

LEGISLATURE OF NEBRASKA
 ONE HUNDRED THIRD LEGISLATURE
 SECOND SESSION
LEGISLATIVE BILL 749

Final Reading

Introduced by Harr, 8.

Read first time January 09, 2014

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to corporations; to amend sections 8-1401,
 2 8-2104, 8-2306, 8-2311, 21-301, 21-302, 21-303, 21-304,
 3 21-305, 21-306, 21-311, 21-312, 21-313, 21-314, 21-315,
 4 21-318, 21-319, 21-321, 21-322, 21-323, 21-323.01,
 5 21-323.02, 21-325, 21-325.01, 21-325.02, 21-328, 21-329,
 6 21-330, 21-1301, 21-1931, 21-1933, 21-19,151, 21-2103,
 7 21-2105, 21-2110, 21-2115, 21-2203, 21-2204, 21-2209,
 8 21-2212, 21-2439, 21-2971, 21-2976, 30-3214, 33-101,
 9 44-205.01, 44-206, 44-208.02, 44-211, 44-224.01,
 10 44-224.04, 44-301, 44-2128, 44-2916, 44-3112, 44-32,115,
 11 44-3312, and 44-3812, Reissue Revised Statutes of
 12 Nebraska, and sections 9-614, 28-1354, 67-248.02, and
 13 84-511, Revised Statutes Supplement, 2013; to adopt the
 14 Nebraska Model Business Corporation Act; to eliminate the
 15 Business Corporation Act; to change provisions relating
 16 to occupation taxes; to harmonize provisions; to provide

1 an operative date; to provide severability; to repeal the
2 original sections; and to outright repeal sections
3 21-317, 21-2001, 21-2002, 21-2003, 21-2004, 21-2005,
4 21-2006, 21-2007, 21-2008, 21-2009, 21-2010, 21-2011,
5 21-2012, 21-2013, 21-2014, 21-2015, 21-2016, 21-2017,
6 21-2018, 21-2019, 21-2020, 21-2021, 21-2022, 21-2023,
7 21-2024, 21-2025, 21-2026, 21-2027, 21-2028, 21-2029,
8 21-2030, 21-2031, 21-2032, 21-2033, 21-2034, 21-2035,
9 21-2036, 21-2037, 21-2038, 21-2039, 21-2040, 21-2041,
10 21-2042, 21-2043, 21-2044, 21-2045, 21-2046, 21-2047,
11 21-2048, 21-2049, 21-2050, 21-2051, 21-2052, 21-2053,
12 21-2054, 21-2055, 21-2056, 21-2057, 21-2058, 21-2059,
13 21-2060, 21-2061, 21-2062, 21-2063, 21-2064, 21-2065,
14 21-2066, 21-2067, 21-2068, 21-2069, 21-2070, 21-2071,
15 21-2072, 21-2073, 21-2074, 21-2075, 21-2076, 21-2077,
16 21-2078, 21-2079, 21-2080, 21-2081, 21-2082, 21-2083,
17 21-2084, 21-2085, 21-2086, 21-2087, 21-2088, 21-2089,
18 21-2090, 21-2091, 21-2092, 21-2093, 21-2094, 21-2095,
19 21-2096, 21-2097, 21-2098, 21-2099, 21-20,100, 21-20,101,
20 21-20,102, 21-20,103, 21-20,104, 21-20,105, 21-20,106,
21 21-20,107, 21-20,108, 21-20,109, 21-20,110, 21-20,111,
22 21-20,112, 21-20,113, 21-20,114, 21-20,115, 21-20,116,
23 21-20,117, 21-20,118, 21-20,119, 21-20,120, 21-20,121,
24 21-20,122, 21-20,123, 21-20,124, 21-20,125, 21-20,126,
25 21-20,127, 21-20,128, 21-20,129, 21-20,130, 21-20,131,

1 21-20,132, 21-20,133, 21-20,134, 21-20,135, 21-20,135.01,
2 21-20,136, 21-20,137, 21-20,138, 21-20,139, 21-20,140,
3 21-20,141, 21-20,142, 21-20,143, 21-20,144, 21-20,145,
4 21-20,146, 21-20,147, 21-20,148, 21-20,149, 21-20,150,
5 21-20,151, 21-20,152, 21-20,153, 21-20,154, 21-20,155,
6 21-20,156, 21-20,157, 21-20,158, 21-20,159, 21-20,160,
7 21-20,161, 21-20,162, 21-20,163, 21-20,164, 21-20,165,
8 21-20,166, 21-20,167, 21-20,168, 21-20,169, 21-20,170,
9 21-20,171, 21-20,172, 21-20,173, 21-20,174, 21-20,175,
10 21-20,176, 21-20,177, 21-20,178, 21-20,179, 21-20,180,
11 21-20,180.01, 21-20,181, 21-20,181.01, 21-20,181.02,
12 21-20,181.03, 21-20,182, 21-20,183, 21-20,184, 21-20,185,
13 21-20,186, 21-20,187, 21-20,188, 21-20,189, 21-20,190,
14 21-20,191, 21-20,192, 21-20,193, 21-20,194, 21-20,195,
15 21-20,196, and 21-20,197, Reissue Revised Statutes of
16 Nebraska.

17 Be it enacted by the people of the State of Nebraska,

1 Section 1. (MBCA 1.01) Sections 1 to 232 of this act
2 shall be known and may be cited as the Nebraska Model Business
3 Corporation Act.

4 Sec. 2. (MBCA 1.02) The Legislature has power to amend or
5 repeal all or part of the Nebraska Model Business Corporation Act at
6 any time and all domestic and foreign corporations subject to the act
7 are governed by the amendment or repeal.

8 Sec. 3. (MBCA 1.20) (a) A document must satisfy the
9 requirements of this section, and of any other section that adds to
10 or varies these requirements, to be entitled to filing by the
11 Secretary of State.

12 (b) The Nebraska Model Business Corporation Act must
13 require or permit filing the document in the office of the Secretary
14 of State.

15 (c) The document must contain the information required by
16 the act. It may contain other information as well.

