company or other ~~business~~ entity as they were of each domestic limited liability company or other ~~business~~ entity that has merged or consolidated, and the title to any real property vested by deed or otherwise, under the laws of this state, in any domestic limited liability company or other ~~business~~ entity shall not revert or be in any way impaired by reason of this section, but all rights of creditors and all liens upon any property of each domestic limited liability company or other ~~business~~ entity shall be preserved unimpaired. All debts, liabilities and duties of each domestic limited liability company or other ~~business~~ entity that has merged or consolidated shall thereafter attach to the surviving or resulting domestic limited liability company or other ~~business~~ entity, and may be enforced against the surviving or

resulting limited liability company or other entity to the same extent as if the debts, liabilities, and duties had been incurred or contracted by the surviving or resulting limited liability company or other entity. Unless otherwise agreed, a merger or consolidation of a domestic limited liability company, including a domestic limited liability company which is not the surviving or resulting entity in the merger or consolidation, shall not require the domestic limited liability company to wind up its affairs or pay its liabilities and distribute its assets.

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

SECTION 52. AMENDATORY 18 O.S. 2011, Section 2054.1, is amended to read as follows:

Section 2054.1

CONVERSION OF ~~A BUSINESS~~ AN ENTITY TO A LIMITED LIABILITY COMPANY

A. As used in this section, the term "~~business~~ entity" means a domestic or foreign corporation, ~~partnership, whether general or limited, business trust, common law trust, or other unincorporated association~~ a domestic or foreign partnership whether general or limited, and including a limited liability partnership and a limited liability limited partnership, 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.

B. Any ~~business~~ entity may convert to a domestic limited liability company by complying with subsection H of this section and filing with the Secretary of State in accordance with Section 2007 of this title articles of conversion to a limited liability company that have been executed in accordance with Section 2006 of this title, to which shall be attached articles of organization that comply with Sections 2005 and 2008 of this title and have been executed by one or more authorized persons in accordance with Section 2006 of this title.

C. The articles of conversion to a limited liability company shall state:

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

2. The name ~~and~~, jurisdiction of formation of the ~~business~~ entity, and type of entity when formed and, if changed, its name ~~and~~, jurisdiction, and type of entity immediately before filing of the articles of conversion to limited liability company;

3. The name of the limited liability company as set forth in its articles of organization filed in accordance with subsection B of this section; and

4. The future effective date or time of the conversion to a limited liability company, 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 articles of conversion to a limited liability company and the articles of organization.

D. Upon the effective date or time of the articles of conversion to limited liability company and the articles of organization, the ~~business~~ entity shall be converted to a domestic limited liability company and the limited liability company shall thereafter be subject to all of the provisions of ~~this act~~ the Oklahoma Limited Liability Company Act, except that notwithstanding Section 2004 of this title, the existence of the limited liability company shall be deemed to have commenced on the date the ~~business~~ entity was formed.

E. The conversion of any ~~business~~ entity into a domestic limited liability company shall not be deemed to affect any obligations or liabilities of the ~~business~~ entity incurred before its conversion to a domestic limited liability company or the personal liability of any person incurred before the conversion.

F. When ~~a business~~ an entity has converted to a domestic limited liability company under this section, the domestic limited liability company shall be deemed to be the same entity as the converting ~~business~~ entity. All of the rights, privileges and powers of the ~~business~~ entity that has converted, and all property, real, personal and mixed, and all debts due to the ~~business~~ entity,

as well as all other things and causes of action belonging to the ~~business~~ entity, shall remain vested in the domestic limited liability company and shall be the property of the domestic limited liability company, and the title to any real property vested by deed or otherwise in the ~~business~~ 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 ~~business~~ entity shall be preserved unimpaired, and all debts, liabilities and duties of the ~~business~~ entity that has converted shall remain attached to the domestic limited liability company and may be enforced against it to the same extent as if the debts, liabilities and duties had been incurred or contracted by it in its capacity as a domestic limited liability company. The rights, privileges, powers and interests in property of the ~~business~~ entity, as well as the debts, liabilities and duties of the ~~business~~ entity, shall not be deemed, as a consequence of the conversion, to have been transferred to the domestic limited liability company to which the ~~business~~ 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 ~~business~~ entity, the converting ~~business~~ 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 the ~~business~~ entity and shall constitute a continuation of the existence of the converting ~~business~~ entity in the form of a domestic limited liability company.

