

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

SENATE BILL 1362

By: Montgomery

AS INTRODUCED

An Act relating to corporations; amending 18 O.S. 2021, Sections 803, 809, 1006, 1012, 1014, 1014.3, 1022, 1025, 1027, 1031, 1041, 1057, 1058, 1073, 1075.2, 1081, and 1090.5, which relate to professional entities, formation of corporations, registered agents, directors and officers, stocks, shareholder voting rights, consent of shareholders, electronic notice, mergers, and conversions; modifying definition; prohibiting interest holding by certain entities; stating effect of amendment of certain provisions; modifying requirements for certain consent; modifying procedures for adoption of emergency bylaws; authorizing directors to take certain action in emergency conditions; modifying procedures for document signature and delivery; deleting certain exception; clarifying applicability of certain provisions; authorizing certain entities to serve as registered agent; removing requirement for certain certificate issued by the Secretary of State; establishing procedures for certain consents; authorizing indemnification of certain persons; prohibiting certain rights for certain capital stock; modifying procedures for proxy authorization; modifying requirements for fixing date for certain determination; modifying certain delivery requirements; clarifying certain consent requirements; modifying requirements for electronic notice; defining terms; prohibiting electronic notice under certain circumstances; clarifying applicability of certain provisions; modifying requirements for allowing merger without shareholder vote; modifying requirements for certificate of conversion; making language gender neutral; clarifying language; updating statutory reference; and providing an effective date.

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

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

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

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

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

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

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

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

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

5 a. a physician, surgeon or doctor of medicine pursuant to
6 a license under Sections 481 through 524 of Title 59
7 of the Oklahoma Statutes, and any subsequent laws
8 regulating the practice of medicine,

9 b. an osteopathic physician or surgeon pursuant to a
10 license under Sections 620 through 645 of Title 59 of
11 the Oklahoma Statutes, and any subsequent laws
12 regulating the practice of osteopathy,

13 c. a chiropractic physician pursuant to a license under
14 Sections 161.1 through 161.20 of Title 59 of the
15 Oklahoma Statutes, and any subsequent laws regulating
16 the practice of chiropractic,

17 d. a podiatric physician pursuant to a license under
18 Sections 135.1 through 160.2 of Title 59 of the
19 Oklahoma Statutes, and any subsequent laws regulating
20 the practice of podiatric medicine,

21 e. an optometrist pursuant to a license under Sections
22 581 through 606 of Title 59 of the Oklahoma Statutes,
23 and any subsequent laws regulating the practice of
24 optometry,

- 1 f. a veterinarian pursuant to a license under Sections
2 698.1 through 698.30b of Title 59 of the Oklahoma
3 Statutes, and any subsequent laws regulating the
4 practice of veterinary medicine,
- 5 g. an architect pursuant to a license under Sections 46.1
6 through 46.41 of Title 59 of the Oklahoma Statutes,
7 and any subsequent laws regulating the practice of
8 architecture,
- 9 h. an attorney pursuant to his or her authority to
10 practice law granted by the Supreme Court of the State
11 of Oklahoma,
- 12 i. a dentist pursuant to a license under Sections 328.1
13 through 328.53 of Title 59 of the Oklahoma Statutes,
14 and any subsequent laws regulating the practice of
15 dentistry,
- 16 j. a certified public accountant or a public accountant
17 pursuant to his or her authority to practice
18 accounting under Sections 15.1 through 15.38 of Title
19 59 of the Oklahoma Statutes, and any subsequent laws
20 regulating the practice of public accountancy,
- 21 k. a psychologist pursuant to a license under Sections
22 1351 through 1376 of Title 59 of the Oklahoma
23 Statutes, and any subsequent laws regulating the
24 practice of psychology,

1. a physical therapist pursuant to a license under Sections 887.1 through 887.18 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of physical therapy,
- m. a registered nurse pursuant to a license under Sections 567.1 through 567.19 of Title 59 of the Oklahoma Statutes, and any other subsequent laws regulating the practice of nursing,
- n. a professional engineer pursuant to a license under Sections 475.1 through 475.22a of Title 59 of the Oklahoma Statutes, and any subsequent laws relating to the practice of engineering,
- o. a land surveyor pursuant to a license under Sections 475.1 through 475.22a of Title 59 of the Oklahoma Statutes, and any subsequent laws relating to the practice of land surveying,
- p. an occupational therapist pursuant to Sections 888.1 through 888.15 of Title 59 of the Oklahoma Statutes and any subsequent law regulating the practice of occupational therapy,
- q. a speech pathologist or speech therapist pursuant to Sections 1601 through 1622 of Title 59 of the Oklahoma Statutes, and any subsequent law regulating the practice of speech pathology,

- 1 r. an audiologist pursuant to Sections 1601 through 1622
2 of Title 59 of the Oklahoma Statutes, and any
3 subsequent law regulating the practice of audiology,
4 s. a registered pharmacist pursuant to Sections 353
5 through 366 of Title 59 of the Oklahoma Statutes, and
6 any subsequent law regulating the practice of
7 pharmacy,
8 t. a licensed perfusionist pursuant to Sections 2051
9 through 2071 of Title 59 of the Oklahoma Statutes, and
10 any subsequent laws regulating the practice of
11 perfusionists,
12 u. a licensed professional counselor pursuant to Sections
13 1901 through 1920 of Title 59 of the Oklahoma
14 Statutes, and any subsequent law regulating the
15 practice of professional counseling,
16 v. a licensed marital and family therapist pursuant to
17 Sections 1925.1 through 1925.18 of Title 59 of the
18 Oklahoma Statutes, and any subsequent law regulating
19 the practice of marital and family therapy,
20 w. a dietitian licensed pursuant to Sections 1721 through
21 1739 of Title 59 of the Oklahoma Statutes and any
22 subsequent laws regulating the practice of dietitians,
23 x. a social worker licensed pursuant to Sections 1250
24 through 1273 of Title 59 of the Oklahoma Statutes, and

1 any subsequent laws regulating the practice of social
2 work,

3 y. a licensed alcohol and drug counselor pursuant to
4 Sections 1870 through 1885 of Title 59 of the Oklahoma
5 Statutes, and any subsequent laws regulating the
6 practice of alcohol and drug counseling,

7 z. a licensed behavioral practitioner pursuant to
8 Sections 1930 through 1949.1 of Title 59 of the
9 Oklahoma Statutes, and any subsequent laws regulating
10 the practice of behavioral health services, or

11 aa. a certified real estate appraiser licensed pursuant to
12 Sections 858-700 through 858-732 of Title 59 of the
13 Oklahoma Statutes or listed on the National Registry
14 of Appraisers by the Appraisal Subcommittee in
15 compliance with Title XI of the Financial Institutions
16 Reform, Recovery, and Enforcement Act (FIRREA) of
17 1989, and any subsequent laws regulating the practice
18 of real estate appraisal;

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

21 a. any combination of the following professionals:

22 (1) a physician, surgeon or doctor of medicine
23 pursuant to a license under Sections 481 through
24 524 of Title 59 of the Oklahoma Statutes, and any

1 subsequent laws regulating the practice of
2 medicine,

3 (2) an osteopathic physician or surgeon pursuant to a
4 license under Sections 620 through 645 of Title
5 59 of the Oklahoma Statutes, and any subsequent
6 laws relating to the practice of osteopathy,

7 (3) a dentist pursuant to a license under Sections
8 328.1 through 328.53 of Title 59 of the Oklahoma
9 Statutes, and any subsequent laws regulating the
10 practice of dentistry,

11 (4) a chiropractic physician pursuant to a license
12 under Sections 161.1 through 161.20 of Title 59
13 of the Oklahoma Statutes, and any subsequent laws
14 regulating the practice of chiropractic,

15 (5) a psychologist pursuant to a license under
16 Sections 1351 through 1376 of Title 59 of the
17 Oklahoma Statutes, and any subsequent laws
18 regulating the practice of psychology,

19 (6) an optometrist pursuant to a license under
20 Sections 581 through 606 of Title 59 of the
21 Oklahoma Statutes, and any subsequent laws
22 regulating the practice of optometry,

23 (7) a podiatric physician pursuant to a license under
24 Sections 135.1 through 160.2 of Title 59 of the

- Oklahoma Statutes, and any subsequent laws
regulating the practice of podiatric medicine,
- (8) a dietitian licensed pursuant to Sections 1721
through 1739 of Title 59 of the Oklahoma Statutes
and subsequent laws regulating the practice of
dietitians, or
- (9) an occupational therapist pursuant to Sections
888.1 through 888.15 of Title 59 of the Oklahoma
Statutes and any subsequent law regulating the
practice of occupational therapy, or

b. any combination of the following professions:

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

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

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

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

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

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

6 SECTION 2. AMENDATORY 18 O.S. 2021, Section 809, is
7 amended to read as follows:

8 Section 809. Except as provided in Section 815 of this title,
9 no person shall hold an interest in a professional entity including
10 a professional entity that owns a professional entity rendering
11 professional service, who is not duly licensed in accordance with
12 the provisions of this state's licensing laws for the profession or
13 related profession to render the same professional services or
14 related professional services as those for which the entity is
15 organized.