17 (d) The document must be typewritten or printed or, if
18 electronically transmitted, it must be in a format that can be
19 retrieved or reproduced in typewritten or printed form.

20 (e) The document must be in the English language. A
21 corporate name need not be in English if written in English letters
22 or Arabic or Roman numerals, and the certificate of existence
23 required of foreign corporations need not be in English if
24 accompanied by a reasonably authenticated English translation.

25 (f) The document must be signed:

1 (1) By the chairperson of the board of directors of a
2 domestic or foreign corporation, by its president, or by another of
3 its officers;

4 (2) If directors have not been selected or the
5 corporation has not been formed, by an incorporator; or

6 (3) If the corporation is in the hands of a receiver,
7 trustee, or other court-appointed fiduciary, by that fiduciary.

8 (g) The person executing the document shall sign it and
9 state beneath or opposite the person's signature the person's name
10 and the capacity in which the document is signed. The document may
11 but need not contain a corporate seal, attestation, acknowledgement,
12 or verification.

13 (h) If the Secretary of State has prescribed a mandatory
14 form for the document under section 4 of this act, the document must
15 be in or on the prescribed form.

16 (i) The document must be delivered to the office of the
17 Secretary of State for filing. Delivery may be made by electronic
18 transmission if and to the extent permitted by the Secretary of
19 State. If it is filed in typewritten or printed form and not
20 transmitted electronically, the Secretary of State may require one
21 exact or conformed copy to be delivered with the document, except as
22 provided in sections 35 and 211 of this act.

23 (j) When the document is delivered to the office of the
24 Secretary of State for filing, the correct filing fee, and any tax,
25 license fee, or penalty required to be paid therewith by the Nebraska

1 Model Business Corporation Act or other law must be paid or provision
2 for payment made in a manner permitted by the Secretary of State.

3 (k) Whenever a provision of the Nebraska Model Business
4 Corporation Act permits any of the terms of a plan or a filed
5 document to be dependent on facts objectively ascertainable outside
6 the plan or filed document, the following provisions apply:

7 (1) The manner in which the facts will operate upon the
8 terms of the plan or filed document shall be set forth in the plan or
9 filed document;

10 (2) The facts may include, but are not limited to:

11 (i) Any of the following that is available in a
12 nationally recognized news or information medium either in print or
13 electronically: Statistical or market indices, market prices of any
14 security or group of securities, interest rates, currency exchange
15 rates, or similar economic or financial data;

16 (ii) A determination or action by any person or body,
17 including the corporation or any other party to a plan or filed
18 document; or

19 (iii) The terms of, or actions taken under, an agreement
20 to which the corporation is a party, or any other agreement or
21 document;

22 (3) As used in this subsection (k):

23 (i) Filed document means a document filed with the
24 Secretary of State under any provision of the act except sections 203
25 to 220 of this act or section 228 of this act; and

1 (ii) Plan means a plan of domestication, nonprofit
2 conversion, entity conversion, merger, or share exchange;

3 (4) The following provisions of a plan or filed document
4 may not be made dependent on facts outside the plan or filed
5 document:

6 (i) The name and address of any person required in a
7 filed document;

8 (ii) The registered office of any entity required in a
9 filed document;

10 (iii) The registered agent of any entity required in a
11 filed document;

12 (iv) The number of authorized shares and designation of
13 each class or series of shares;

14 (v) The effective date of a filed document; or

15 (vi) Any required statement in a filed document of the
16 date on which the underlying transaction was approved or the manner
17 in which that approval was given; and

18 (5) If a provision of a filed document is made dependent
19 on a fact ascertainable outside of the filed document, and that fact
20 is not ascertainable by reference to a source described in
21 subdivision (k)(2)(i) of this section or a document that is a matter
22 of public record, or the affected shareholders have not received
23 notice of the fact from the corporation, then the corporation shall
24 file with the Secretary of State articles of amendment setting forth
25 the fact promptly after the time when the fact referred to is first

1 ascertainable or thereafter changes. Articles of amendment under this
2 subdivision (k)(5) of this section are deemed to be authorized by the
3 authorization of the original filed document or plan to which they
4 relate and may be filed by the corporation without further action by
5 the board of directors or the shareholders.

6 Sec. 4. (MBCA 1.21) (a) The Secretary of State may
7 prescribe and furnish on request forms for (1) an application for a
8 certificate of existence, (2) a foreign corporation's application for
9 a certificate of authority to transact business in this state, and
10 (3) a foreign corporation's application for a certificate of
11 withdrawal. If the Secretary of State so requires, use of these forms
12 is mandatory.

13 (b) The Secretary of State may prescribe and furnish on
14 request forms for other documents required or permitted to be filed
15 by the Nebraska Model Business Corporation Act but their use is not
16 mandatory.

17 Sec. 5. (MBCA 1.22) (a) The Secretary of State shall
18 collect the following fees when the documents described in this
19 subsection are delivered to the Secretary of State for filing:

20 (1) Articles of incorporation, articles of domestication,
21 or articles of domestication and conversion:

22 (i) If the capital stock is \$10,000 or less, the fee
23 shall be \$60;

24 (ii) If the capital stock is more than \$10,000 but does
25 not exceed \$25,000, the fee shall be \$100;

1 (iii) If the capital stock is more than \$25,000 but does
2 not exceed \$50,000, the fee shall be \$150;

3 (iv) If the capital stock is more than \$50,000 but does
4 not exceed \$75,000, the fee shall be \$225;

5 (v) If the capital stock is more than \$75,000 but does
6 not exceed \$100,000, the fee shall be \$300; and

7 (vi) If the capital stock is more than \$100,000, the fee
8 shall be \$300, plus \$3 additional for each \$1,000 in excess of
9 \$100,000.

