

By: Representative Pierce

To: Judiciary A

HOUSE BILL NO. 371  
(As Sent to Governor)

1 AN ACT TO CODIFY SECTION 79-4-6.24, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE FOR CORPORATE ISSUANCE OF RIGHTS, OPTIONS AND WARRANTS;  
3 TO CODIFY SECTION 79-4-15.20, MISSISSIPPI CODE OF 1972, TO SET  
4 FORTH PROVISIONS RELATING TO THE WITHDRAWAL OF FOREIGN  
5 CORPORATIONS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** The following shall be codified as Section  
8 79-4-6.24, Mississippi Code of 1972:

9 79-4-6.24. (a) A corporation may issue rights, options or  
10 warrants for the purchase of shares or other securities of the  
11 corporation. The board of directors shall determine (i) the terms  
12 upon which the rights, options or warrants are issued, and (ii)  
13 the terms, including the consideration for which the shares or  
14 other securities are to be issued. The authorization by the board  
15 of directors to issue such rights, options, or warrants  
16 constitutes authorization of the issuance of the shares or other  
17 securities for which the rights, options or warrants are  
18 exercisable.

19 (b) The terms and conditions of such rights, options or  
20 warrants, including those outstanding on the effective date of  
21 this section, may include, without limitation, restrictions or  
22 conditions that preclude or limit the exercise, transfer or  
23 receipt of such rights, options or warrants by any person or  
24 persons owning or offering to acquire a specified number or  
25 percentage of the outstanding shares or other securities of the  
26 corporation, or by any transferee or transferees of any such  
27 person or persons, or that invalidate or void such rights, options

28 or warrants held by any such person or persons or any such  
29 transferee or transferees.

30 **SECTION 2.** The following shall be codified as Section  
31 79-4-15.20, Mississippi Code of 1972:

32 79-4-15.20. (a) A foreign corporation authorized to  
33 transact business in this state may not withdraw from this state  
34 until it obtains a certificate of withdrawal from the Secretary of  
35 State.

36 (b) A foreign corporation authorized to transact business in  
37 this state may apply for a certificate of withdrawal by delivering  
38 an application to the Secretary of State for filing. The  
39 application must set forth:

40 (1) The name of the foreign corporation and the name of  
41 the state or country under whose law it is incorporated;

42 (2) That it is not transacting business in this state  
43 and that it surrenders its authority to transact business in this  
44 state;

45 (3) That it revokes the authority of its registered  
46 agent to accept service on its behalf and appoints the Secretary  
47 of State as its agent for service of process in any proceeding  
48 based on a cause of action arising during the time it was  
49 authorized to transact business in this state;

50 (4) A mailing address to which the Secretary of State  
51 may mail a copy of any process served on him under subdivision  
52 (3); and

53 (5) A commitment to notify the Secretary of State in  
54 the future of any change in its mailing address.

55 (c) After the withdrawal of the corporation is effective,  
56 service of process on the Secretary of State under this section is  
57 service on the foreign corporation. Upon receipt of process, the  
58 Secretary of State shall mail a copy of the process to the foreign  
59 corporation at the mailing address set forth in its application  
60 for withdrawal.

61           **SECTION 3.** This act shall take effect and be in force from  
62 and after its passage.