H. Before filing the articles of conversion to a limited liability company with the Office of the Secretary of State, 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 ~~business~~ entity and the conduct of its business or by applicable law, as appropriate, and articles of organization shall be approved by the same authorization required to approve the conversion.

I. In a conversion of ~~a business~~ an entity to a domestic limited liability company under this section, rights or securities of or memberships or membership, economic or ownership interests in the ~~business~~ entity that is to be converted to a domestic limited liability company may be exchanged for or converted into cash,

property, or rights or securities of or interests in the domestic limited liability company or, in addition to or in lieu thereof, may be exchanged for or converted into cash, property~~,~~ or rights or securities of or memberships or membership, economic or ownership interests in another domestic limited liability company or other ~~business~~ entity.

J. The provisions of this section shall not be construed to limit the accomplishment of a change in the law governing, or the domicile of, ~~a business~~ an entity to this state by any other means provided for in an operating agreement or other agreement or as otherwise permitted by law, including by the amendment of an operating agreement or other agreement.

K. Nothing in this section shall be deemed to authorize the conversion of a charitable entity into a domestic limited liability company, if the charitable status of such entity would thereby be lost or impaired.

SECTION 53. AMENDATORY 18 O.S. 2011, Section 2054.2, is amended to read as follows:

Section 2054.2

CONVERSION OF A LIMITED LIABILITY COMPANY TO ~~A BUSINESS~~ AN ENTITY

A. A domestic limited liability company may convert to ~~a~~ ~~business~~ an entity upon the authorization of such conversion in accordance with this section. As used in this section, the term "~~business~~ entity" means a domestic or foreign corporation, ~~partnership, whether general or limited, business trust, common law trust, or other unincorporated association~~ a domestic or foreign partnership whether general or limited, and including a limited liability partnership and a limited liability limited partnership, 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.

B. If the operating agreement specifies the manner of authorizing a conversion of the limited liability company, the

conversion shall be authorized as specified in the operating agreement.

C. If the operating agreement does not specify the manner of authorizing a conversion of the limited liability company and does not prohibit a conversion of the limited liability company, the conversion shall be authorized in the same manner as is specified in the operating agreement for authorizing a merger or consolidation that involves the limited liability company as a constituent party to a merger or consolidation.

D. If the operating agreement does not specify the manner of authorizing a conversion of the limited liability company or a merger or consolidation that involves the limited liability company as a constituent party and does not prohibit a conversion of the limited liability company, the conversion shall be authorized by the approval of a majority of the membership interest or, if there is more than one class or group of members, then by a majority of the membership interest in each class or group of members. Notwithstanding the foregoing, in addition to any other authorization required by this section, if the ~~business~~ entity into which the limited liability company is to convert does not afford all of its interest holders protection against personal liability for the debts of the ~~business~~ entity, the conversion must be authorized by any and all members who would be exposed to personal liability.

E. Unless otherwise agreed, the conversion of a domestic limited liability company to another ~~business~~ entity pursuant to this section shall not require the limited liability company to wind up its affairs or pay its liabilities and distribute its assets, and the conversion shall not constitute a dissolution of the limited liability company.

F. In a conversion of a domestic limited liability company to ~~a business~~ an entity under this section, rights or securities of or interests in the domestic limited liability company which are to be converted may be exchanged for or converted into cash, property, rights or securities of or memberships or membership, economic or ownership interests in the ~~business~~ entity to which the domestic limited liability company is being converted or, in addition to or in lieu thereof, may be exchanged for or converted into cash,

property, rights or securities of or memberships or membership, economic or ownership interests in another ~~business~~ entity or may be canceled.

