

House Bill 2826

Sponsored by Representatives READ, MACPHERSON; Representatives BERGER, BRUUN, CAMERON, CLEM, C EDWARDS, GELSER, SCHAUFLER, WHISNANT (at the request of Dick Roy)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Allows articles of incorporation delivered for filing to office of Secretary of State to contain provision authorizing or directing corporation to conduct business in environmentally and socially responsible manner.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to corporations; creating new provisions; amending ORS 60.047; and declaring an emer-
3 gency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 60.047 is amended to read:

6 60.047. (1) The articles of incorporation shall set forth:

7 (a) A corporate name for the corporation that satisfies the requirements of ORS 60.094;

8 (b) The number of shares the corporation is authorized to issue;

9 (c) The address, including street and number, and mailing address, if different, of the corpo-
10 ration's initial registered office and the name of its initial registered agent at that office;

11 (d) The name and address of each incorporator; and

12 (e) A mailing address to which notices, as required by this chapter, may be mailed until an ad-
13 dress has been designated by the corporation in its annual report.

14 (2) The articles of incorporation may set forth:

15 (a) The names of the initial directors;

16 (b) The addresses of the initial directors;

17 (c) Provisions regarding:

18 (A) The purpose or purposes for which the corporation is organized;

19 (B) Managing the business and regulating the affairs of the corporation;

20 (C) Defining, limiting and regulating the powers of the corporation, its board of directors and
21 shareholders; and

22 (D) A par value for authorized shares or classes of shares;

23 (d) A provision eliminating or limiting the personal liability of a director to the corporation or
24 its shareholders for monetary damages for conduct as a director, provided that no such provision
25 shall eliminate or limit the liability of a director for any act or omission occurring prior to the date
26 when such provision becomes effective and such provision shall not eliminate or limit the liability
27 of a director for:

28 (A) Any breach of the director's duty of loyalty to the corporation or its shareholders;

29 (B) Acts or omissions not in good faith or which involve intentional misconduct or a knowing
30 violation of law;

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (C) Any unlawful distribution under ORS 60.367; or

2 (D) Any transaction from which the director derived an improper personal benefit; *[and]*

3 **(e) A provision authorizing or directing the corporation to conduct the business of the**
4 **corporation in a manner that is environmentally and socially responsible; and**

5 *[(e)]* (f) Any provision that under this chapter is required or permitted to be set forth in the
6 bylaws.

7 (3) The articles of incorporation need not set forth any of the corporate powers enumerated in
8 this chapter.

9 **SECTION 2. The amendments to ORS 60.047 by section 1 of this 2007 Act apply to articles**
10 **of incorporation delivered for filing to the office of the Secretary of State on or after the**
11 **effective date of this 2007 Act.**

12 **SECTION 3. This 2007 Act being necessary for the immediate preservation of the public**
13 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
14 **on its passage.**

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