10 For purposes of computing this fee, the capital stock of
11 a corporation organized under the laws of any other state that
12 domesticates in this state, and which stock does not have a par
13 value, shall be deemed to have a par value of an amount per share
14 equal to the amount paid in as capital for each of such shares as are
15 then issued and outstanding, and in no event less than one dollar per
16 share;

17 (2) Articles of incorporation or articles of
18 domestication if filed by an insurer holding a certificate of
19 authority issued by the Director of Insurance, the fee shall be \$300;

20 (3) Application for use of deceptively similar name...
21 \$25;

22 (4) Application for reserved name...\$25;

23 (5) Notice of transfer of reserved name...\$25;

24 (6) Application for registered name...\$25;

25 (7) Application for renewal of registered name...\$25;

- 1 (8) Corporation's statement of change of registered agent
2 or registered office or both...\$25;
- 3 (9) Agent's statement of change of registered office for
4 each affected corporation...\$25 not to exceed a total of...\$1,000;
- 5 (10) Agent's statement of resignation...No fee;
- 6 (11) Articles of charter surrender...\$25;
- 7 (12) Articles of nonprofit conversion...\$25;
- 8 (13) Articles of entity conversion...\$25;
- 9 (14) Amendment of articles of incorporation...\$25;
- 10 (15) Restatement of articles of incorporation...\$25
11 with amendment of articles...\$25;
- 12 (16) Articles of merger or share exchange...\$25;
- 13 (17) Articles of dissolution...\$45;
- 14 (18) Articles of revocation of dissolution...\$25;
- 15 (19) Certificate of administrative dissolution...No fee;
- 16 (20) Application for reinstatement following
17 administrative dissolution or revocation...\$25;
- 18 (21) Certificate of reinstatement...No fee;
- 19 (22) Certificate of judicial dissolution...No fee;
- 20 (23) Application for certificate of authority...\$130;
- 21 (24) Application for amended certificate of authority...
22 \$25;
- 23 (25) Application for certificate of withdrawal...\$25;
- 24 (26) Application for transfer of authority...\$25;
- 25 (27) Certificate of revocation of authority to transact

1 business...No fee;

2 (28) Articles of correction...\$25;

3 (29) Application for certificate of existence or
4 authorization...\$25; and

5 (30) Any other document required or permitted to be filed
6 by the Nebraska Model Business Corporation Act...\$25.

7 (b) The Secretary of State shall collect a recording fee
8 of five dollars per page in addition to the fees set forth in
9 subsection (a) of this section.

10 (c) The Secretary of State shall collect the following
11 fees for copying and certifying the copy of any filed document
12 relating to a domestic or foreign corporation:

13 (1) One dollar per page for copying; and

14 (2) Ten dollars for the certificate.

15 (d) All fees set forth in this section shall be collected
16 by the Secretary of State and remitted to the State Treasurer and
17 credited two-thirds to the General Fund and one-third to the
18 Corporation Cash Fund.

19 Sec. 6. (MBCA 1.23) (a) Except as provided in subsection
20 (b) of this section and subsection (c) of section 7 of this act, a
21 document accepted for filing is effective:

22 (1) At the date and time of filing, as evidenced by such
23 means as the Secretary of State may use for the purpose of recording
24 the date and time of filing; or

25 (2) At the time specified in the document as its

1 effective time on the date it is filed.

2 (b) A document may specify a delayed effective time and
3 date, and if it does so the document becomes effective at the time
4 and date specified. If a delayed effective date but no time is
5 specified, the document is effective at the close of business on that
6 date. A delayed effective date for a document may not be later than
7 the ninetieth day after the date it is filed.

8 Sec. 7. (MBCA 1.24) (a) A domestic or foreign corporation
9 may correct a document filed with the Secretary of State if (1) the
10 document contains an inaccuracy, or (2) the document was defectively
11 signed, attested, sealed, verified, or acknowledged, or (3) the
12 electronic transmission was defective.

13 (b) A document is corrected:

14 (1) By preparing articles of correction that:

15 (i) Describe the document, including its filing date, or
16 attach a copy of it to the articles;

17 (ii) Specify the inaccuracy or defect to be corrected;

18 and

19 (iii) Correct the inaccuracy or defect; and

20 (2) By delivering the articles to the Secretary of State
21 for filing.

22 (c) Articles of correction are effective on the effective
23 date of the document they correct except as to persons relying on the
24 uncorrected document and adversely affected by the correction. As to
25 those persons, articles of correction are effective when filed.

1 Sec. 8. (MBCA 1.25) (a) If a document delivered to the
2 office of the Secretary of State for filing satisfies the
3 requirements of section 3 of this act, the Secretary of State shall
4 file it.

5 (b) The Secretary of State files a document by recording
6 it as filed on the date and at the time of receipt. After filing a
7 document, except as provided in sections 35 and 211 of this act, the
8 Secretary of State shall deliver to the domestic or foreign
9 corporation or its representative a copy of the document with an
10 acknowledgement of the date and time of filing.

11 (c) If the Secretary of State refuses to file a document,
12 it shall be returned to the domestic or foreign corporation or its
13 representative within five days after the document was delivered,
14 together with a brief, written explanation of the reason for refusal.

15 (d) The Secretary of State's duty to file documents under
16 this section is ministerial. The Secretary of State's filing or
17 refusing to file a document does not:

18 (1) Affect the validity or invalidity of the document in
19 whole or part;

20 (2) Relate to the correctness or incorrectness of
21 information contained in the document; or

22 (3) Create a presumption that the document is valid or
23 invalid or that information contained in the document is correct or
24 incorrect.

25 Sec. 9. (MBCA 1.26) (a) If the Secretary of State refuses

1 to file a document delivered for filing, the domestic or foreign
2 corporation may appeal the refusal within thirty days after the
3 return of the document to the district court of Lancaster County. The
4 appeal is commenced by petitioning the court to compel filing the
5 document and by attaching to the petition the document and the
6 Secretary of State's explanation of his or her refusal to file.

7 (b) The court may summarily order the Secretary of State
8 to file the document or take other action the court considers
9 appropriate.

10 (c) The court's final decision may be appealed as in
11 other civil proceedings.

12 Sec. 10. (MBCA 1.27) A certificate from the Secretary of
13 State delivered with a copy of a document filed by the Secretary of
14 State, is conclusive evidence that the original document is on file
15 with the Secretary of State.

