

By: Senator(s) Ross

To: Judiciary

SENATE BILL NO. 2356

1 AN ACT TO AMEND SECTION 79-4-13.01, MISSISSIPPI CODE OF 1972,
2 TO CORRECT A TYPOGRAPHICAL ERROR IN THE DEFINITION OF "AFFILIATE";
3 AND FOR RELATED PURPOSES.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

5 **SECTION 1.** Section 79-4-13.01, Mississippi Code of 1972, is
6 amended as follows:

7 79-4-13.01. In this article:

8 (1) "Affiliate" means a person that directly or
9 indirectly through one or more intermediaries controls, is
10 controlled by, or is under common control with another person or
11 is a senior executive thereof. For purposes of Section
12 79-4-13.02(b)(5), a person is deemed to be an affiliate of its
13 senior executives.

14 (2) "Beneficial shareholder" means a person who is the
15 beneficial owner of shares held in a voting trust or by a nominee
16 on the beneficial owner's behalf.

17 (3) "Corporation" means the issuer of the shares held
18 by a shareholder demanding appraisal and, for matters covered in
19 Sections 79-4-13.22 through 79-4-13.31, includes the surviving
20 entity in a merger.

21 (4) "Fair value" means the value of the corporation's
22 shares determined:

23 (i) Immediately before the effectuation of the
24 corporate action to which the shareholder objects;

25 (ii) Using customary and current valuation
26 concepts and techniques generally employed for similar businesses
27 in the context of the transaction requiring appraisal; and



28 (iii) Without discounting for lack of
29 marketability or minority status except, if appropriate, for
30 amendments to the articles pursuant to Section 79-4-13.02(a)(5).

31 (5) "Interest" means interest from the effective date
32 of the corporate action until the date of payment, at the rate of
33 interest on judgments in this state on the effective date of the
34 corporate action.

35 (6) "Preferred shares" means a class or series of
36 shares whose holders have preference over any other class or
37 series with respect to distributions.

38 (7) "Record shareholder" means the person in whose name
39 shares are registered in the records of the corporation or the
40 beneficial owner of shares to the extent of the rights granted by
41 a nominee certificate on file with the corporation.

42 (8) "Senior executive" means the chief executive
43 officer, chief operating officer, chief financial officer, and
44 anyone in charge of a principal business unit or function.

45 (9) "Shareholder" means both a record shareholder and a
46 beneficial shareholder.

47 **SECTION 2.** This act shall take effect and be in force from
48 and after its passage.

