

By: Senator(s) Parks

To: Judiciary, Division A;
Business and Financial
Institutions

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2483

1 AN ACT TO AMEND SECTION 79-4-2.02, MISSISSIPPI CODE OF 1972,
2 TO REVISE REQUIREMENTS FOR INCLUSION IN ARTICLES OF INCORPORATION;
3 AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 79-4-2.02, Mississippi Code of 1972, is
6 amended as follows:

7 79-4-2.02. (a) The articles of incorporation must set
8 forth:

9 (1) A corporate name for the corporation that satisfies
10 the requirements of Section 79-4-4.01;

11 (2) The number of shares the corporation is authorized
12 to issue and any information concerning the authorized shares as
13 required by Section 79-4-6.01;

14 (3) The street address of the corporation's initial
15 registered office and the name of its initial registered agent at
16 that office; and

17 (4) The name and address of each incorporator.

18 (b) The articles of incorporation may set forth:



19 (1) The names and addresses of the individuals who are
20 to serve as the initial directors;

21 (2) Provisions not inconsistent with law regarding:

22 (i) The purpose or purposes for which the
23 corporation is organized;

24 (ii) Managing the business and regulating the
25 affairs of the corporation;

26 (iii) Defining, limiting and regulating the powers
27 of the corporation, its board of directors and shareholders; and

28 (iv) A par value for authorized shares or classes
29 of shares;

30 (3) Any provision that under Section 79-4-1.01 et seq.
31 is required or permitted to be set forth in the bylaws;

32 (4) A provision eliminating or limiting the liability
33 of a director to the corporation or its shareholders for money
34 damages for any action taken, or any failure to take any action,
35 as a director, except liability for:

36 (i) The amount of a financial benefit received by
37 a director to which he is not entitled;

38 (ii) An intentional infliction of harm on the
39 corporation or the shareholders;

40 (iii) A violation of Section 79-4-8.33; or

41 (iv) An intentional violation of criminal law; and

42 (5) A provision permitting or making obligatory
43 indemnification of a director for liability as defined in Section



44 79-4-8.50(5) to any person for any action taken, or any failure to
45 take any action, as a director, except liability for:

46 (i) Receipt of a financial benefit to which he is
47 not entitled;

48 (ii) An intentional infliction of harm on the
49 corporation or its shareholders;

50 (iii) A violation of Section 79-4-8.33; or

51 (iv) An intentional violation of criminal law.

52 (6) A provision or reference to a provision in the
53 corporation's bylaws that requires derivative proceedings under
54 Section 79-4-7.41(1) or any other internal corporate claim that is
55 based upon a current or former director's or officer's violation
56 of a duty to be brought in the appropriate court of the county
57 where the corporation's principal office is located, consistent
58 with applicable law and jurisdictional requirements.

59 (c) The articles of incorporation need not set forth any of
60 the corporate powers enumerated in Section 79-4-1.01 et seq.

61 (d) For the purposes of this section, a "director" shall
62 include any person vested with the discretion or powers of a
63 director under Section 79-4-7.32.

64 (e) Provisions of the articles of incorporation may be made
65 dependent upon facts objectively ascertainable outside the
66 articles of incorporation in accordance with Section 79-4-1.20(k).

67 **SECTION 2.** This act shall take effect and be in force from
68 and after July 1, 2016, and shall stand repealed on June 30, 2016.