16 Sec. 11. (MBCA 1.28) (a) Anyone may apply to the
17 Secretary of State to furnish a certificate of existence for a
18 domestic corporation or a certificate of authorization for a foreign
19 corporation.

20 (b) A certificate of existence or authorization sets
21 forth:

22 (1) The domestic corporation's corporate name or the
23 foreign corporation's corporate name used in this state;

24 (2) That:

25 (i) The domestic corporation is duly incorporated under

1 the law of this state, the date of its incorporation, and the period
2 of its duration if less than perpetual; or

3 (ii) That the foreign corporation is authorized to
4 transact business in this state;

5 (3) That all fees, taxes, and penalties owed to this
6 state have been paid, if:

7 (i) Payment is reflected in the records of the Secretary
8 of State; and

9 (ii) Nonpayment affects the existence or authorization of
10 the domestic or foreign corporation;

11 (4) That its most recent biennial report required by
12 section 228 of this act has been filed with the Secretary of State;

13 (5) That articles of dissolution have not been filed; and

14 (6) Other facts of record in the office of the Secretary
15 of State that may be requested by the applicant.

16 (c) Subject to any qualification stated in the
17 certificate, a certificate of existence or authorization issued by
18 the Secretary of State may be relied upon as conclusive evidence that
19 the domestic or foreign corporation is in existence or is authorized
20 to transact business in this state.

21 Sec. 12. (MBCA 1.29) (a) A person commits an offense by
22 signing a document that the person knows is false in any material
23 respect with intent that the document be delivered to the Secretary
24 of State for filing.

25 (b) An offense under this section is a Class I

1 misdemeanor.

2 Sec. 13. (MBCA 1.30) The Secretary of State has the power
3 reasonably necessary to perform the duties required of the Secretary
4 of State by the Nebraska Model Business Corporation Act.

5 Sec. 14. (MBCA 1.40) In the Nebraska Model Business
6 Corporation Act:

7 (1) Articles of incorporation means the original articles
8 of incorporation, all amendments thereof, and any other documents
9 permitted or required to be filed by a domestic business corporation
10 with the Secretary of State under any provision of the act except
11 section 228 of this act. If an amendment of the articles or any other
12 document filed under the act restates the articles in their entirety,
13 thenceforth the articles shall not include any prior documents.

14 (2) Authorized shares means the shares of all classes a
15 domestic or foreign corporation is authorized to issue.

16 (3) Conspicuous means so written, displayed, or presented
17 that a reasonable person against whom the writing is to operate
18 should have noticed it. For example, text in italics, boldface,
19 contrasting color, capitals, or underlined, is conspicuous.

20 (4) Corporation, domestic corporation, or domestic
21 business corporation means a corporation for profit, which is not a
22 foreign corporation, incorporated under or subject to the provisions
23 of the act.

24 (5) Deliver or delivery means any method of delivery used
25 in conventional commercial practice, including delivery by hand,

1 mail, commercial delivery, and, if authorized in accordance with
2 section 15 of this act, by electronic transmission.

3 (6) Distribution means a direct or indirect transfer of
4 money or other property, except its own shares, or incurrence of
5 indebtedness by a corporation to or for the benefit of its
6 shareholders in respect of any of its shares. A distribution may be
7 in the form of a declaration or payment of a dividend; a purchase,
8 redemption, or other acquisition of shares; a distribution of
9 indebtedness; or otherwise.

10 (7) Document means (i) any tangible medium on which
11 information is inscribed, and includes any writing or written
12 instrument, or (ii) an electronic record.

13 (8) Domestic unincorporated entity means an
14 unincorporated entity whose internal affairs are governed by the laws
15 of this state.

16 (9) Effective date of notice is defined in section 15 of
17 this act.

18 (10) Electronic means relating to technology having
19 electrical, digital, magnetic, wireless, optical, electromagnetic, or
20 similar capabilities.

21 (11) Electronic record means information that is stored
22 in an electronic or other medium and is retrievable in paper form
23 through an automated process used in conventional commercial
24 practice, unless otherwise authorized in accordance with subsection
25 (k) of section 15 of this act.

1 (12) Electronic transmission or electronically
2 transmitted means any form or process of communication not directly
3 involving the physical transfer of paper or another tangible medium,
4 which (i) is suitable for the retention, retrieval, and reproduction
5 of information by the recipient and (ii) is retrievable in paper form
6 by the recipient through an automated process used in conventional
7 commercial practice, unless otherwise authorized in accordance with
8 subsection (k) of section 15 of this act.

9 (13) Eligible entity means a domestic or foreign
10 unincorporated entity or a domestic or foreign nonprofit corporation.

11 (14) Eligible interests means interests or memberships.

12 (15) Employee includes an officer but not a director. A
13 director may accept duties that make the director also an employee.

14 (16) Entity includes domestic and foreign business
15 corporation; domestic and foreign nonprofit corporation; estate;
16 trust; domestic and foreign unincorporated entity; and state, United
17 States, and foreign government.

18 (17) The phrase facts objectively ascertainable outside
19 of a filed document or plan is defined in subsection (k) of section 3
20 of this act.

21 (18) Expenses means reasonable expenses of any kind that
22 are incurred in connection with a matter.

23 (19) Filing entity means an unincorporated entity that is
24 of a type that is created by filing a public organic document.

25 (20) Foreign corporation means a corporation incorporated

1 under a law other than the law of this state which would be a
2 business corporation if incorporated under the laws of this state.

3 (21) Foreign nonprofit corporation means a corporation
4 incorporated under a law other than the law of this state which would
5 be a nonprofit corporation if incorporated under the laws of this
6 state.

7 (22) Foreign unincorporated entity means an
8 unincorporated entity whose internal affairs are governed by an
9 organic law of a jurisdiction other than this state.

10 (23) Governmental subdivision includes authority, county,
11 district, and municipality.

12 (24) Includes denotes a partial definition.

13 (25) Individual means a natural person.