16 SECTION 3. AMENDATORY 18 O.S. 2021, Section 1006, is
17 amended to read as follows:

18 Section 1006.

19 CERTIFICATE OF INCORPORATION; CONTENTS

20 A. The certificate of incorporation shall set forth:

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

1 punctuation, or words or abbreviations thereof, with or without
2 punctuation, of like import of foreign countries or jurisdictions;
3 provided that such abbreviations are written in Roman characters or
4 letters, and which shall be such as to distinguish it upon the
5 records in the Office of the Secretary of State from:

- 6 a. names of other corporations, whether domestic or
7 foreign, then existing or which existed at any time
8 during the preceding three (3) years,
- 9 b. names of partnerships whether general or limited, or
10 domestic or foreign, then in good standing or
11 registered or which were in good standing or
12 registered at any time during the preceding three (3)
13 years,
- 14 c. names of limited liability companies, whether domestic
15 or foreign, then in good standing or registered or
16 which were in good standing or registered at any time
17 during the preceding three (3) years,
- 18 d. trade names or fictitious names filed with the
19 Secretary of State, or
- 20 e. corporate, limited liability company or limited
21 partnership names reserved with the Secretary of
22 State;

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

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

11 4. If the corporation is to be authorized to issue only one
12 class of stock, the total number of shares of stock which the
13 corporation shall have authority to issue and the par value of each
14 of such shares, or a statement that all such shares are to be
15 without par value. If the corporation is to be authorized to issue
16 more than one class of stock, the certificate of incorporation shall
17 set forth the total number of shares of all classes of stock which
18 the corporation shall have authority to issue and the number of
19 shares of each class, and shall specify each class the shares of
20 which are to be without par value and each class the shares of which
21 are to have par value and the par value of the shares of each such
22 class. The provisions of this paragraph shall not apply to
23 corporations which are not organized for profit and which are not to
24 have authority to issue capital stock. In the case of such

1 corporations, the fact that they are not to have authority to issue
2 capital stock shall be stated in the certificate of incorporation.
3 The provisions of this paragraph shall not apply to nonstock
4 corporations. In the case of nonstock corporations, the fact that
5 they are not authorized to issue capital stock shall be stated in
6 the certificate of incorporation. The conditions of membership, or
7 other criteria for identifying members, of nonstock corporations
8 shall likewise be stated in the certificate of incorporation or the
9 bylaws. Nonstock corporations shall have members, but the failure
10 to have members shall not affect otherwise valid corporate acts or
11 work a forfeiture or dissolution of the corporation. Nonstock
12 corporations may provide for classes or groups of members having
13 relative rights, powers and duties, and may make provision for the
14 future creation of additional classes or groups of members having
15 such relative rights, powers and duties as may from time to time be
16 established, including rights, powers and duties senior to existing
17 classes and groups of members. Except as otherwise provided in the
18 Oklahoma General Corporation Act, nonstock corporations may also
19 provide that any member or class or group of members shall have
20 full, limited, or no voting rights or powers, including that any
21 member or class or group of members shall have the right to vote on
22 a specified transaction even if that member or class or group of
23 members does not have the right to vote for the election of members
24 of the governing body of the corporation. Voting by members of a

1 nonstock corporation may be on a per capita, number, financial
2 interest, class, group, or any other basis set forth. The
3 provisions referred to in the three preceding sentences may be set
4 forth in the certificate of incorporation or the bylaws. If neither
5 the certificate of incorporation nor the bylaws of a nonstock
6 corporation state the conditions of membership, or other criteria
7 for identifying members, the members of the corporation shall be
8 deemed to be those entitled to vote for the election of the members
9 of the governing body pursuant to the certificate of incorporation
10 or bylaws of such corporation or otherwise until thereafter
11 otherwise provided by the certificate of incorporation or the
12 bylaws;

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

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

20 7. If the corporation is not for profit:

- 21 a. that the corporation does not afford pecuniary gain,
22 incidentally or otherwise, to its members as such,
- 23 b. the name and mailing address of each member of the
24 governing body,

- c. the number of members of the governing body to be elected at the first meeting, and
- d. in the event the corporation is a church, the street address of the location of the church.

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

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

- a. that the corporation is organized exclusively for charitable, religious, educational, and scientific purposes including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code,
- b. that upon the dissolution of the corporation, its assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, for a public purpose, and
- c. that the corporation complies with the requirements in paragraph 7 of this subsection.

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

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

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

17 a. for a corporation, other than a nonstock corporation:

18 "Whenever a compromise or arrangement is proposed
19 between this corporation and its creditors or any
20 class of them and/or between this corporation and its
21 shareholders or any class of them, any court of
22 equitable jurisdiction within ~~the State of Oklahoma~~
23 this state, on the application in a summary way of
24 this corporation or of any creditor or shareholder
25

1 thereof or on the application of any receiver or
2 receivers appointed for this corporation under the
3 provisions of Section 1106 of this title or on the
4 application of trustees in dissolution or of any
5 receiver or receivers appointed for this corporation
6 under the provisions of Section 1100 of this title,
7 may order a meeting of the creditors or class of
8 creditors, and/or of the shareholders or class of
9 shareholders of this corporation, as the case may be,
10 to be summoned in such manner as the court directs.
11 If a majority in number representing three-fourths
12 (3/4) in value of the creditors or class of creditors,
13 and/or of the shareholders or class of shareholders of
14 this corporation, as the case may be, agree to any
15 compromise or arrangement and to any reorganization of
16 this corporation as a consequence of such compromise
17 or arrangement, the compromise or arrangement and the
18 reorganization, if sanctioned by the court to which
19 the application has been made, shall be binding on all
20 the creditors or class of creditors, and/or on all the
21 shareholders or class of shareholders, of this
22 corporation, as the case may be, and also on this
23 corporation", and

24 b. for a nonstock corporation:

1 "Whenever a compromise or arrangement is proposed
2 between this corporation and its creditors or any
3 class of them and/or between this corporation and its
4 members or any class of them, any court of equitable
5 jurisdiction within ~~the State of Oklahoma~~ this state
6 may, on the application in a summary way of this
7 corporation or of any creditor or member thereof or on
8 the application of any receiver or receivers appointed
9 for this corporation under the provisions of Section
10 1106 of this title or on the application of trustees
11 in dissolution or of any receiver or receivers
12 appointed for this corporation under the provisions of
13 Section 1100 of this title, order a meeting of the
14 creditors or class of creditors, and/or of the members
15 or class of members of this corporation, as the case
16 may be, to be summoned in such manner as the court
17 directs. If a majority in number representing three-
18 fourths (3/4) in value of the creditors or class of
19 creditors, and/or of the members or class of members
20 of this corporation, as the case may be, agree to any
21 compromise or arrangement and to any reorganization of
22 this corporation as a consequence of such compromise
23 or arrangement, the compromise or arrangement and the
24 reorganization, if sanctioned by the court to which

1 the application has been made, shall be binding on all
2 the creditors or class of creditors, and/or on all the
3 members or class of members, of this corporation, as
4 the case may be, and also on this corporation”;

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

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

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

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

7 7. A provision eliminating or limiting the personal liability
8 of a director to the corporation or its shareholders for monetary
9 damages for breach of fiduciary duty as a director, provided that
10 such provision shall not eliminate or limit the liability of a
11 director:

- 12 a. for any breach of the director's duty of loyalty to
13 the corporation or its shareholders,
- 14 b. for acts or omissions not in good faith or which
15 involve intentional misconduct or a knowing violation
16 of law,
- 17 c. under Section 1053 of this title, or
- 18 d. for any transaction from which the director derived an
19 improper personal benefit.

20 No such provision shall eliminate or limit the liability of a
21 director for any act or omission occurring before the date when such
22 provision becomes effective. An amendment, repeal, or elimination
23 of such a provision shall not affect its application with respect to
24 an act or omission by a director occurring before the amendment,

1 repeal, or elimination unless the provision provides otherwise at
2 the time of the act or omission. All references in this paragraph
3 to a director shall also be deemed to refer to such other person or
4 persons, if any, who, pursuant to a provision of the certificate of
5 incorporation in accordance with subsection A of Section 1027 of
6 this title, exercise or perform any of the powers or duties
7 otherwise conferred or imposed upon the board of directors pursuant
8 to this title.

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

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

1 SECTION 4. AMENDATORY 18 O.S. 2021, Section 1012, is

2 amended to read as follows:

3 Section 1012.

4 ORGANIZATION MEETING OF INCORPORATORS OR DIRECTORS NAMED IN
5 CERTIFICATE OF INCORPORATION

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

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

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

19 D. If any incorporator is not available to act, then any person
20 for whom or on whose behalf the incorporator was acting directly or
21 indirectly as employee or agent may take any action that such
22 incorporator would have been authorized to take under this section
23 or Section 1011 of this title; provided, that any instrument signed
24 by such other person, or any record of the proceedings of a meeting

1 in which such person participated, shall state that such
2 incorporator is not available and the reason therefor, that such
3 incorporator was acting directly or indirectly as employee or agent
4 for or on behalf of such person, and that such person's signature on
5 such instrument or participation in such meeting is otherwise
6 authorized and not wrongful.