G. If the governing act of the domestic ~~business~~ entity to which the limited liability company is converting does not provide for the filing of a conversion notice with the Secretary of State or the limited liability company is converting to a foreign ~~business~~ entity, articles of conversion executed in accordance with Section 2006 of this title, shall be filed in the Office of the Secretary of State in accordance with Section 2007 of this title. The articles of conversion shall state:

1. The name of the limited liability company and, if it has been changed, the name under which its articles of organization were originally filed;

2. The date of filing of its original articles of organization with the Secretary of State;

3. The name ~~the business~~ and type of entity to which the limited liability company is converting and its jurisdiction of formation, if a foreign ~~business~~ entity;

4. The future effective date or time of the conversion, 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 articles of conversion;

5. That the conversion has been approved in accordance with this section;

6. The agreement of the foreign ~~business~~ 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 ~~business~~ entity arising while it was a domestic limited liability company, and that it irrevocably appoints the Secretary of State as its agent to accept service of process in any such action, suit or proceeding, and its street address to which a copy of the process shall be mailed to it by the Secretary of State; and

7. If the domestic ~~business~~ entity to which the domestic limited liability company 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.

H. Upon the filing of a conversion notice with the Secretary of State, whether under subsection G of this section or under the governing act of the domestic ~~business~~ entity to which the limited liability company is converting, the filing of any formation document required by the governing act of the domestic ~~business~~ entity to which the limited liability company is converting, and payment to the Secretary of State of all prescribed fees, the Secretary of State shall certify that the limited liability company has filed all documents and paid all required fees, and thereupon the limited liability company shall cease to exist as a limited liability company of this state. The Secretary of State's certificate shall be prima facie evidence of the conversion by the limited liability company.

I. The conversion of a limited liability company to ~~a business~~ an entity under this section and the resulting cessation of its existence as a domestic limited liability company shall not be deemed to affect any obligations or liabilities of the limited liability company incurred before the 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 limited liability company with respect to matters arising before the conversion.

J. When a limited liability company has converted to ~~a business~~ an entity under this section, the ~~business~~ entity shall be deemed to be the same entity as the limited liability company. All of the rights, privileges and powers of the limited liability company that has converted, and all property, real, personal and mixed, and all debts due to the limited liability company, as well as all other things and causes of action belonging to the limited liability company, shall remain vested in the ~~business~~ entity to which the limited liability company has converted and shall be the property of the ~~business~~ entity, and the title to any real property vested by deed or otherwise in the limited liability company 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 limited

liability company shall be preserved unimpaired, and all debts, liabilities and duties of the limited liability company that has converted shall remain attached to the ~~business~~ entity to which the limited liability company has converted, and may be enforced against it to the same extent as if said debts, liabilities and duties had originally been incurred or contracted by it in its capacity as the ~~business~~ entity. The rights, privileges, powers and interests in property of the limited liability company that has converted, as well as the debts, liabilities and duties of the limited liability company, shall not be deemed, as a consequence of the conversion, to have been transferred to the ~~business~~ entity to which the limited liability company has converted for any purpose of the laws of this state.

K. Nothing in this section shall be deemed to authorize the conversion of a charitable domestic limited liability company into another entity, if the charitable status of such domestic limited liability company would thereby be lost or impaired.

SECTION 54. AMENDATORY 18 O.S. 2011, Section 2054.4, is amended to read as follows:

Section 2054.4

SERIES OF MEMBERS, MANAGERS, OR MEMBERSHIP INTERESTS HAVING SEPARATE RIGHTS - PERSONAL OBLIGATION OF MEMBER OR MANAGER

A. An operating agreement may establish or provide for the establishment of one or more designated series of members, managers ~~or~~, membership interests ~~having~~ or assets. Any such series may have separate rights, powers or duties with respect to specified property or obligations of the limited liability company or profits and losses associated with specified property or obligations, and any such series may have a separate business purpose or investment objective.