14 (26) Interest means either or both of the following
15 rights under the organic law of an unincorporated entity:

16 (i) The right to receive distributions from the entity
17 either in the ordinary course or upon liquidation; or

18 (ii) The right to receive notice or vote on issues
19 involving its internal affairs, other than as an agent, assignee,
20 proxy, or person responsible for managing its business and affairs.

21 (27) Interest holder means a person who holds of record
22 an interest.

23 (28) Means denotes an exhaustive definition.

24 (29) Membership means the rights of a member in a
25 domestic or foreign nonprofit corporation.

1 (30) Nonfiling entity means an unincorporated entity that
2 is of a type that is not created by filing a public organic document.

3 (31) Nonprofit corporation or domestic nonprofit
4 corporation means a corporation incorporated under the laws of this
5 state and subject to the provisions of the Nebraska Nonprofit
6 Corporation Act.

7 (32) Notice is defined in section 15 of this act.

8 (33) Organic document means a public organic document or
9 a private organic document.

10 (34) Organic law means the statute governing the internal
11 affairs of a domestic or foreign business or nonprofit corporation or
12 unincorporated entity.

13 (35) Owner liability means personal liability for a debt,
14 obligation, or liability of a domestic or foreign business or
15 nonprofit corporation or unincorporated entity that is imposed on a
16 person:

17 (i) Solely by reason of the person's status as a
18 shareholder, member, or interest holder; or

19 (ii) By the articles of incorporation, bylaws, or an
20 organic document under a provision of the organic law of an entity
21 authorizing the articles of incorporation, bylaws, or an organic
22 document to make one or more specified shareholders, members, or
23 interest holders liable in their capacity as shareholders, members,
24 or interest holders for all or specified debts, obligations, or
25 liabilities of the entity.

1 (36) Person includes an individual and an entity.

2 (37) Principal office means the office, in or out of this
3 state, so designated in the biennial report where the principal
4 executive offices of a domestic or foreign corporation are located.

5 (38) Private organic document means any document, other
6 than the public organic document, if any, that determines the
7 internal governance of an unincorporated entity. Where a private
8 organic document has been amended or restated, the term means the
9 private organic document as last amended or restated.

10 (39) Public organic document means the document, if any,
11 that is filed of public record to create an unincorporated entity.
12 Where a public organic document has been amended or restated, the
13 term means the public organic document as last amended or restated.

14 (40) Proceeding includes civil suit and criminal,
15 administrative, and investigatory action.

16 (41) Public corporation means a corporation that has
17 shares listed on a national securities exchange or regularly traded
18 in a market maintained by one or more members of a national
19 securities association.

20 (42) Qualified director is defined in section 17 of this
21 act.

22 (43) Record date means the date established under
23 sections 37 to 52 or 53 to 83 of this act on which a corporation
24 determines the identity of its shareholders and their shareholdings
25 for purposes of the Nebraska Model Business Corporation Act. The

1 determinations shall be made as of the close of business on the
2 record date unless another time for doing so is specified when the
3 record date is fixed.

4 (44) Secretary means the corporate officer to whom the
5 board of directors has delegated responsibility under subsection (c)
6 of section 105 of this act for custody of the minutes of the meetings
7 of the board of directors and of the shareholders and for
8 authenticating records of the corporation.

9 (45) Shareholder means the person in whose name shares
10 are registered in the records of a corporation or the beneficial
11 owner of shares to the extent of the rights granted by a nominee
12 certificate on file with a corporation.

13 (46) Shares means the units into which the proprietary
14 interests in a corporation are divided.

15 (47) Sign or signature means, with present intent to
16 authenticate or adopt a document:

17 (i) To execute or adopt a tangible symbol to a document,
18 and includes any manual, facsimile, or conformed signature; or

19 (ii) To attach to or logically associate with an
20 electronic transmission an electronic sound, symbol, or process, and
21 includes an electronic signature in an electronic transmission.

22 (48) State, when referring to a part of the United
23 States, includes a state and commonwealth, and their agencies and
24 governmental subdivisions, and a territory and insular possession,
25 and their agencies and governmental subdivisions, of the United

1 States.

2 (49) Subscriber means a person who subscribes for shares
3 in a corporation, whether before or after incorporation.

4 (50) Unincorporated entity means an organization or
5 artificial legal person that either has a separate legal existence or
6 has the power to acquire an estate in real property in its own name
7 and that is not any of the following: A domestic or foreign business
8 or nonprofit corporation, an estate, a trust, a state, the United
9 States, or a foreign government. The term includes a general
10 partnership, limited liability company, limited partnership, business
11 trust, joint stock association, and unincorporated nonprofit
12 association.

13 (51) United States includes district, authority, bureau,
14 commission, department, and any other agency of the United States.

15 (52) Voting group means all shares of one or more classes
16 or series that under the articles of incorporation or the act are
17 entitled to vote and be counted together collectively on a matter at
18 a meeting of shareholders. All shares entitled by the articles of
19 incorporation or the act to vote generally on the matter are for that
20 purpose a single voting group.

21 (53) Voting power means the current power to vote in the
22 election of directors.

23 (54) Writing or written means any information in the form
24 of a document.

25 Sec. 15. (MBCA 1.41) (a) Notice under the Nebraska Model

1 Business Corporation Act must be in writing unless oral notice is
2 reasonable in the circumstances. Unless otherwise agreed between the
3 sender and the recipient, words in a notice or other communication
4 under the act must be in English.

5 (b) A notice or other communication may be given or sent
6 by any method of delivery, except that electronic transmissions must
7 be in accordance with this section. If these methods of delivery are
8 impractical, a notice or other communication may be communicated by a
9 newspaper of general circulation in the area where published, or by
10 radio, television, or other form of public broadcast communication.

11 (c) Written notice by a domestic or foreign corporation
12 to its shareholder, if in a comprehensible form, is effective (1)
13 when mailed, if mailed postage prepaid and correctly addressed to the
14 shareholder's address shown in the corporation's current record of
15 shareholders, or (2) when electronically transmitted to the
16 shareholder in a manner authorized by the shareholder. Notice by a
17 public corporation to its shareholder is effective if the notice is
18 addressed to the shareholder or group of shareholders in a manner
19 permitted by rules and regulations adopted and promulgated under the
20 federal Securities Exchange Act of 1934, as amended, 15 U.S.C. 78a et
21 seq., if the public corporation has first received affirmative
22 written consent or implied consent required under such rules and
23 regulations.