7 SECTION 5. AMENDATORY 18 O.S. 2021, Section 1014, is
8 amended to read as follows:

9 Section 1014.

10 EMERGENCY BYLAWS AND OTHER POWERS IN EMERGENCY

11 A. The board of directors of any corporation may adopt
12 emergency bylaws, subject to repeal or change by action of the
13 shareholders, which, notwithstanding any different provision in the
14 Oklahoma General Corporation Act, in the certificate of
15 incorporation, or bylaws, shall be operative during any emergency
16 resulting from an attack on the United States or on a locality in
17 which the corporation conducts its business or customarily holds
18 meetings of its board of directors or its shareholders, or during
19 any nuclear or atomic disaster, or during the existence of any
20 catastrophe, including but not limited to an epidemic or pandemic,
21 and a declaration of a national emergency by the government of the
22 United States, or other similar emergency condition, ~~as a result of~~
23 ~~which~~ irrespective of whether a quorum of the board of directors or
24 a standing committee thereof ~~cannot~~ can readily be convened for

1 action. The emergency bylaws contemplated by this section may be
2 adopted by the board of directors or, if a quorum cannot be readily
3 convened for a meeting, by a majority of the directors present. The
4 emergency bylaws may make any provision that may be practical and
5 necessary for the circumstances of the emergency, including
6 provisions that:

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

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

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

21 B. The board of directors, either before or during any such
22 emergency, may provide, and from time to time modify, lines of
23 succession in the event that during such emergency any or all
24

1 officers or agents of the corporation shall for any reason be
2 rendered incapable of discharging their duties.

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

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

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

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

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

23 H. Nothing contained in this section shall be deemed exclusive
24 of any other provisions for emergency powers consistent with other

1 sections of this act which have been or may be adopted by
2 corporations created pursuant to the provisions of this act.

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

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

13 a. to postpone any such meeting to a later time or date
14 with the record date for determining the shareholders
15 entitled to notice of, and to vote at, such meeting
16 applying to the postponed meeting irrespective of
17 Section 1058 of this title, and

18 b. with respect to a corporation subject to the reporting
19 requirements of Section 13(a) or Section 15(d) of the
20 Securities Exchange Act of 1934, as amended, and the
21 rules and regulations promulgated thereunder, to
22 notify shareholders of any postponement or a change of
23 the place of the meeting or a change to hold the
24 meeting solely by means of remote communication solely

1 by a document publicly filed by the corporation with
2 the Securities and Exchange Commission pursuant to
3 Sections 13, 14, or 15(d) of such Act and such rules
4 and regulations; and

5 2. With respect to any dividend that has been declared as to
6 which the record date has not occurred, change each of the record
7 date and payment date to a later date or dates if the payment date
8 as so changed is not more than 60 days after the record date as so
9 changed; provided that, in either case, the corporation gives notice
10 of the change to shareholders as promptly as practicable thereafter
11 and in any event before the record date theretofore in effect, which
12 notice, in the case of a corporation subject to the reporting
13 requirements of Section 13(a) or Section 15(d) of the Securities
14 Exchange Act of 1934, as amended, and the rules and regulations
15 promulgated thereunder, may be given solely by a document publicly
16 filed with the Securities and Exchange Commission pursuant to
17 Section 13, Section 14, or Section 15(d) of the Securities Exchange
18 Act of 1934, as amended, and the rules and regulations. No person
19 shall be liable, and no meeting of shareholders shall be postponed
20 or voided, for the failure to make a share list available pursuant
21 to Section 1064 of this title if it was not practicable to allow
22 inspection during any emergency condition.

23 SECTION 6. AMENDATORY 18 O.S. 2021, Section 1014.3, is
24 amended to read as follows:

1 Section 1014.3.

2 DOCUMENT FORM, SIGNATURE AND DELIVERY

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

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

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

22 3. Unless otherwise agreed between the sender and recipient and
23 in the case of proxies or consents given by or on behalf of a
24 shareholder, subject to the additional requirements set forth in

1 paragraph 2 and 3 of subsection C of Section 1057 and paragraph 1 of
2 subsection C of Section 1073, respectively, of this title, an
3 electronic transmission shall be deemed delivered to a person for
4 purposes of this title and the certificate of incorporation and
5 bylaws when it enters an information processing system that the
6 person has designated for the purpose of receiving electronic
7 transmissions of the type delivered, so long as the electronic
8 transmission is in a form capable of being processed by that system
9 and such person is able to retrieve the electronic transmission.
10 Whether a person has so designated an information processing system
11 is determined by the certificate of incorporation, the bylaws or
12 from the context and surrounding circumstances including the
13 parties' conduct. An electronic transmission is delivered under
14 this section even if no person is aware of its receipt. Receipt of
15 an electronic acknowledgement from an information processing system
16 establishes that an electronic transmission was received but, by
17 itself, does not establish that the content sent corresponds to the
18 content received.

19 ~~This act~~ Section 1001 et seq. of this title shall not prohibit
20 one or more persons from conducting a transaction in accordance with
21 the Uniform Electronic Transaction Act so long as the part or parts
22 of the transaction that are governed by ~~this act~~ Section 1001 et
23 seq. of this title are documented, signed and delivered in
24 accordance with this subsection or otherwise in accordance with ~~this~~

1 ~~act~~ Section 1001 et seq. of this title. This subsection shall apply
2 solely for purposes of determining whether an act or transaction has
3 been documented, and the document has been signed and delivered, in
4 accordance with ~~this act~~ Section 1001 et seq. of this title, the
5 certificate of incorporation and the bylaws.

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

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

9 2. A document comprising part of the stock ledger;

10 3. A certificate representing a security;

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

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

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

18 ~~7.~~ 6. An act or transaction effected pursuant to Section
19 1100.1 of Title 18 of the Oklahoma Statutes.

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

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

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

14 SECTION 7. AMENDATORY 18 O.S. 2021, Section 1022, is
15 amended to read as follows:

16 Section 1022.

17 REGISTERED AGENT IN STATE; RESIDENT AGENT

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

- 20 1. The domestic corporation itself;
- 21 2. An individual resident of this state;
- 22 3. A domestic corporation, a domestic partnership whether
23 general or limited and including a limited liability partnership or
24

1 a limited liability limited partnership or a domestic limited
2 liability company; or

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

8 B. Every foreign corporation transacting business in this state
9 shall have and maintain the Secretary of State as its registered
10 agent in this state. In addition, such foreign corporation may have
11 and maintain in this state an additional registered agent, which may
12 be an individual or entity set forth in subsection A of this
13 section; provided, that the foreign corporation may not be its own
14 registered agent. If such additional registered agent is
15 designated, service of process shall be on such agent and not on the
16 Secretary of State.

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

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

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

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

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

22 E. Whenever the term "resident agent" or "resident agent in
23 charge of a corporation's principal office or place of business in
24 this state", or other term of like import which refers to a

1 corporation's agent required by statute to be located in this state,
2 is or has been used in a corporation's certificate of incorporation,
3 or in any other document, or in any statute, it shall be deemed to
4 mean and refer to, unless the context indicates otherwise, the
5 corporation's registered agent required by this section. It shall
6 not be necessary for any corporation to amend its certificate of
7 incorporation or any other document to comply with the provisions of
8 this section.

9 SECTION 8. AMENDATORY 18 O.S. 2021, Section 1025, is
10 amended to read as follows:

11 Section 1025.

12 RESIGNATION OF REGISTERED AGENT COUPLED
13 WITH APPOINTMENT OF SUCCESSOR

14 The registered agent of one or more corporations may resign and
15 appoint a successor registered agent by filing in the name of each
16 affected corporation a certificate with the Secretary of State
17 stating the name and address of the successor agent, in accordance
18 with the provisions of paragraph 2 of subsection A of Section 1006
19 of this title. There shall be attached to the certificate a
20 statement of the affected corporation ratifying and approving such
21 change of registered agent. The statement shall be executed and
22 acknowledged in accordance with the provisions of Section 1007 of
23 this title. Upon the filing, the successor registered agent becomes
24 the registered agent of each corporation that has ratified and

1 approved each substitution and the successor registered agent's
2 address, as stated in each certificate, becomes the address of each
3 such corporation's registered office in this state. ~~The Secretary~~
4 ~~of State shall then issue his or her certificate that the successor~~
5 ~~registered agent has become the registered agent of the corporations~~
6 ~~so ratifying and approving the change, and setting out the names of~~
7 ~~such corporations.~~

8 SECTION 9. AMENDATORY 18 O.S. 2021, Section 1027, is
9 amended to read as follows:

10 Section 1027.

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

14 A. The business and affairs of every corporation organized in
15 accordance with the provisions of the Oklahoma General Corporation
16 Act shall be managed by or under the direction of a board of
17 directors, except as may be otherwise provided for in the Oklahoma
18 General Corporation Act or in the corporation's certificate of
19 incorporation. If any provision is made in the certificate of
20 incorporation, the powers and duties conferred or imposed upon the
21 board of directors by the provisions of the Oklahoma General
22 Corporation Act shall be exercised or performed to the extent and by
23 the person or persons stated in the certificate of incorporation.
24

1 B. The board of directors of a corporation shall consist of one
2 or more members, each of whom shall be a natural person. The number
3 of directors shall be fixed by or in the manner provided for in the
4 bylaws, unless the certificate of incorporation fixes the number of
5 directors, in which case a change in the number of directors shall
6 be made only by amendment of the certificate. Directors need not be
7 shareholders unless so required by the certificate of incorporation
8 or the bylaws. The certificate of incorporation or bylaws may
9 prescribe other qualifications for directors. Each director shall
10 hold office until a successor is elected and qualified or until his
11 or her earlier resignation or removal. Any director may resign at
12 any time upon notice given in writing or by electronic transmission
13 to the corporation. A resignation is effective when the resignation
14 is delivered unless the resignation specifies a later effective date
15 or an effective date determined upon the happening of an event or
16 events. A resignation that is conditioned upon the director failing
17 to receive a specified vote for reelection as a director may provide
18 that it is irrevocable. A majority of the total number of directors
19 shall constitute a quorum for the transaction of business unless the
20 certificate of incorporation or the bylaws require a greater number.
21 Unless the certificate of incorporation provides otherwise, the
22 bylaws may provide that a number less than a majority shall
23 constitute a quorum which in no case shall be less than one-third
24 (1/3) of the total number of directors. The vote of the majority of

1 the directors present at a meeting at which a quorum is present
2 shall be the act of the board of directors unless the certificate of
3 incorporation or the bylaws shall require a vote of a greater
4 number.

