

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 1503
Committee Substitute Favorable 6/12/02

Short Title: Misc. Business Changes.

(Public)

Sponsors:

Referred to:

June 4, 2002

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE LAW RELATING TO SPECIAL MEETINGS OF
3 SHAREHOLDERS UNDER THE NORTH CAROLINA BUSINESS
4 CORPORATION ACT, TO AMEND THE LAW RELATING TO DISSENTERS'
5 RIGHTS UNDER THE NORTH CAROLINA BUSINESS CORPORATION ACT,
6 TO CLARIFY THAT A GENERAL PARTNER MUST EXECUTE DOCUMENTS
7 FOR FILING BY THE SECRETARY OF STATE, AND TO CLARIFY THE LAW
8 RELATING TO REGISTRATION OF GENERAL PARTNERSHIPS, AS
9 RECOMMENDED BY THE GENERAL STATUTES COMMISSION.

10 The General Assembly of North Carolina enacts:

11 **SECTION 1.** G.S. 55-7-02(a) reads as rewritten:

12 "(a) A corporation shall hold a special meeting of shareholders:

13 (1) On call ~~by~~of its board of directors or ~~by one or more officers of the~~
14 ~~corporation authorized to do so by the articles of incorporation or~~
15 ~~bylaws or, in the case of a corporation that is not a public corporation,~~
16 ~~by any other~~the person or persons authorized to do so by the articles of
17 incorporation or the bylaws; or

18 (2) ~~Within~~In the case of a corporation that is not a public corporation,
19 within 30 days after the holders of at least ten percent (10%) of all the
20 votes entitled to be cast on any issue proposed to be considered at the
21 proposed special meeting sign, date, and deliver to the corporation's
22 secretary one or more written demands for the meeting describing the
23 purpose or purposes for which it is to be held; ~~except however that,~~
24 ~~unless otherwise provided in the articles of incorporation, the call of a~~
25 ~~special meeting by shareholders is not available to the shareholders of~~
26 ~~a public corporation held.~~ The written demand shall cease to be
27 effective on the sixty-first day after the date of signature appearing on
28 the demand unless prior to the sixty-first day the corporation has

1 received effective written demands from holders sufficient to call the
2 special meeting."

3 **SECTION 2.** G.S. 55-13-20(b) reads as rewritten:

4 "(b) If corporate action creating dissenters' rights under G.S. 55-13-02 is taken
5 without a vote of shareholders or is taken by shareholder action without meeting under
6 G.S. 55-7-04, the corporation shall no later than 10 days thereafter notify in writing all
7 shareholders entitled to assert dissenters' rights that the action was taken and send them
8 the dissenters' notice described in G.S. 55-13-22. A shareholder who consents to
9 shareholder action taken without meeting under G.S. 55-7-04 approving a corporate
10 action is not entitled to payment for the shareholder's shares under this Article with
11 respect to that corporate action."

12 **SECTION 3.** G.S. 55-13-22(a) reads as rewritten:

13 "(a) If proposed corporate action creating dissenters' rights under G.S. 55-13-02 is
14 approved at a shareholders' meeting, the corporation shall mail by registered or certified
15 mail, return receipt requested, a written dissenters' notice to all shareholders who
16 satisfied the requirements of G.S. 55-13-21. ~~If proposed corporate action creating~~
17 ~~dissenters' rights under G.S. 55-13-02 is approved by shareholder action without~~
18 ~~meeting pursuant to G.S. 55-7-04, the corporation shall mail by registered or certified~~
19 ~~mail, return receipt requested, a written dissenters' notice to each shareholder entitled to~~
20 ~~assert dissenters' rights. A shareholder who consents to such action taken without~~
21 ~~meeting pursuant to G.S. 55-7-04 approving a proposed corporate action is not entitled~~
22 ~~to payment for the shareholder's shares under this Article with respect to that corporate~~
23 ~~action."~~

24 **SECTION 4.** G.S. 59-35.1(b) reads as rewritten:

25 "(b) A document submitted ~~under this Act for filing by the Secretary of State on~~
26 behalf of a general partnership must be executed by a general partner of the
27 partnership."

28 **SECTION 5.** G.S. 59-84.2 is amended by adding the following new
29 subsection to read:

30 "(k) If a registered limited liability partnership is dissolved but its business is
31 continued by some of its partners with or without others in a new partnership under the
32 same name, then (i) the new partnership shall automatically succeed to the registration
33 of the dissolved original partnership as a registered limited liability partnership and (ii)
34 the dissolved original partnership shall be deemed to be registered as a registered
35 limited liability partnership until the registration is cancelled or revoked."

36 **SECTION 6.** Sections 2, 3, and 4 of this act are effective January 1, 2002.
37 Section 5 of this act is effective October 1, 1993. The remainder of this act is effective
38 when it becomes law.