24 (d) Notice or other communication to a domestic or
25 foreign corporation authorized to transact business in this state may

1 be delivered to its registered agent at its registered office or to
2 the secretary of the corporation at its principal office shown in its
3 most recent biennial report or, in the case of a foreign corporation
4 that has not yet delivered a biennial report, in its application for
5 a certificate of authority.

6 (e) Notice or other communications may be delivered by
7 electronic transmission if consented to by the recipient or if
8 authorized by subsection (k) of this section.

9 (f) Any consent under subsection (e) of this section may
10 be revoked by the person who consented by written or electronic
11 notice to the person to whom the consent was delivered. Any such
12 consent is deemed revoked if (1) the corporation is unable to deliver
13 two consecutive electronic transmissions given by the corporation in
14 accordance with such consent and (2) such inability becomes known to
15 the secretary or an assistant secretary of the corporation or to the
16 transfer agent, or other person responsible for the giving of notice
17 or other communications, except that the inadvertent failure to treat
18 such inability as a revocation shall not invalidate any meeting or
19 other action.

20 (g) Unless otherwise agreed between the sender and the
21 recipient, an electronic transmission is received when:

22 (1) It enters an information processing system that the
23 recipient has designated or uses for the purposes of receiving
24 electronic transmissions or information of the type sent and from
25 which the recipient is able to retrieve the electronic transmission;

1 and

2 (2) It is in a form capable of being processed by that
3 system.

4 (h) Receipt of an electronic acknowledgement from an
5 information processing system described in subdivision (g)(1) of this
6 section establishes that an electronic transmission was received but,
7 by itself, does not establish that the content sent corresponds to
8 the content received.

9 (i) An electronic transmission is received under this
10 section even if no individual is aware of its receipt.

11 (j) Notice or other communication, if in a comprehensible
12 form or manner, is effective at the earliest of the following:

13 (1) If in a physical form, the earliest of when it is
14 actually received or when it is left at:

15 (i) A shareholder's address shown on the corporation's
16 record of shareholders maintained by the corporation under subsection
17 (c) of section 221 of this act;

18 (ii) A director's residence or usual place of business;
19 or

20 (iii) The corporation's principal place of business;

21 (2) If mailed postage prepaid and correctly addressed to
22 a shareholder, upon deposit in the United States mail;

23 (3) If mailed by United States mail postage prepaid and
24 correctly addressed to a recipient other than a shareholder, the
25 earliest of when it is actually received, or:

1 (i) If sent by registered or certified mail, return
2 receipt requested, the date shown on the return receipt signed by or
3 on behalf of the addressee; or

4 (ii) Five days after it is deposited in the United States
5 mail;

6 (4) If an electronic transmission, when it is received as
7 provided in subsection (g) of this section; and

8 (5) If oral, when communicated.

9 (k) A notice or other communication may be in the form of
10 an electronic transmission that cannot be directly reproduced in
11 paper form by the recipient through an automated process used in
12 conventional commercial practice only if (1) the electronic
13 transmission is otherwise retrievable in perceivable form and (2) the
14 sender and the recipient have consented in writing to the use of such
15 form of electronic transmission.

16 (1) If the Nebraska Model Business Corporation Act
17 prescribes requirements for notices or other communications in
18 particular circumstances, those requirements govern. If articles of
19 incorporation or bylaws prescribe requirements for notices or other
20 communications, not inconsistent with this section or other
21 provisions of the act, those requirements govern. The articles of
22 incorporation or bylaws may authorize or require delivery of notices
23 of meetings of directors by electronic transmission.

24 Sec. 16. (MBCA 1.42) (a) For purposes of the Nebraska
25 Model Business Corporation Act, the following identified as a

1 shareholder in a corporation's current record of shareholders
2 constitutes one shareholder:

3 (1) Three or fewer co-owners;

4 (2) A corporation, partnership, trust, estate, or other
5 entity; or

6 (3) The trustees, guardians, custodians, or other
7 fiduciaries of a single trust, estate, or account.

8 (b) For purposes of the act, shareholdings registered in
9 substantially similar names constitute one shareholder if it is
10 reasonable to believe that the names represent the same person.

11 Sec. 17. (MBCA 1.43) (a) A qualified director is a
12 director who, at the time action is to be taken under:

13 (1) Section 79 of this act, does not have (i) a material
14 interest in the outcome of the proceeding or (ii) a material
15 relationship with a person who has such an interest;

16 (2) Section 113 or 115 of this act, (i) is not a party to
17 the proceeding, (ii) is not a director as to whom a transaction is a
18 director's conflicting interest transaction or who sought a
19 disclaimer of the corporation's interest in a business opportunity
20 under section 124 of this act, which transaction or disclaimer is
21 challenged in the proceeding, and (iii) does not have a material
22 relationship with a director described in either subdivision (a)(2)
23 (i) or (ii) of this section;

24 (3) Section 122 of this act, is not a director (i) as to
25 whom the transaction is a director's conflicting interest transaction

1 or (ii) who has a material relationship with another director as to
2 whom the transaction is a director's conflicting interest
3 transaction; or

4 (4) Section 124 of this act, would be a qualified
5 director under subdivision (a)(3) of this section if the business
6 opportunity were a director's conflicting interest transaction.

7 (b) For purposes of this section:

8 (1) Material relationship means a familial, financial,
9 professional, employment, or other relationship that would reasonably
10 be expected to impair the objectivity of the director's judgment when
11 participating in the action to be taken; and

12 (2) Material interest means an actual or potential
13 benefit or detriment, other than one which would devolve on the
14 corporation or the shareholders generally, that would reasonably be
15 expected to impair the objectivity of the director's judgment when
16 participating in the action to be taken.