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

- 22 a. approve, adopt, or recommend to the shareholders any
23 action or matter, other than the election or removal
24 of directors, expressly required by the Oklahoma

1 General Corporation Act to be submitted to
2 shareholders for approval, or

3 b. adopt, amend, or repeal any bylaw of the corporation.

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

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

1 the certificate of incorporation, the bylaws, a resolution of the
2 board of directors or a resolution of a committee that created the
3 subcommittee requires a greater number.

4 D. The directors of any corporation organized under the
5 Oklahoma General Corporation Act, by the certificate of
6 incorporation or by an initial bylaw, or by a bylaw adopted by a
7 vote of the shareholders, may be divided into one, two, or three
8 classes; the term of office of those of the first class to expire at
9 the first annual meeting held after the classification becomes
10 effective; of the second class one (1) year thereafter; of the third
11 class two (2) years thereafter; and at each annual election held
12 after the classification becomes effective, directors shall be
13 chosen for a full term, as the case may be, to succeed those whose
14 terms expire. The certificate of incorporation or bylaw provision
15 dividing the directors into classes may authorize the board of
16 directors to assign members of the board then in office to such
17 classes when the classification becomes effective. The certificate
18 of incorporation may confer upon holders of any class or series of
19 stock the right to elect one or more directors who shall serve for
20 the term, and have voting powers as shall be stated in the
21 certificate of incorporation. The terms of office and voting powers
22 of the directors elected in the manner so provided in the
23 certificate of incorporation may be greater than or less than those
24 of any other director or class of directors. In addition, the

1 certificate of incorporation may confer upon one or more directors,
2 whether or not elected separately by the holders of any class or
3 series of stock, voting powers greater than or less than those of
4 other directors. Any such provision conferring greater or lesser
5 voting power shall apply to voting in any committee, unless
6 otherwise provided in the certificate of incorporation or bylaws.
7 If the certificate of incorporation provides that directors elected
8 by the holders of a class or series of stock shall have more or less
9 than one vote per director on any matter, every reference in the
10 Oklahoma General Corporation Act to a majority or other proportion
11 of directors shall refer to a majority or other proportion of the
12 votes of the directors.

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

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

1 1. Any action required or permitted to be taken at any meeting
2 of the board of directors, or of any committee thereof may be taken
3 without a meeting if all members of the board or committee, as the
4 case may be, consent thereto in writing or by electronic
5 transmission, and ~~the writing or writings or electronic transmission~~
6 ~~or transmissions are filed with the minutes of proceedings of the~~
7 ~~board or committee; and the filing shall be in paper form if the~~
8 ~~minutes are maintained in paper form and shall be in electronic form~~
9 ~~if the minutes are maintained in electronic form; and any a consent~~
10 may be documented, signed, and delivered in any manner permitted by
11 Section 1014.3 of this title. Any person whether or not then a
12 director may provide, whether through instruction to an agent or
13 otherwise, that a consent to action will be effective at a future
14 time (including a time determined upon the happening of an event),
15 no later than sixty (60) days after such instruction is given or
16 such provision is made and such consent shall be deemed to have been
17 given for purposes of this subsection at such effective time so long
18 as such person is then a director and did not revoke the consent
19 prior to such time; and any such consent shall be revocable prior to
20 its becoming effective. After an action is taken, the consent or
21 consents relating thereto shall be filed with the minutes of the
22 proceedings of the board of directors, or the committee thereof, in
23 the same paper or electronic form as the minutes are maintained;
24

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

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

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

14 G. 1. The certificate of incorporation or bylaws of any
15 nonstock corporation may provide that less than one-third (1/3) of
16 the members of the governing body may constitute a quorum thereof
17 and may otherwise provide that the business and affairs of the
18 corporation shall be managed in a manner different from that
19 provided for in this section, which differences may include
20 additional classes of directors, longer terms of service, the use of
21 less than unanimous consents for board action, and permitting the
22 Chair of the Board of Directors to designate committees and appoint
23 members.
24

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

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

- 14 a. unless the certificate of incorporation otherwise
15 provides, in the case of a corporation whose board is
16 classified as provided for in subsection D of this
17 section, shareholders may effect such removal only for
18 cause, or
- 19 b. in the case of a corporation having cumulative voting,
20 if less than the entire board is to be removed, no
21 director may be removed without cause if the votes
22 cast against the director's removal would be
23 sufficient to elect the director if then cumulatively
24 voted at an election of the entire board of directors,

1 or, if there are classes of directors, at an election
2 of the class of directors of which the director is a
3 part.

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

11 SECTION 10. AMENDATORY 18 O.S. 2021, Section 1031, is
12 amended to read as follows:

13 Section 1031.

14 INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS;
15 INSURANCE

16 A. A corporation shall have power to indemnify any person who
17 was or is a party or is threatened to be made a party to any
18 threatened, pending, or completed action, suit, or proceeding,
19 whether civil, criminal, administrative, or investigative, other
20 than an action by or in the right of the corporation, by reason of
21 the fact that the person is or was a director, officer, employee, or
22 agent of the corporation, or is or was serving at the request of the
23 corporation as a director, officer, employee, or agent of another
24 corporation, partnership, joint venture, trust, or other enterprise,

1 against expenses, including attorney fees, judgments, fines, and
2 amounts paid in settlement actually and reasonably incurred by the
3 person in connection with the action, suit, or proceeding if the
4 person acted in good faith and in a manner the person reasonably
5 believed to be in or not opposed to the best interests of the
6 corporation, and, with respect to any criminal action or proceeding,
7 had no reasonable cause to believe the conduct was unlawful. The
8 termination of any action, suit, or proceeding by judgment, order,
9 settlement, conviction, or upon a plea of nolo contendere or its
10 equivalent, shall not, of itself, create a presumption that the
11 person did not act in good faith and in a manner which the person
12 reasonably believed to be in or not opposed to the best interests of
13 the corporation, and, with respect to any criminal action or
14 proceeding, had reasonable cause to believe that the conduct was
15 unlawful.

16 B. A corporation shall have the power to indemnify any person
17 who was or is a party or is threatened to be made a party to any
18 threatened, pending, or completed action or suit by or in the right
19 of the corporation to procure a judgment in its favor by reason of
20 the fact that the person is or was a director, officer, employee, or
21 agent of the corporation, or is or was serving at the request of the
22 corporation as a director, officer, employee, or agent of another
23 corporation, partnership, joint venture, trust, or other enterprise
24 against expenses, including attorney fees, actually and reasonably

1 incurred by the person in connection with the defense or settlement
2 of an action or suit if the person acted in good faith and in a
3 manner the person reasonably believed to be in or not opposed to the
4 best interests of the corporation and except that no indemnification
5 shall be made in respect of any claim, issue, or matter as to which
6 the person shall have been adjudged to be liable to the corporation
7 unless and only to the extent that the court in which the action or
8 suit was brought shall determine upon application that, despite the
9 adjudication of liability but in view of all the circumstances of
10 the case, the person is fairly and reasonably entitled to indemnity
11 for expenses which the court shall deem proper.

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

19 2. The corporation may indemnify any other person who is not a
20 present or former director or officer of the corporation against
21 expenses including attorney fees, actually and reasonably incurred
22 by such person to the extent he or she has been successful on the
23 merits or otherwise in defense of any action, suit, or proceeding
24

1 referred to in subsections A and B of this section, or in defense of
2 any claim, issue, or matter therein.

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

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

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

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

18 4. By the shareholders.

19 E. Expenses including attorney fees incurred by an officer or
20 director in defending a civil, criminal, administrative or
21 investigative action, suit, or proceeding may be paid by the
22 corporation in advance of the final disposition of the action, suit,
23 or proceeding upon receipt of an undertaking by or on behalf of the
24 director or officer to repay the amount if it shall ultimately be

1 determined that the person is not entitled to be indemnified by the
2 corporation as authorized by the provisions of this section.