B. Notwithstanding anything to the contrary set forth in ~~this act~~ the Oklahoma Limited Liability Company Act or under other applicable law, if an operating agreement establishes or provides for the establishment of one or more series, and if ~~separate and distinct~~ the records ~~are~~ maintained for any such series ~~and~~ account for the assets associated with ~~any~~ such series ~~are held, directly or~~

~~indirectly, including through a nominee or otherwise, and accounted for~~ separately from the other assets of the limited liability company, or any other series thereof, and if the operating agreement so provides, and if notice of the limitation on liabilities of a series as referenced in this subsection is set forth in the articles of organization of the limited liability company, then the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular series shall be enforceable against the assets of such series only, and not against the assets of the limited liability company generally or any other series thereof, and, unless otherwise provided in the operating agreement, none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the limited liability company generally or any other series thereof shall be enforceable against the assets of the series. Assets associated with a series may be held directly or indirectly, including in the name of such series, in the name of the limited liability company, through a nominee or otherwise. Records maintained for a series that reasonably identify its assets, including by specific listing, category, type, quantity, computational or allocational formula or procedure, including a percentage or share of any asset or assets, or by any other method where the identity of such assets is objectively determinable, will be deemed to account for the assets associated with such series separately from the other assets of the limited liability company, or any other series thereof. Notice in articles of organization of the limitation on liabilities of a series as referenced in this subsection shall be sufficient for all purposes regardless of whether the limited liability company has established any series when the notice is included in the articles of organization, and there shall be no requirement that any specific series of the limited liability company be referenced in the notice. The fact that articles of organization containing the foregoing notice of the limitation on liabilities of a series are on file in the office of the Secretary of State shall constitute notice of the limitation on liabilities of a series.

C. A series established in accordance with subsection B of this section may carry on any lawful business, purpose or activity, whether or not for profit, with the exception of the business of a domestic insurer. Unless otherwise provided in the operating agreement, a series established in accordance with subsection B of

this section shall have the power and capacity to, in its own name, contract, hold title to assets, including real, personal and intangible property, grant liens and security interests, and sue and be sued.

D. Notwithstanding Section 2022 of this title, under an operating agreement or under another agreement, a member or manager may agree to be obligated personally for any or all of the debts, obligations and liabilities of one or more series.

~~D.~~ E. An operating agreement may provide for classes or groups of members or managers associated with a series having such relative rights, powers and duties as the operating agreement may provide, and may make provision for the future creation in the manner provided in the operating agreement of additional classes or groups of members or managers associated with the series 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 or managers associated with the series. An operating agreement may provide for the taking of an action, including the amendment of the operating agreement, without the vote or approval of any member or manager or class or group of members or managers, including an action to create under the provisions of the operating agreement a class or group of the series of membership interests that was not previously outstanding. An operating agreement may provide that any member or class or group of members associated with a series shall have no voting rights.

~~E.~~ F. An operating agreement may grant to all or certain identified members or managers or a specified class or group of the members or managers associated with a series the right to vote separately or with all or any class or group of the members or managers associated with the series, on any matter. Voting by members or managers associated with a series may be on a per capita, number, financial interest, class, group or any other basis.

~~F.~~ G. Unless otherwise provided in an operating agreement, the management of a series shall be vested in the members associated with the series in proportion to their membership interest, with the decision of members owning a majority of the membership interest controlling; provided, however, that if an operating agreement provides for the management of the series, in whole or in part, by a

manager, the management of the series, to the extent so provided, shall be vested in the manager who shall be chosen in the manner provided in the operating agreement. The manager of the series shall also hold the offices and have the responsibilities accorded to the manager as set forth in an operating agreement. A series may have more than one manager. Subject to paragraph 3 of Section 2014 of this title, a manager shall cease to be a manager with respect to a series as provided in an operating agreement. Except as otherwise provided in an operating agreement, any event under this chapter or in an operating agreement that causes a manager to cease to be a manager with respect to a series shall not, in itself, cause the manager to cease to be a manager of the limited liability company or with respect to any other series thereof.

~~G.~~ H. Subject to subsections ~~H~~ I and ~~K~~ L of this section, and unless otherwise provided in an operating agreement, at the time a member associated with a series that has been established in accordance with subsection B of this section becomes entitled to receive a distribution with respect to the series, the member has the status of, and is entitled to all remedies available to, a creditor of the series, with respect to the distribution. An operating agreement may provide for the establishment of a record date with respect to allocations and distributions with respect to a series.

