

State of Arkansas

76th General Assembly

First Extraordinary Session, 1987

SENATE BILL

38

By: Senator Wood

"AN ACT TO AMEND SECTION 64-1701 OF ACT 958 OF 1987 TO ALLOW DOMESTIC CORPORATIONS FORMED AFTER DECEMBER 31, 1987 TO ELECT BY A MAJORITY VOTE OF THEIR SHAREHOLDERS TO BE SUBJECT TO THE PROVISIONS OF THE ARKANSAS BUSINESS CORPORATION ACT OF 1987; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Section 64-1701 of Act 958 of 1987 is hereby amended to read as follows:

"64-1701. Application to Existing Domestic Corporations. This Act applies to all domestic corporations incorporated on or after its effective date as specified in §64-1706. A corporation incorporated prior to such effective date under any general statute of this State providing for incorporation or corporations for profit may elect to be governed by the provisions of this Act by amending its articles of incorporation to provide that it shall be so governed. Such election may be made at any time after the effective date of this Act, but once made shall be irrevocable. The amendment to the articles of incorporation effecting such election must be approved by the affirmative vote of the holders of at least a majority of the shares of each outstanding class of the corporation's capital stock. Domestic corporations existing prior to the effective date of this Act which do not elect to be governed by its provisions shall continue to be governed by pre-existing law."

SECTION 2. This Act shall be effective on and after Midnight, December 31, 1987.