3 Expenses including attorney fees incurred by former directors or
4 officers or other employees and agents or persons serving at the
5 request of the corporation as directors, officers, employees or
6 agents of another corporation, partnership, joint venture, trust or
7 other enterprise may be paid upon the terms and conditions, if any,
8 as the corporation deems appropriate.

9 F. The indemnification and advancement of expenses provided by
10 or granted pursuant to the other subsections of this section shall
11 not be deemed exclusive of any other rights to which those seeking
12 indemnification or advancement of expenses may be entitled under any
13 bylaw, agreement, vote of shareholders or disinterested directors,
14 or otherwise, both as to action in the person's official capacity
15 and as to action in another capacity while holding an office. A
16 right to indemnification or to advancement of expenses arising under
17 a provision of the certificate of incorporation or a bylaw shall not
18 be eliminated or impaired by an amendment to or repeal or
19 elimination of the certificate of incorporation or the bylaw after
20 the occurrence of the act or omission that is the subject of the
21 civil, criminal, administrative or investigative action, suit or
22 proceeding for which indemnification or advancement of expenses is
23 sought, unless the provision in effect at the time of such act or
24

1 omission explicitly authorizes such elimination or impairment after
2 such action or omission has occurred.

3 G. A corporation shall have power to purchase and maintain
4 insurance on behalf of any person who is or was a director, officer,
5 employee, or agent of the corporation, or is or was serving at the
6 request of the corporation as a director, officer, employee, or
7 agent of another corporation, partnership, joint venture, trust, or
8 other enterprise against any liability asserted against the person
9 and incurred by the person in any such capacity, or arising out of
10 the person's status as such, whether or not the corporation would
11 have the power to indemnify the person against liability under the
12 provisions of this section.

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

1 resulting or surviving corporation as the person would have with
2 respect to the constituent corporation if its separate existence had
3 continued.

4 I. For purposes of this section, references to "other
5 enterprises" shall include, but are not limited to, employee benefit
6 plans; references to "fines" shall include, but are not limited to,
7 any excise taxes assessed on a person with respect to an employee
8 benefit plan; and references to "serving at the request of the
9 corporation" shall include, but are not limited to, any service as a
10 director, officer, employee, or agent of the corporation which
11 imposes duties on, or involves services, by the director, officer,
12 employee, or agent with respect to an employee benefit plan, its
13 participants, or beneficiaries; and a person who acted in good faith
14 and in a manner the person reasonably believed to be in the interest
15 of the participants and beneficiaries of an employee benefit plan
16 shall be deemed to have acted in a manner "not opposed to the best
17 interests of the corporation" as referred to in this section.

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

23 K. The district court is vested with exclusive jurisdiction to
24 hear and determine all actions for advancement of expenses or
25

1 indemnification brought under this section or under any bylaw,
2 agreement, vote of shareholders or disinterested directors, or
3 otherwise. The court may summarily determine a corporation's
4 obligation to advance expenses including attorney fees.

5 SECTION 11. AMENDATORY 18 O.S. 2021, Section 1041, is
6 amended to read as follows:

7 Section 1041.

8 CORPORATION'S POWERS RESPECTING OWNERSHIP, VOTING, ETC. OF
9 ITS OWN STOCK; RIGHTS OF STOCK CALLED FOR REDEMPTION

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

14 1. Purchase or redeem its own shares of capital stock for cash
15 or other property when the capital of the corporation is impaired or
16 when the purchase or redemption would cause any impairment of the
17 capital of the corporation, except that a corporation other than a
18 nonstock corporation may purchase or redeem out of capital any of
19 its own shares which are entitled upon any distribution of its
20 assets, whether by dividend or in liquidation, to a preference over
21 another class or series of its stock, or, if no shares entitled to a
22 preference are outstanding, any of its own shares if such shares
23 will be retired upon their acquisition and the capital of the
24 corporation reduced in accordance with the provisions of Sections

1 1078 and 1079 of this title. Nothing in this subsection shall
2 invalidate or otherwise affect a note, debenture, or other
3 obligation of a corporation given by it as consideration for its
4 acquisition by purchase, redemption, or the exchange of its shares
5 of stock if at the time such note, debenture, or obligation was
6 delivered by the corporation its capital was not then impaired or
7 did not thereby become impaired;

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

11 3. a. In the case of a corporation other than a nonstock
12 corporation, redeem any of its shares unless their
13 redemption is authorized by subsection B of Section
14 1032 of this title and then only in accordance with
15 the provisions of that section and the certificate of
16 incorporation, or

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

22 B. Nothing in this section shall be construed to limit or
23 affect a corporation's right to resell any of its shares theretofore
24 purchased or redeemed out of surplus and which have not been
25

1 retired, for consideration fixed by the board of directors or by the
2 shareholders if the certificate of incorporation so provides.

3 C. Shares of ~~its own~~ a corporation's capital stock ~~belonging to~~
4 shall neither be entitled to vote nor be counted for quorum purposes
5 if the shares belong to (1) the corporation, ~~or to~~ (2) another
6 corporation, if a majority of the shares entitled to vote in the
7 election of directors of the other corporation is held, directly or
8 indirectly, ~~by the corporation, shall neither be entitled to vote~~
9 ~~nor be counted for quorum purposes~~ or (3) any other entity, if a
10 majority of the voting power of such other entity is held, directly
11 or indirectly, by the corporation or if such other entity is
12 otherwise controlled, directly or indirectly, by the corporation.

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

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

1 SECTION 12. AMENDATORY 18 O.S. 2021, Section 1057, is
2 amended to read as follows:

3 Section 1057.

4 VOTING RIGHTS OF SHAREHOLDERS; PROXIES; LIMITATIONS

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

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

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

1 1. A shareholder, or such shareholder's authorized officer,
2 director, employee, or agent, may execute a writing authorizing
3 another person or persons to act for him or her as proxy. ~~Execution~~
4 ~~may be accomplished by the shareholder or the shareholder's~~
5 ~~authorized officer, director, employee, or agent signing the writing~~
6 ~~or causing his or her signature to be affixed to the writing by any~~
7 ~~reasonable means including, but not limited to, by facsimile~~
8 ~~signature.~~

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

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

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

14 E. A duly executed proxy shall be irrevocable if it states that
15 it is irrevocable and if, and only as long as, it is coupled with an
16 interest sufficient in law to support an irrevocable power. A proxy
17 may be made irrevocable regardless of whether the interest with
18 which it is coupled is an interest in the stock itself or an
19 interest in the corporation generally.

20 SECTION 13. AMENDATORY 18 O.S. 2021, Section 1058, is
21 amended to read as follows:

22 Section 1058.

23 FIXING DATE FOR DETERMINATION OF SHAREHOLDERS OF RECORD
24
25

1 A. In order that the corporation may determine the shareholders
2 entitled to notice of or to vote at any meeting of shareholders or
3 any adjournment thereof, the board of directors may fix a record
4 date, which record date shall not precede the date upon which the
5 resolution fixing the record date is adopted by the board of
6 directors, and which record date shall not be more than sixty (60)
7 nor less than ten (10) days before the date of such meeting. If the
8 board of directors so fixes a date, such date shall also be the
9 record date for determining the shareholders entitled to vote at
10 such meeting unless the board of directors determines, at the time
11 it fixes such record date, that a later date on or before the date
12 of the meeting shall be the date for making such determination. If
13 no record date is fixed by the board of directors, the record date
14 for determining shareholders entitled to notice of or to vote at a
15 meeting of shareholders shall be at the close of business on the day
16 next preceding the day on which notice is given, or, if notice is
17 waived, at the close of business on the day next preceding the day
18 on which the meeting is held. A determination of shareholders of
19 record entitled to notice of or to vote at a meeting of shareholders
20 shall apply to any adjournment of the meeting; provided, however,
21 that the board of directors may fix a new record date for the
22 adjourned meeting and in such case shall also fix as the record date
23 for shareholders entitled to notice of such adjourned meeting the
24 same or an earlier date as that fixed for determination of

1 shareholders entitled to vote in accordance with the foregoing
2 provisions of this section at the adjourned meeting.

3 B. ~~1.~~ In order that the corporation may determine the
4 shareholders entitled to consent to corporate action ~~in writing~~
5 without a meeting in accordance with Section 1073 of this title, the
6 board of directors may fix a record date, which record date shall
7 not precede the date upon which the resolution fixing the record
8 date is adopted by the board of directors, and which date shall not
9 be more than ten (10) days after the date upon which the resolution
10 fixing the record date is adopted by the board of directors. If no
11 record date has been fixed by the board of directors, the record
12 date for determining shareholders entitled to consent to corporate
13 action ~~in writing~~ without a meeting, when no prior action by the
14 board of directors is required by the Oklahoma General Corporation
15 Act, shall be the first date on which a signed ~~written~~ consent
16 setting forth the action taken or proposed to be taken is delivered
17 to the corporation ~~by delivery to its registered office in this~~
18 ~~state, its principal place of business, or an officer or agent of~~
19 ~~the corporation having custody of the book in which proceedings of~~
20 ~~meetings of shareholders are recorded. Delivery made to a~~
21 ~~corporation's registered office shall be by hand or by certified or~~
22 ~~registered mail, return receipt requested~~ in accordance with
23 subsection D of Section 1073 of this title. If no record date has
24 been fixed by the board of directors and prior action by the board

1 of directors is required by the Oklahoma General Corporation Act,
2 the record date for determining shareholders entitled to consent to
3 corporate action in writing without a meeting shall be at the close
4 of business on the day on which the board of directors adopts the
5 resolution taking such prior action.