~~H.~~ I. Notwithstanding Section 2040 of this title, a limited liability company may make a distribution with respect to a series that has been established in accordance with subsection B of this section. A limited liability company shall not make a distribution with respect to a series that has been established in accordance with subsection B of this section to a member to the extent that at the time of the distribution, after giving effect to the distribution, all liabilities of the series, other than liabilities to members on account of their membership interests with respect to the series and liabilities for which the recourse of creditors is limited to specified property of the series, exceed the fair value of the assets associated with the series, except that the fair value of property of the series that is subject to a liability for which the recourse of creditors is limited shall be included in the assets associated with the series only to the extent that the fair value of that property exceeds that liability. For purposes of the immediately preceding sentence, the term "distribution" shall not

include amounts constituting reasonable compensation for present or past services or reasonable payments made in the ordinary course of business pursuant to a bona fide retirement plan or other benefits program. A member who receives a distribution in violation of this subsection, and who knew or should have known at the time of the distribution that the distribution violated this subsection, shall be liable to a series for the amount of the distribution. A member who receives a distribution in violation of this subsection, and who did not know and had no reason to know at the time of the distribution that the distribution violated this subsection, shall not be liable for the amount of the distribution. Subject to subsection C of Section 2040 of this title, which shall apply to any distribution made with respect to a series under this subsection, this subsection shall not affect any obligation or liability of a member under an agreement or other applicable law for the amount of a distribution.

~~I.~~ J. Unless otherwise provided in the operating agreement, a member shall cease to be associated with a series and to have the power to exercise any rights or powers of a member with respect to the series upon the assignment of all of the member's ~~membership~~ capital interest with respect to the series. Except as otherwise provided in an operating agreement, any event under this chapter or an operating agreement that causes a member to cease to be associated with a series shall not, in itself, cause the member to cease to be associated with any other series or terminate the continued membership of a member in the limited liability company or cause the termination of the series, regardless of whether the member was the last remaining member associated with the series.

~~J.~~ K. Subject to Section 2037 of this title, except to the extent otherwise provided in the operating agreement, a series may be terminated and its affairs wound up without causing the dissolution of the limited liability company. The termination of a series established in accordance with subsection B of this section shall not affect the limitation on liabilities of the series provided by subsection B of this section. A series is terminated and its affairs shall be wound up upon the dissolution of the limited liability company under Section 2037 of this title or otherwise upon the first to occur of the following:

1. At the time specified in the operating agreement;

2. Upon the happening of events specified in the operating agreement;

3. Unless otherwise provided in the operating agreement, upon the affirmative vote or written consent of the members of the limited liability company associated with the series or, if there is more than one class or group of members associated with the series, then by each class or group of members associated with the series, in either case, by members associated with the series who own more than two-thirds 2/3 of the then-current membership interest owned by all of the members associated with the series or by the members in each class or group of the series, as appropriate; or

4. The termination of the series under subsection ~~L~~ M of this section.

~~K.~~ L. Unless otherwise provided in the operating agreement, a manager associated with a series who has not wrongfully terminated the series or, if none, the members associated with the series or a person approved by the members associated with the series or, if there is more than one class or group of members associated with the series, then by each class or group of members associated with the series, in either case, by a majority of the membership interest owned by all of the members associated with the series or by the members in each class or group associated with the series, as appropriate, may wind up the affairs of the series; but, if the series has been established in accordance with subsection B of this section, the district court, upon cause shown, may wind up the affairs of the series upon application of any member or manager associated with the series, or the member's personal representative or assignee, and in connection therewith, may appoint a liquidating trustee. The persons winding up the affairs of a series may, in the name of the limited liability company and for and on behalf of the limited liability company and the series, take all actions with respect to the series as are permitted under subsection A of Section 2039 of this title. The persons winding up the affairs of a series shall provide for the claims and obligations of the series and distribute the assets of the series as provided in Section 2040 of this title, which section shall apply to the winding up and

distribution of assets of a series. Actions taken in accordance with this subsection shall not affect the liability of members and shall not impose liability on a liquidating trustee.

