

HB 1715 -- CORPORATIONS

This bill grants appraisal rights to all voting and nonvoting shareholders of a corporation which is a party to a merger or consolidation. To be eligible, a shareholder must:

- (1) Own stock of the corporation undergoing a merger or consolidation as of the date of the shareholder meeting when the merger plan was submitted to a vote;
- (2) File a written objection to the merger before or during the meeting at which the merger is submitted to a vote;
- (3) Vote in opposition to the merger proposal; and
- (4) File a written demand with the new corporation for payment of the fair value of the shares within 20 days after the merger.

Any shareholder not satisfying the above requirements will be conclusively presumed to have consented to the merger. Corporations are required to provide notice to each shareholder owning stock as of the record date for the meeting at which the merger is submitted to a vote, whether or not the shareholder is entitled to vote.