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

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

22 SECTION 14. AMENDATORY 18 O.S. 2021, Section 1073, is
23 amended to read as follows:

24 Section 1073.

1 CONSENT OF SHAREHOLDERS IN LIEU OF MEETING

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

19 B. Unless otherwise provided for in the certificate of
20 incorporation, any action required by the provisions of the Oklahoma
21 General Corporation Act to be taken at a meeting of the members of a
22 nonstock corporation, or any action which may be taken at any
23 meeting of the members of a nonstock corporation, may be taken
24 without a meeting, without prior notice and without a vote, if a

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

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

20 a. ~~that the electronic transmission was transmitted by~~
21 ~~the shareholder, member or proxyholder or by a person~~
22 ~~or persons authorized to act for the shareholder,~~
23 ~~member or proxyholder, and~~ to the principal place of
24 business of the corporation,

1 b. ~~the date on which the shareholder, member or~~
2 ~~proxyholder or authorized person or persons~~
3 ~~transmitted the electronic transmission~~ to an officer
4 or agent of the corporation having custody of the book
5 in which proceedings of meetings of shareholders or
6 members are recorded,

7 c. to the registered office of the corporation in this
8 state by hand or by certified or registered mail,
9 return receipt requested, or

10 d. in accordance with Section 1014.3 of this title to an
11 information processing system, if any, designated by
12 the corporation for receiving such consents. Consent
13 delivered pursuant to this subparagraph must set forth
14 or be delivered with information that enables the
15 corporation to determine the date of delivery of such
16 consent and the identity of the person giving such
17 consent and, if such consent is given by a person
18 authorized to act for a shareholder or member as
19 proxy, such consent must comply with the applicable
20 provisions of paragraphs 2 and 3 of subsection C of
21 Section 1075.2 of this title.

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

- 1 ~~a. when the consent enters an information processing~~
2 ~~system, if any, designated by the corporation for~~
3 ~~receiving consents, so long as the electronic~~
4 ~~transmission is in a form capable of being processed~~
5 ~~by that system and the corporation is able to retrieve~~
6 ~~that electronic transmission,~~
- 7 ~~b. when a paper reproduction of the consent is delivered~~
8 ~~to the corporation's principal place of business or an~~
9 ~~officer or agent of the corporation having custody of~~
10 ~~the book in which proceedings of meetings of~~
11 ~~stockholders or members are recorded,~~
- 12 ~~c. when a paper reproduction of the consent is delivered~~
13 ~~to the corporation's registered office in this state~~
14 ~~by hand or by certified or registered mail, return~~
15 ~~receipt requested, or~~
- 16 ~~d. when delivered in such other manner, if any, provided~~
17 ~~by resolution of the board of directors or governing~~
18 ~~body of the corporation.~~

19 ~~Whether the corporation has so designated an information processing~~
20 ~~system to receive consents is determined by the certificate of~~
21 ~~incorporation, the bylaws or from the context and surrounding~~
22 ~~circumstances including the conduct of the corporation. A consent~~
23 ~~given by electronic transmission is delivered under this section~~
24 ~~even if no person is aware of its receipt. Receipt of an electronic~~

1 ~~acknowledgement from an information processing system establishes~~
2 ~~that a consent given by electronic transmission was received but, by~~
3 ~~itself, does not establish that the content sent corresponds to the~~
4 ~~content received.~~

5 ~~3. Any copy, facsimile or other reliable reproduction of a~~
6 ~~consent in writing may be substituted or used in lieu of the~~
7 ~~original writing for any and all purposes for which the original~~
8 ~~writing could be used; provided that the copy, facsimile or other~~
9 ~~reliable reproduction shall be a complete reproduction of the entire~~
10 ~~original writing~~ Any copy, facsimile, or other reliable reproduction
11 of a consent in writing may be substituted or used in lieu of the
12 original writing for any and all purposes for which the original
13 writing could be used, provided that such copy, facsimile, or other
14 reproduction shall be a complete reproduction of the entire original
15 writing. A consent may be documented and signed in accordance with
16 Section 1014.3 of this title, and when so documented or signed shall
17 be deemed to be in writing for purposes of this title; provided that
18 if such consent is delivered pursuant to subparagraph a, b, or c of
19 paragraph 1 of this subsection, such consent must be reproduced and
20 delivered in paper form.

21 D. A consent must be set forth in writing or in an electronic
22 transmission. No ~~written~~ consent shall be effective to take the
23 corporate action referred to therein unless written consents signed
24 by a sufficient number of holders or members to take action are

1 delivered to the corporation in the manner required by this section
2 within sixty (60) days of the first date on which a written consent
3 is so delivered to the corporation. Any person executing a consent
4 may provide, whether through instruction to an agent or otherwise,
5 that such a consent will be effective at a future time including a
6 time determined upon the happening of an event, no later than sixty
7 (60) days after such instruction is given or such provision is made
8 if evidence of such instruction or provision is provided to the
9 corporation. Unless otherwise provided, any such consent shall be
10 revocable prior to its becoming effective. All references to a
11 consent in this section mean a consent permitted by this section.

12 E. Prompt notice of the taking of the corporate action without
13 a meeting by less than unanimous ~~written~~ consent shall be given to
14 those shareholders or members, as the case may be, who have not
15 consented ~~in writing~~ and who, if the action had been taken at a
16 meeting, would have been entitled to notice of the meeting if the
17 record date for notice of the meeting had been the date that ~~written~~
18 consents signed by a sufficient number of shareholders or members to
19 take the action were delivered to the corporation as provided in
20 this section. In the event that the action for which consent is
21 given is an action that would have required the filing of a
22 certificate under any other section of this title if the action had
23 been voted on by shareholders or by members at a meeting thereof the
24 certificate filed under the other section shall state, in lieu of

1 any statement required by the section concerning any vote of
2 shareholders or members, that written consent has been given in
3 accordance with the provisions of this section.

4 SECTION 15. AMENDATORY 18 O.S. 2021, Section 1075.2, is
5 amended to read as follows:

6 Section 1075.2.

7 ELECTRONIC NOTICE; EFFECTIVENESS; REVOCATION OF CONSENT

8 A. Without limiting the manner of which notice otherwise may be
9 given effectively to shareholders, any notice to shareholders given
10 by the corporation under any provision of the Oklahoma General
11 Corporation Act, the certificate of incorporation, or the bylaws
12 ~~shall be effective if given by a form of electronic transmission~~
13 ~~consented to by the shareholder to whom the notice is given. The~~
14 ~~consent shall be revocable by the shareholder by written notice to~~
15 ~~the corporation. The consent shall be deemed revoked if may be~~
16 given in writing directed to the shareholder's mailing address or by
17 electronic transmission directed to the shareholder's electronic
18 mail address, as applicable, as it appears on the records of the
19 corporation, and shall be given:

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

23 2. ~~The inability becomes known to the secretary or an assistant~~
24 ~~secretary of the corporation or to the transfer agent, or other~~
25

1 ~~person responsible for the giving of notice; provided, however, the~~
2 ~~inadvertent failure to treat the inability as a revocation shall not~~
3 ~~invalidate any meeting or other action~~ If mailed, when the notice is
4 deposited in the U.S. mail, postage prepaid;

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

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

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

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

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

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

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

10 a. the posting, and

11 b. the giving of the separate notice; and

12 ~~4.~~ 3. Any other form of electronic transmission, when directed
13 to the shareholder ~~in accordance with the shareholder's consent.~~

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

19 ~~C.~~ D. For purposes of the Oklahoma General Corporation Act,
20 ~~"electronic:~~

21 1. "Electronic transmission" means any form of communication,
22 not directly involving the physical transmission of paper including
23 the use of, or participation in, one or more electronic networks or
24 databases including one or more distributed electronic networks or
25

1 databases, that creates a record that may be retained, retrieved and
2 reviewed by a recipient thereof, and that may be directly reproduced
3 in paper form by such a recipient through an automated process;

4 2. "Electronic mail" means an electronic transmission directed
5 to a unique electronic mail address, which electronic mail shall be
6 deemed to include any files attached thereto and any information
7 hyperlinked to a website if such electronic mail includes the
8 contact information of an officer or agent of the corporation who is
9 available to assist with accessing such files and information; and

10 3. "Electronic mail address" means a destination, commonly
11 expressed as a string of characters, consisting of a unique user
12 name or mailbox (commonly referred to as the "local part" of the
13 address) and a reference to an internet domain (commonly referred to
14 as the "domain part" of the address), whether or not displayed, to
15 which electronic mail can be sent or delivered.