~~L.~~ M. On application by or for a member or manager associated with a series established in accordance with subsection B of this section, the district court may decree termination of the series whenever it is not reasonably practicable to carry on the business of the series in conformity with an operating agreement.

~~M.~~ N. If a foreign limited liability company that is registering to do business in this state in accordance with Section 2043 of this title is governed by an operating agreement that establishes or provides for the establishment of designated series of members, managers, ~~or~~ membership interests or assets having separate rights, powers or duties with respect to specified property or obligations of the foreign limited liability company or profits and losses associated with specified property or obligations, that fact shall be so stated on the application for registration as a foreign limited liability company. In addition, the foreign limited liability company shall state on the application whether the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series, if any, shall be enforceable against the assets of the series only, and not against the assets of the foreign limited liability company generally or any other series thereof, and~~, unless otherwise provided in the operating agreement, none~~ whether any of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the foreign limited liability company generally or any other series thereof shall be enforceable against the assets of the series.

SECTION 55. AMENDATORY 18 O.S. 2011, Section 2055.2, as amended by Section 1, Chapter 245, O.S.L. 2012 (18 O.S. Supp. 2016, Section 2055.2), is amended to read as follows:

Section 2055.2

ANNUAL CERTIFICATE FOR DOMESTIC LIMITED LIABILITY

COMPANY AND FOREIGN LIMITED LIABILITY COMPANY

A. Every domestic limited liability company and every foreign limited liability company registered to do business in this state shall file a certificate each year in the Office of the Secretary of State, which confirms it is an active business and includes its principal place of business address, and shall pay an annual certificate fee of Twenty-five Dollars ($25.00).

B. The annual certificate shall be due on the anniversary date of filing the articles of organization or registration, as the case may be, until cancellation of the articles of organization or withdrawal of the registration.

C. The Secretary of State shall, at least sixty (60) days before the anniversary date of each year, cause a notice of the annual certificate to be sent to each domestic limited liability company and each foreign limited liability company required to comply with the provisions of this section to its last known electronic mail address of record with the Secretary of State.

D. A domestic limited liability company or foreign limited liability company that fails to file the annual certificate and pay the annual certificate fee within sixty (60) days after the date due shall cease to be in good standing as a domestic limited liability company or registered as a foreign limited liability company in this state.

E. Except for accepting a resignation of a registered agent when a successor registered agent is not being appointed or an application for reinstatement, the Secretary of State shall not accept for filing any certificate or articles, or issue any certificate of good standing, in respect to any domestic limited liability company that has ceased to be in good standing or foreign limited liability company that has ceased to be registered, unless or until the domestic limited liability company has been reinstated as a domestic limited liability company in good standing or the foreign limited liability company has been reinstated as a foreign limited liability company duly registered in this state.

F. A domestic limited liability company that has ceased to be in good standing or a foreign limited liability company that has ceased to be registered in this state may not maintain any action, suit or proceeding in any court of this state until the domestic

limited liability company has been reinstated as a domestic limited liability company in good standing or the foreign limited liability company has been reinstated as a foreign limited liability company duly registered in this state. An action, suit or proceeding may not be maintained in any court of this state by any successor or assignee of the domestic limited liability company or foreign limited liability company on any right, claim or demand arising out of the transaction of business by the domestic limited liability company after it has ceased to be in good standing or a foreign limited liability company that has ceased to be registered in this state until the domestic limited liability company or foreign limited liability company, or any person that has acquired all or substantially all of its assets, has caused the limited liability company to be reinstated as a domestic limited liability company in good standing or as a foreign limited liability company duly registered in this state, as applicable.

