

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	10 - 0 - 0
Yeas:	Garrett, Hicks, Nolan, Olson, Schaufler, Tomei, Wand, Whisnant, Barker, Krieger
Nays:	0
Exc.:	0
Prepared By:	Cheyenne Ross, Counsel
Meeting Dates:	3/1, 3/15

WHAT THE MEASURE DOES: Prohibits corporation or cooperative from denying previously-granted indemnification or payments to director for expenses incurred in proceeding. Allows corporation or cooperative to deny previously-granted indemnification or payments if at time of act that gave rise to proceeding, articles, bylaws or resolution authorized such denial after the occurrence of such an act. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- No change in fiduciary standards

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: House Bill 2681 comes from the Business Law Section of the Oregon State Bar to address a potential indemnification issue that arose in another state, where a corporation was allowed to alter a director's rights.