17 (c) The presence of one or more of the following
18 circumstances shall not automatically prevent a director from being a
19 qualified director:

20 (1) Nomination or election of the director to the current
21 board by any director who is not a qualified director with respect to
22 the matter or by any person that has a material relationship with
23 that director, acting alone or participating with others;

24 (2) Service as a director of another corporation of which
25 a director who is not a qualified director with respect to the

1 matter, or any individual who has a material relationship with that
2 director, is or was also a director; or

3 (3) With respect to action to be taken under section 79
4 of this act, status as a named defendant, as a director against whom
5 action is demanded, or as a director who approved the conduct being
6 challenged.

7 Sec. 18. (MBCA 1.44) (a) A corporation has delivered
8 written notice or any other report or statement under the Nebraska
9 Model Business Corporation Act, the articles of incorporation, or the
10 bylaws to all shareholders who share a common address if:

11 (1) The corporation delivers one copy of the notice,
12 report, or statement to the common address;

13 (2) The corporation addresses the notice, report, or
14 statement to those shareholders as a group, to each of those
15 shareholders individually, or to the shareholders in a form to which
16 each of those shareholders has consented; and

17 (3) Each of those shareholders consents to delivery of a
18 single copy of such notice, report, or statement to the shareholders'
19 common address. Any such consent shall be revocable by any of such
20 shareholders who deliver written notice of revocation to the
21 corporation. If such written notice of revocation is delivered, the
22 corporation shall begin providing individual notices, reports, or
23 other statements to the revoking shareholder no later than thirty
24 days after delivery of the written notice of revocation.

25 (b) Any shareholder who fails to object by written notice

1 to the corporation, within sixty days of written notice by the
2 corporation of its intention to send single copies of notices,
3 reports, or statements to shareholders who share a common address as
4 permitted by subsection (a) of this section, shall be deemed to have
5 consented to receiving such single copy at the common address.

6 Sec. 19. (MBCA 2.01) One or more persons may act as the
7 incorporator or incorporators of a corporation by delivering articles
8 of incorporation to the Secretary of State for filing.

9 Sec. 20. (MBCA 2.02) (a) The articles of incorporation
10 must set forth:

11 (1) A corporate name for the corporation that satisfies
12 the requirements of section 30 of this act;

13 (2) The number of shares the corporation is authorized to
14 issue and, if such shares are to consist of one class only, the par
15 value of each of such shares or, if such shares are to be divided
16 into classes, the number of shares of each class and a statement of
17 the par value of the shares of each such class;

18 (3) The street address of the corporation's initial
19 registered office and the name of its initial registered agent at
20 that office. A post office box number may be provided in addition to
21 the street address;

22 (4) The name and address of each incorporator; and

23 (5) Any provision limiting or eliminating the requirement
24 to hold an annual meeting of the shareholders if the corporation is
25 registered or intends to register as an investment company under the

1 federal Investment Company Act of 1940, as amended, 15 U.S.C. 80a-1
2 et seq. The provision is not effective if such corporation does not
3 become or ceases to be so registered.

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

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

7 (2) Provisions not inconsistent with law regarding:

8 (i) The purpose or purposes for which the corporation is
9 organized;

10 (ii) Managing the business and regulating the affairs of
11 the corporation;

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

14 (iv) A par value for authorized shares or classes of
15 shares; or

16 (v) The imposition of personal liability on shareholders
17 for the debts of the corporation to a specified extent and upon
18 specified conditions;

19 (3) Any provision that under the Nebraska Model Business
20 Corporation Act is required or permitted to be set forth in the
21 bylaws;

22 (4) A provision eliminating or limiting the liability of
23 a director to the corporation or its shareholders for money damages
24 for any action taken, or any failure to take any action, as a
25 director, except liability for (i) the amount of a financial benefit

1 received by a director to which the director is not entitled, (ii) an
2 intentional infliction of harm on the corporation or the
3 shareholders, (iii) a violation of section 104 of this act, or (iv)
4 an intentional violation of criminal law; and

5 (5) A provision permitting or making obligatory
6 indemnification of a director for liability, as defined in
7 subdivision (3) of section 110 of this act, to any person for any
8 action taken, or any failure to take any action, as a director,
9 except liability for (i) receipt of a financial benefit to which the
10 director is not entitled, (ii) an intentional infliction of harm on
11 the corporation or its shareholders, (iii) a violation of section 104
12 of this act, or (iv) an intentional violation of criminal law.

13 (c) The articles of incorporation need not set forth any
14 of the corporate powers enumerated in the Nebraska Model Business
15 Corporation Act.

16 (d) Provisions of the articles of incorporation may be
17 made dependent upon facts objectively ascertainable outside the
18 articles of incorporation in accordance with subsection (k) of
19 section 3 of this act.

20 Sec. 21. (MBCA 2.03) (a) Unless a delayed effective date
21 is specified, the corporate existence begins when the articles of
22 incorporation are filed.

23 (b) The Secretary of State's filing of the articles of
24 incorporation is conclusive proof that the incorporators satisfied
25 all conditions precedent to incorporation except in a proceeding by

1 the state to cancel or revoke the incorporation or involuntarily
2 dissolve the corporation.

3 Sec. 22. (MBCA 2.04) All persons purporting to act as or
4 on behalf of a corporation, knowing there was no incorporation under
5 the Nebraska Model Business Corporation Act, are jointly and
6 severally liable for all liabilities created while so acting.

7 Sec. 23. (MBCA 2.05) (a) After incorporation:

8 (1) If initial directors are named in the articles of
9 incorporation, the initial directors shall hold an organizational
10 meeting, at the call of a majority of the directors, to complete the
11 organization of the corporation by appointing officers, adopting
12 bylaws, and carrying on any other business brought before the
13 meeting; or

14 (2) If initial directors are not named in the articles,
15 the incorporator or incorporators shall hold an organizational
16 meeting at the call of a majority of the incorporators:

17 (i) To elect directors and complete the organization of
18 the corporation; or

19 (ii) To elect a board of directors who shall complete the
20 organization of the corporation.