~~C. A domestic limited liability company not in good standing for failure to file an annual certificate and pay the annual certificate fees or registered agent fees, including a domestic limited liability company whose articles of organization have been canceled under subsection B of Section 2012.1 of this title, or a foreign limited liability company whose registration was withdrawn for failure to file an annual certificate and pay the annual certificate fees or registered agent fees may apply to the Secretary of State for reinstatement by:~~

~~1. Filing all delinquent annual certificates with the Secretary of State and paying all delinquent annual certificate fees or paying all delinquent registered agent fees to the Secretary of State; and~~

~~2. Filing an application for reinstatement with the Secretary of State stating its name at the time it ceased to be in good standing or was withdrawn, the date it ceased to be in good standing or was withdrawn, and its current name, if its name at the time it ceased to be in good standing or was withdrawn is no longer available under Section 2008 or 2045 of this title.~~

~~If the Secretary of State determines that the application contains the required information, the information is correct, all delinquent certificates or other filings are submitted, all delinquent fees are paid, and the name satisfies the requirements of~~

~~Section 2008 or 2045 of this title, the Secretary of State shall accept the application for reinstatement and issue a certificate of reinstatement in the manner provided in Section 2007 of this title for domestic limited liability companies or Section 2044 of this title for foreign limited liability companies. If the limited liability company is required to change its name because its name at the time it ceased to be in good standing or was withdrawn is no longer available, acceptance of the reinstatement shall constitute an amendment to the domestic limited liability company's articles of organization to change its name or the adoption of a fictitious name by the foreign limited liability company, as applicable. The application for reinstatement may amend the articles of organization of the domestic limited liability company or the application for registration of the foreign limited liability company, subject in either case to the payment of the additional fee required in Section 2055 of this title for amendments; provided, that the application may not extend the term of a limited liability company that had expired before the application for reinstatement. For purposes of this section, a foreign limited liability company applying for reinstatement is deemed to have done business continually in the state following the administrative withdrawal.~~

~~H. The failure of a domestic limited liability company or foreign limited liability company to file an annual certificate and pay an annual certificate fee or a registered agent fee to the Secretary of State shall not impair the validity on any contract, deed, mortgage, security interest, lien or act of the domestic limited liability company or foreign limited liability company or prevent the domestic limited liability company or foreign limited liability company from defending any action, suit or proceeding with any court of this state.~~

~~I. A member or manager of a domestic limited liability company or foreign limited liability company is not liable for the debts, obligations or liabilities of the domestic limited liability company or foreign limited liability company solely by reason of the failure of the domestic limited liability company or foreign limited liability company to file an annual certificate and pay an annual certificate fee or a registered agent fee to the Secretary of State or by reason of the domestic limited liability company or foreign limited liability company ceasing to be in good standing or duly registered.~~

SECTION 56. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2055.3 of Title 18 unless there is created a duplication in numbering, reads as follows:

REINSTATEMENT OF A LIMITED LIABILITY COMPANY

A. A domestic limited liability company not in good standing for failure to file an annual certificate and pay the annual certificate fees or registered agent fees, including a domestic limited liability company whose articles of organization have been canceled under subsection B of Section 2012.1 of Title 18 of the Oklahoma Statutes, or a foreign limited liability company whose registration was withdrawn for failure to file an annual certificate and pay the annual certificate fees or registered agent fees may apply to the Secretary of State for reinstatement by:

1. Filing all delinquent annual certificates with the Secretary of State and paying all delinquent annual certificate fees or paying all delinquent registered agent fees to the Secretary of State; and

2. Filing an application for reinstatement with the Secretary of State stating its name at the time it ceased to be in good standing or was withdrawn, the date it ceased to be in good standing or was withdrawn, and its current name, if its name at the time it ceased to be in good standing or was withdrawn is no longer available under Section 2008 or 2045 of Title 18 of the Oklahoma Statutes.

