

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL NO. 1799

By: Marlatt of the Senate

and

Echols of the House

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9 COMMITTEE SUBSTITUTE

10 An Act relating to derivative actions; amending 18  
11 O.S. 2011, Sections 1126 and 2053, which relate to  
12 derivative actions; authorizing award of certain  
13 expenses and fees; updating language; making language  
14 gender-neutral; modifying requirements for award of  
15 certain expenses and fees; and providing an effective  
16 date.

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

18 SECTION 1. AMENDATORY 18 O.S. 2011, Section 1126, is  
19 amended to read as follows:

Section 1126.

SHAREHOLDER'S DERIVATIVE ACTION; ALLEGATION OF STOCK OWNERSHIP

21 A. In any derivative suit instituted by a shareholder of a  
22 corporation, it shall be averred in the petition that the plaintiff  
23 was a shareholder of the corporation at the time of the transaction  
24

1 of which ~~he~~ the plaintiff complains or that ~~his~~ the plaintiff's  
2 stock thereafter devolved upon him or her by operation of law.

3 B. If a derivative action is successful, in whole or in part,  
4 or if anything is received by the plaintiff as a result of a  
5 compromise or settlement of an action or claim, the court may award  
6 the plaintiff reasonable expenses, including reasonable attorney  
7 fees, and shall direct the plaintiff to remit to the corporation the  
8 remainder of those proceeds received.

9 C. In any action instituted in the right of any domestic or  
10 foreign corporation by one or more shareholders thereof, the court  
11 having jurisdiction, upon final judgment, may require the non-  
12 prevailing party or parties to pay the prevailing party or parties  
13 the reasonable expenses, including attorney fees, taxable as costs,  
14 incurred by them in the defense of such action.

15 SECTION 2. AMENDATORY 18 O.S. 2011, Section 2053, is  
16 amended to read as follows:

17 Section 2053. A. If a derivative action is successful, in  
18 whole or in part, or if anything is received by the plaintiff as a  
19 result of a ~~judgment,~~ compromise or settlement of an action or  
20 claim, the court may award the plaintiff reasonable expenses,  
21 including reasonable ~~attorneys'~~ attorney fees, and shall direct ~~him~~  
22 the plaintiff to remit to the limited liability company the  
23 remainder of those proceeds received ~~by him~~.

24

1 B. In any action ~~hereafter~~ instituted in the right of any  
2 domestic or foreign limited liability company by a member or members  
3 thereof, the court having jurisdiction, upon final judgment ~~and a~~  
4 ~~finding that the action was brought without reasonable cause,~~ may  
5 require the ~~plaintiff or plaintiffs to pay to the parties named as~~  
6 ~~defendants~~ non-prevailing party or parties to pay the prevailing  
7 party or parties the reasonable expenses, including ~~attorneys'~~  
8 attorney fees, incurred by them in the defense of such action.

9 SECTION 3. This act shall become effective November 1, 2014.

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