16 E. Notwithstanding the foregoing, a notice may not be given by
17 an electronic transmission from and after the time that:

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

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

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

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

10 SECTION 16. AMENDATORY 18 O.S. 2021, Section 1081, is
11 amended to read as follows:

12 Section 1081.

13 MERGER OR CONSOLIDATION OF DOMESTIC CORPORATIONS

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

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

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

1 2. The mode of carrying the same into effect;

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

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

13 5. The manner, if any, of converting the shares of each of the
14 constituent corporations into shares or other securities of the
15 corporation surviving or resulting from the merger or consolidation,
16 or of canceling some or all of the shares, and, if any shares of any
17 of the constituent corporations are not to remain outstanding, to be
18 converted solely into shares or other securities of the surviving or
19 resulting corporation or to be canceled, the cash, property, rights,
20 or securities of any other corporation or entity which the holders
21 of the shares are to receive in exchange for or upon conversion of
22 the shares and the surrender of any certificates evidencing them,
23 which cash, property, rights or securities of any other corporation
24

1 or entity may be in addition to or in lieu of shares or other
2 securities of the surviving or resulting corporation; and

3 6. Other details or provisions as are deemed desirable,
4 including without limiting the generality of the foregoing, a
5 provision for the payment of cash in lieu of the issuance or
6 recognition of fractional shares, rights or other securities of the
7 surviving or resulting corporation or of any other corporation or
8 entity the shares, rights or other securities of which are to be
9 received in the merger or consolidation, or for any other
10 arrangement with respect thereto, consistent with the provisions of
11 Section 1036 of this title. The agreement so adopted shall be
12 executed and acknowledged in accordance with the provisions of
13 Section 1007 of this title. Any of the terms of the agreement of
14 merger or consolidation may be made dependent upon facts
15 ascertainable outside of the agreement; provided, that the manner in
16 which these facts shall operate upon the terms of the agreement is
17 clearly and expressly set forth in the agreement of merger or
18 consolidation. The term "facts" as used in this paragraph includes,
19 but is not limited to, the occurrence of any event including a
20 determination or action by any person or body including the
21 corporation.

22 C. The agreement required by the provisions of subsection B of
23 this section shall be submitted to the shareholders of each
24 constituent corporation at an annual or special meeting thereof for
25

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

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

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

7 3. The name of the surviving or resulting corporation;

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

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

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

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

1 For purposes of Sections 1084 and 1086 of this title, the term
2 "shareholder" shall be deemed to include "member".

3 D. Any agreement of merger or consolidation may contain a
4 provision that at any time prior to the time that the agreement, or
5 a certificate filed with the Secretary of State in lieu thereof,
6 becomes effective in accordance with Section 1007 of this title, the
7 agreement may be terminated by the board of directors of any
8 constituent corporation notwithstanding approval of the agreement by
9 the shareholders of all or any of the constituent corporations;
10 provided, if the agreement of merger or consolidation is terminated
11 after the filing of the agreement, or a certificate filed with the
12 Secretary of State in lieu thereof, but before the agreement or
13 certificate has become effective, a certificate of termination of
14 merger or consolidation shall be filed in accordance with Section
15 1007 of this title. Any agreement of merger or consolidation may
16 contain a provision that the boards of directors of the constituent
17 corporations may amend the agreement at any time prior to the time
18 that the agreement, or a certificate filed with the Secretary of
19 State in lieu thereof, becomes effective in accordance with Section
20 1007 of this title; provided, that an amendment made subsequent to
21 the adoption of the agreement by the shareholders of any constituent
22 corporation shall not:

23 1. Alter or change the amount or kind of shares, securities,
24 cash, property or rights to be received in exchange for or on
25

1 conversion of all or any of the shares of any class or series
2 thereof of the constituent corporation;

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

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

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

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

20 F. Notwithstanding the requirements of subsection C of this
21 section, unless required by its certificate of incorporation, no
22 vote of shareholders of a constituent corporation surviving a merger
23 shall be necessary to authorize a merger if:
24

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

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

7 3. Either no shares of common stock of the surviving
8 corporation and no shares, securities or obligations convertible
9 into such stock are to be issued or delivered under the plan of
10 merger, or the authorized unissued shares or the treasury shares of
11 common stock of the surviving corporation to be issued or delivered
12 under the plan of merger plus those initially issuable upon
13 conversion of any other shares, securities or obligations to be
14 issued or delivered under the plan do not exceed twenty percent
15 (20%) of the shares of common stock of the constituent corporation
16 outstanding immediately prior to the effective date of the merger.
17 No vote of shareholders of a constituent corporation shall be
18 necessary to authorize a merger or consolidation if no shares of the
19 stock of the corporation shall have been issued prior to the
20 adoption by the board of directors of the resolution approving the
21 agreement of merger or consolidation. If an agreement of merger is
22 adopted by the constituent corporation surviving the merger, by
23 action of its board of directors and without any vote of its
24 shareholders pursuant to the provisions of this subsection, the

1 secretary or assistant secretary of that corporation shall certify
2 on the agreement that the agreement has been adopted pursuant to the
3 provisions of this subsection and:

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

15 The agreement so adopted and certified shall then be filed and
16 shall become effective in accordance with the provisions of Section
17 1007 of this title. Filing shall constitute a representation by the
18 person who executes the certificate that the facts stated in the
19 certificate remain true immediately prior to filing.

20 G. 1. Notwithstanding the requirements of subsection C of this
21 section, unless expressly required by its certificate of
22 incorporation, no vote of shareholders of a constituent corporation
23 shall be necessary to authorize a merger with or into a single
24

1 direct or indirect wholly owned subsidiary of the constituent
2 corporation if:

- 3 a. the constituent corporation and the direct or indirect
4 wholly owned subsidiary of the constituent corporation
5 are the only constituent entities to the merger,
- 6 b. each share or fraction of a share of the capital stock
7 of the constituent corporation outstanding immediately
8 before the effective time of the merger is converted
9 in the merger into a share or equal fraction of share
10 of capital stock of a holding company having the same
11 designations, rights, powers and preferences, and the
12 qualifications, limitations and restrictions thereof,
13 as the share of stock of the constituent corporation
14 being converted in the merger,
- 15 c. the holding company and the constituent corporation
16 are domestic corporations and the direct or indirect
17 wholly owned subsidiary that is the other constituent
18 entity to the merger is a domestic corporation or
19 limited liability company,
- 20 d. the certificate of incorporation and bylaws of the
21 holding company immediately following the effective
22 time of the merger contain provisions identical to the
23 certificate of incorporation and bylaws of the
24 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~~

1 ~~name, the registered office and agent, the initial~~
2 ~~board of directors and the initial subscribers for~~
3 ~~shares, references to members rather than~~
4 ~~shareholders, references to interests, units or the~~
5 ~~like rather than stock or shares, references to~~
6 ~~managers, managing members or other members of the~~
7 ~~governing body rather than directors and such~~
8 ~~provisions contained in any amendment to the~~
9 ~~certificate of incorporation as were necessary to~~
10 ~~effect a change, exchange, reclassification,~~
11 ~~subdivision, combination or cancellation of stock, if~~
12 ~~such change, exchange, reclassification, subdivision,~~
13 ~~combination or cancellation has become effective;~~
14 ~~provided, however, requiring that:~~

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

19 ~~(a)~~ any act or transaction by or involving the
20 surviving entity, other than the election or
21 removal of directors or managers, managing
22 members or other members of the governing
23 body of the surviving entity, that ~~requires~~
24 if taken by the constituent corporation

1 immediately before the effective time of the
2 merger, would require for its adoption under
3 the Oklahoma General Corporation Act or ~~its~~
4 ~~organizational documents~~ under the
5 certificate of incorporation or bylaws of
6 the constituent corporation immediately
7 before the effective time of the merger the
8 approval of the shareholders ~~or members of~~
9 ~~the surviving entity~~ of the constituent
10 corporation shall, by specific reference to
11 this subsection, require, in addition to
12 approval of the shareholders or members of
13 the surviving entity, the approval of the
14 shareholders of the holding company (or any
15 successor by merger), by the same vote as is
16 required by the Oklahoma General Corporation
17 Act and/or ~~by the organizational documents~~
18 ~~of the surviving entity~~ under the
19 certificate of incorporation or bylaws of
20 the constituent corporation immediately
21 before the effective time of the merger;
22 provided, however, that for purposes of this
23 subdivision, ~~any surviving entity that is~~
24 ~~not a corporation shall include in such~~

~~amendment a requirement that the approval of the shareholders of the holding company be obtained for any act or transaction by or involving the surviving entity, other than the election or removal of directors or managers, managing members or other members of the governing body of the surviving entity, which would require the approval of the shareholders of the surviving entity if the surviving entity were a corporation subject to the Oklahoma General Corporation Act,~~

~~(b)~~ any amendment of the organizational documents of a surviving entity that is not a corporation, which amendment would, if adopted by a corporation subject to the Oklahoma General Corporation Act, be required to be included in the certificate of incorporation of such corporation, shall, by specific reference to this subsection, require, in addition, the approval of the shareholders of the holding company, or any successor by merger, by the same vote as is required by the Oklahoma General Corporation

1 Act and/or by the ~~organizational documents~~
2 ~~of the surviving entity~~ certificate of
3 incorporation or bylaws of the constituent
4 corporation immediately before the effective
5 time of the merger, and

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

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

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

21 ~~(b) to eliminate any provision authorized by~~
22 ~~subsection D of Section 1027 of this title;~~
23 and
24

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

5 Neither division (1) of subparagraph g of paragraph 1 of this
6 subsection nor any provision of a surviving entity's organizational
7 documents required by division (1) of subparagraph g of paragraph 1
8 of this subsection shall be deemed or construed to require approval
9 of the shareholders of the holding company to elect or remove
10 directors or managers, managing members or other members of the
11 governing body of the surviving entity.