If the Secretary of State determines that the application contains the required information, the information is correct, all delinquent certificates or other filings are submitted, all delinquent fees are paid, and the name satisfies the requirements of Section 2008 or 2045 of Title 18 of the Oklahoma Statutes, the Secretary of State shall accept the application for reinstatement and issue a certificate of reinstatement in the manner provided in Section 2007 of Title 18 of the Oklahoma Statutes for domestic limited liability companies or Section 2044 of Title 18 of the Oklahoma Statutes for foreign limited liability companies. If the limited liability company is required to change its name because its name at the time it ceased to be in good standing or was withdrawn is no longer available, acceptance of the reinstatement shall

constitute an amendment to the domestic limited liability company's articles of organization to change its name or the adoption of a fictitious name by the foreign limited liability company, as applicable. The application for reinstatement may amend the articles of organization of the domestic limited liability company or the application for registration of the foreign limited liability company, subject in either case to the payment of the additional fee required in Section 2055 of Title 18 of the Oklahoma Statutes for amendments; provided, that the application may not extend the term of a limited liability company that had expired before the application for reinstatement. For purposes of this section, a foreign limited liability company applying for reinstatement is deemed to have done business continually in the state following the administrative withdrawal.

B. When reinstatement under this section has become effective, the reinstatement relates back to and takes effect as if the domestic limited liability company had never ceased to be in good standing and as if its articles of organization had never been canceled, or as if the foreign limited liability company's registration was never withdrawn.

C. The failure of a domestic limited liability company or foreign limited liability company to file an annual certificate and pay an annual certificate fee or a registered agent fee to the Secretary of State shall not impair the validity on any contract, deed, mortgage, security interest, lien or act of the domestic limited liability company or foreign limited liability company or prevent the domestic limited liability company or foreign limited liability company from defending any action, suit or proceeding with any court of this state.

D. All real and personal property, and all rights and interests, which belonged to the domestic limited liability company at the time its articles of organization were canceled or which were acquired by the limited liability company after cancellation, and which were not disposed of before its reinstatement, shall be vested in the limited liability company after its reinstatement as fully as they were held by the limited liability company at, and after, as the case may be, the time its articles of organization were canceled.

E. A member or manager of a domestic limited liability company or foreign limited liability company is not liable for the debts, obligations or liabilities of the domestic limited liability company or foreign limited liability company solely by reason of the failure of the domestic limited liability company or foreign limited liability company to file an annual certificate and pay an annual certificate fee or a registered agent fee to the Secretary of State or by reason of the domestic limited liability company ceasing to be in good standing or its articles of organization being canceled or the foreign limited liability company ceasing to be duly registered.

SECTION 57. AMENDATORY 18 O.S. 2011, Section 2060, is amended to read as follows:

Section 2060.

CASES NOT PROVIDED FOR IN ACT

In any case not provided for in ~~this act~~ the Oklahoma Limited Liability Company Act, the rules of law and equity, including the rules of law and equity relating to fiduciary duties and the law merchant, shall govern.

SECTION 58. AMENDATORY 54 O.S. 2011, Section 500-210A, is amended to read as follows:

Section 500-210A.

ANNUAL CERTIFICATE FOR SECRETARY OF STATE.

(a) A limited partnership or a foreign limited partnership authorized to transact business in this state shall deliver to the Secretary of State for filing an annual certificate that states:

(1) the name of the limited partnership or foreign limited partnership;

(2) the street ~~and~~, mailing address and electronic mail address of its designated office and the name and street and mailing address of its agent for service of process in this state; and

(3) in the case of a foreign limited partnership, the state or other jurisdiction under whose law the foreign limited partnership is formed and any fictitious name adopted under subsection (a) of Section ~~79~~ 500-905A of this ~~act~~ title.

(b) Information in an annual certificate must be current as of the date the annual certificate is delivered to the Secretary of State for filing.

(c) The annual certificate is due on the anniversary date of the filing of the certificate of limited partnership or certificate of authority of a foreign limited partnership until cancellation of the certificate of limited partnership or certificate of authority.

(d) The Secretary of State shall, at least sixty (60) days before the anniversary date of each year, cause ~~to be mailed~~ a notice of the annual certificate to be sent to each domestic limited partnership and each foreign limited partnership required to comply with the provisions of this section to the last known ~~office~~ electronic mail address of record with the Secretary of State.

SECTION 59. This act shall become effective November 1, 2017.

Passed the Senate the 16th day of May, 2017.

_____
Presiding Officer of the Senate

Passed the House of Representatives the 27th day of April, 2017.

_____
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: _____