

An Act

ENROLLED SENATE
BILL NO. 1799

By: Marlatt of the Senate

and

Echols of the House

An Act relating to derivative actions; amending 18 O.S. 2011, Section 1126, which relates to derivative actions; making language gender-neutral; authorizing award of certain costs and fees; requiring nonprevailing party to pay expenses incurred by prevailing party; and providing an effective date.

SUBJECT: Derivative actions

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

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

Section 1126.

SHAREHOLDER'S DERIVATIVE ACTION; ALLEGATION OF STOCK OWNERSHIP

A. In any derivative suit instituted by a shareholder of a corporation, it shall be averred in the petition that the plaintiff was a shareholder of the corporation at the time of the transaction of which ~~he~~ the plaintiff complains or that ~~his~~ the plaintiff's stock thereafter devolved upon him or her by operation of law.

B. If a derivative action confers a substantial benefit upon the corporation as a result of a compromise or settlement of an action or claim, the court may award the plaintiff reasonable costs,

including reasonable attorney fees, and shall direct the plaintiff to remit to the corporation the remainder of all proceeds received.

C. In any derivative action instituted by a shareholder of a domestic or foreign corporation, the court having jurisdiction, upon final judgment, shall require the nonprevailing party or parties to pay the prevailing party or parties the reasonable expenses, including attorney fees, taxable as costs, incurred as a result of such action.

SECTION 2. This act shall become effective November 1, 2014.

Passed the Senate the 19th day of May, 2014.

Presiding Officer of the Senate

Passed the House of Representatives the 23rd day of April, 2014.

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: _____