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

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

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

4 a. to the extent the restriction of Section 1090.3 of
5 this title applied to the constituent corporation and
6 its shareholders at the effective time of the merger,
7 restrictions shall apply to the holding company and
8 its shareholders immediately after the effective time
9 of the merger as though it were the constituent
10 corporation, and all shareholders of stock of the
11 holding company acquired in the merger shall for
12 purposes of Section 1090.3 of this title be deemed to
13 have been acquired at the time that the shares of
14 stock of the constituent corporation converted in the
15 merger were acquired; provided, that any shareholder
16 who immediately before the effective time of the
17 merger was not an interested shareholder within the
18 meaning of Section 1090.3 of this title shall not
19 solely by reason of the merger become an interested
20 shareholder of the holding company,

21 b. if the corporate name of the holding company
22 immediately following the effective time of the merger
23 is the same as the corporate name of the constituent
24 corporation immediately before the effective time of
25

1 the merger, the shares of capital stock of the holding
2 company into which the shares of capital stock of the
3 constituent corporation are converted in the merger
4 shall be represented by the stock certificates that
5 previously represented the shares of capital stock of
6 the constituent corporation, and

7 c. to the extent a shareholder of the constituent
8 corporation immediately before the merger had standing
9 to institute or maintain derivative litigation on
10 behalf of the constituent corporation, nothing in this
11 section shall be deemed to limit or extinguish such
12 standing.

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

1 agreement that the facts stated in the certificate remain true
2 immediately before the filing.

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

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

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

1 offers for separate classes or series of the stock of such
2 constituent corporation;

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

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

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

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

- 2 a. "affiliate" means, in respect of the corporation
3 making the offer referred to in paragraph 2 of this
4 subsection, any person that (1) owns, directly or
5 indirectly, all of the outstanding stock of such
6 corporation or (2) is a direct or indirect wholly
7 owned subsidiary of such corporation or of any person
8 referred to in proviso (1) of this subparagraph,
- 9 b. "consummates", and with correlative meaning,
10 "consummation" and "consummating", means irrevocably
11 accepts for purchase or exchange stock tendered
12 pursuant to an offer,
- 13 c. "depository" means an agent including a depository,
14 appointed to facilitate consummation of the offer
15 referred to in paragraph 2 of this subsection,
- 16 d. "excluded stock" means (1) stock of such constituent
17 corporation that is owned at the commencement of the
18 offer referred to in paragraph 2 of this subsection by
19 such constituent corporation, the corporation making
20 the offer referred to in paragraph 2 of this
21 subsection, any person that owns, directly or
22 indirectly, all of the outstanding stock of the
23 corporation making such offer, or any direct or
24

1 indirect wholly owned subsidiary of any of the
2 foregoing and (2) rollover stock,

3 e. "person" means any individual, corporation,
4 partnership, limited liability company, unincorporated
5 association or other entity,

6 f. "received" solely for purposes of paragraph 3 of this
7 subsection means (1) with respect to certificated
8 shares, physical receipt of a stock certificate
9 accompanied by an executed letter of transmittal, (2)
10 with respect to uncertificated shares held of record
11 by a clearing corporation as nominee, transfer into
12 the depository's account by means of an agent's
13 message, and (3) with respect to uncertificated shares
14 held of record by a person other than a clearing
15 corporation as nominee, physical receipt of an
16 executed letter of transmittal by the depository;
17 provided, however, that shares shall cease to be
18 "received" (4) with respect to certificated shares, if
19 the certificate representing such shares was canceled
20 prior to consummation of the offer referred to in
21 paragraph 2 of this subsection, or (5) with respect to
22 uncertificated shares, to the extent such
23 uncertificated shares have been reduced or eliminated
24 due to any sale of such shares prior to consummation

1 of the offer referred to in paragraph 2 of this
2 subsection, and

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

17 If an agreement of merger is adopted without the vote of
18 shareholders of a corporation pursuant to this subsection, the
19 secretary or assistant secretary of the surviving corporation shall
20 certify on the agreement that the agreement has been adopted
21 pursuant to this subsection and that the conditions specified in
22 this subsection, other than the condition listed in paragraph 4 of
23 this subsection, have been satisfied; provided, that such
24 certification on the agreement shall not be required if a

1 certificate of merger is filed in lieu of filing the agreement. The
2 agreement so adopted and certified shall then be filed and shall
3 become effective, in accordance with Section 1007 of this title.
4 Such filing shall constitute a representation by the person who
5 executes the agreement that the facts stated in the certificate
6 remain true immediately prior to such filing.

7 SECTION 17. AMENDATORY 18 O.S. 2021, Section 1090.5, is
8 amended to read as follows:

9 Section 1090.5.

10 CONVERSION OF DOMESTIC CORPORATION TO AN ENTITY

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

1 B. The board of directors of the corporation which desires to
2 convert under this section shall adopt a resolution approving such
3 conversion, specifying the type of entity into which the corporation
4 shall be converted and recommending the approval of the conversion
5 by the shareholders of the corporation. The resolution shall be
6 submitted to the shareholders of the corporation at an annual or
7 special meeting. Due notice of the time, and purpose of the meeting
8 shall be mailed to each holder of shares, whether voting or
9 nonvoting, of the corporation at the address of the shareholder as
10 it appears on the records of the corporation, at least twenty (20)
11 days prior to the date of the meeting. At the meeting, the
12 resolution shall be considered and a vote taken for its adoption or
13 rejection. The corporation adopts the conversion if all outstanding
14 shares of stock of the corporation, whether voting or nonvoting, are
15 voted for the resolution.

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

22 1. The name of the corporation and, if it has been changed, the
23 name under which it was originally incorporated;
24

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

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

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

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

12 6. The agreement of the foreign entity that it may be served
13 with process in this state in any action, suit or proceeding for
14 enforcement of any obligation of the foreign entity arising while it
15 was a domestic corporation and that it irrevocably appoints the
16 Secretary of State as its agent to accept service of process in any
17 such action, suit or proceeding;

18 7. The address to which a copy of the process referred to in
19 this subsection shall be mailed by the Secretary of State. In the
20 event of such service upon the Secretary of State in accordance with
21 the provisions of Section 2004 of Title 12 of the Oklahoma Statutes,
22 the Secretary of State shall immediately notify such corporation
23 that has converted out of the State of Oklahoma by letter, certified
24 mail, return receipt requested, directed to the corporation at the

1 address specified unless the corporation shall have designated in
2 writing to the Secretary of State a different address for this
3 purpose, in which case it shall be mailed to the last address so
4 designated. The notice shall include a copy of the process and any
5 other papers served on the Secretary of State pursuant to the
6 provisions of this subsection. It shall be the duty of the
7 plaintiff in the event of such service to serve process and any
8 other papers in duplicate, to notify the Secretary of State that
9 service is being effected pursuant to the provisions of this
10 subsection, and to pay the Secretary of State the fee provided for
11 in paragraph 7 of Section 1142 of this title, which fee shall be
12 taxed as part of the costs in the proceeding. The Secretary of
13 State shall maintain an alphabetical record of any such service
14 setting forth the name of the plaintiff and the defendant, the
15 title, docket number, and nature of the proceeding in which process
16 has been served upon the Secretary of State, the fact that service
17 has been effected pursuant to the provisions of this subsection, the
18 return date thereof, and the date service was made. The Secretary
19 of State shall not be required to retain such information longer
20 than five (5) years from receipt of the service of process by the
21 Secretary of State; and

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

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

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

21 F. Unless otherwise provided in a resolution of conversion
22 adopted in accordance with this section, the converting corporation
23 shall not be required to wind up its affairs or pay its liabilities
24

1 and distribute its assets, and the conversion shall not constitute a
2 dissolution of such corporation.

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

12 H. When a corporation has converted to an entity under this
13 section, the entity shall be deemed to be the same entity as the
14 corporation. All of the rights, privileges and powers of the
15 corporation that has converted, and all property, real, personal and
16 mixed, and all debts due to the corporation, as well as all other
17 things and causes of action belonging to the corporation, shall
18 remain vested in the entity to which the corporation has converted
19 and shall be the property of the entity, and the title to any real
20 property vested by deed or otherwise in the corporation shall not
21 revert or be in any way impaired by reason of the conversion; but
22 all rights of creditors and all liens upon any property of the
23 corporation shall be preserved unimpaired, and all debts,
24 liabilities and duties of the corporation that has converted shall

1 remain attached to the entity to which the corporation has
2 converted, and may be enforced against it to the same extent as if
3 the debts, liabilities and duties had originally been incurred or
4 contracted by it in its capacity as the entity. The rights,
5 privileges, powers and interest in property of the corporation that
6 has converted, as well as the debts, liabilities and duties of the
7 corporation, shall not be deemed, as a consequence of the
8 conversion, to have been transferred to the entity to which the
9 corporation has converted for any purpose of the laws of this state.

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

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

18 SECTION 18. This act shall become effective November 1, 2022.
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