21 (b) Action required or permitted by the Nebraska Model
22 Business Corporation Act to be taken by incorporators at an
23 organizational meeting may be taken without a meeting if the action
24 taken is evidenced by one or more written consents describing the
25 action taken and signed by each incorporator.

1 (c) An organizational meeting may be held in or out of
2 this state.

3 Sec. 24. (MBCA 2.06) (a) The incorporators or board of
4 directors of a corporation shall adopt initial bylaws for the
5 corporation.

6 (b) The bylaws of a corporation may contain any provision
7 that is not inconsistent with law or the articles of incorporation.

8 (c) The bylaws may contain one or both of the following
9 provisions:

10 (1) A requirement that if the corporation solicits
11 proxies or consents with respect to an election of directors, the
12 corporation include in its proxy statement and any form of its proxy
13 or consent, to the extent and subject to such procedures or
14 conditions as are provided in the bylaws, one or more individuals
15 nominated by a shareholder in addition to individuals nominated by
16 the board of directors; and

17 (2) A requirement that the corporation reimburse the
18 expenses incurred by a shareholder in soliciting proxies or consents
19 in connection with an election of directors, to the extent and
20 subject to such procedures and conditions as are provided in the
21 bylaws, except that no bylaw so adopted shall apply to elections for
22 which any record date precedes its adoption.

23 (d) Notwithstanding subdivision (b)(2) of section 159 of
24 this act, the shareholders in amending, repealing, or adopting a
25 bylaw described in subsection (c) of this section may not limit the

1 authority of the board of directors to amend or repeal any condition
2 or procedure set forth in or to add any procedure or condition to
3 such a bylaw in order to provide for a reasonable, practicable, and
4 orderly process.

5 Sec. 25. (MBCA 2.07) (a) Unless the articles of
6 incorporation provide otherwise, the board of directors of a
7 corporation may adopt bylaws to be effective only in an emergency
8 defined in subsection (d) of this section. The emergency bylaws,
9 which are subject to amendment or repeal by the shareholders, may
10 make all provisions necessary for managing the corporation during the
11 emergency, including:

12 (1) Procedures for calling a meeting of the board of
13 directors;

14 (2) Quorum requirements for the meeting; and

15 (3) Designation of additional or substitute directors.

16 (b) All provisions of the regular bylaws consistent with
17 the emergency bylaws remain effective during the emergency. The
18 emergency bylaws are not effective after the emergency ends.

19 (c) Corporate action taken in good faith in accordance
20 with the emergency bylaws:

21 (1) Binds the corporation; and

22 (2) May not be used to impose liability on a corporate
23 director, officer, employee, or agent.

24 (d) An emergency exists for purposes of this section if a
25 quorum of the corporation's directors cannot readily be assembled

1 because of some catastrophic event.

2 Sec. 26. (MBCA 3.01) (a) Every corporation incorporated
3 under the Nebraska Model Business Corporation Act has the purpose of
4 engaging in any lawful business unless a more limited purpose is set
5 forth in the articles of incorporation.

6 (b) A corporation engaging in a business that is subject
7 to regulation under another statute of this state may incorporate
8 under the Nebraska Model Business Corporation Act only if permitted
9 by, and subject to all limitations of, the other statute.

10 (c) Corporations shall not be organized under the act to
11 perform any professional services as specified in section 21-2202
12 except for professional services rendered by a designated broker as
13 defined in section 81-885.01.

14 (d) A designated broker as defined in section 81-885.01
15 may be organized as a corporation under the Nebraska Model Business
16 Corporation Act.

17 Sec. 27. (MBCA 3.02) Unless its articles of incorporation
18 provide otherwise, every corporation has perpetual duration and
19 succession in its corporate name and has the same powers as an
20 individual to do all things necessary or convenient to carry out its
21 business and affairs, including without limitation power:

22 (1) To sue and be sued, complain, and defend in its
23 corporate name;

24 (2) To have a corporate seal, which may be altered at
25 will, and to use it, or a facsimile of it, by impressing or affixing

1 it or in any other manner reproducing it;

2 (3) To make and amend bylaws, not inconsistent with its
3 articles of incorporation or with the laws of this state, for
4 managing the business and regulating the affairs of the corporation;

5 (4) To purchase, receive, lease, or otherwise acquire and
6 own, hold, improve, use, and otherwise deal with real or personal
7 property or any legal or equitable interest in property, wherever
8 located;

9 (5) To sell, convey, mortgage, pledge, lease, exchange,
10 and otherwise dispose of all or any part of its property. A
11 corporation may transfer any interest in real estate by instrument,
12 with or without a corporate seal, signed by the president, a vice
13 president, or the presiding officer of the board of directors of the
14 corporation. Such instrument, when acknowledged by such officer to be
15 an act of the corporation, is presumed to be valid and may be
16 recorded in the proper office of the county in which the real estate
17 is located in the same manner as other such instruments;

18 (6) To purchase, receive, subscribe for, or otherwise
19 acquire; own, hold, vote, use, sell, mortgage, lend, pledge, or
20 otherwise dispose of; and deal in and with shares or other interests
21 in, or obligations of, any other entity;

22 (7) To make contracts and guarantees, incur liabilities,
23 borrow money, issue its notes, bonds, and other obligations, which
24 may be convertible into or include the option to purchase other
25 securities of the corporation, and secure any of its obligations by

1 mortgage or pledge of any of its property, franchises, or income;

2 (8) To lend money, invest and reinvest its funds, and
3 receive and hold real and personal property as security for
4 repayment;

5 (9) To be a promoter, partner, member, associate, or
6 manager of any partnership, joint venture, trust, or other entity;

7 (10) To conduct its business, locate offices, and
8 exercise the powers granted by the Nebraska Model Business
9 Corporation Act within or without this state;

10 (11) To elect directors and appoint officers, employees,
11 and agents of the corporation, define their duties, fix their
12 compensation, and lend them money and credit;

13 (12) To pay pensions and establish pension plans, pension
14 trusts, profit-sharing plans, share bonus plans, share option plans,
15 and benefit or incentive plans for any or all of its current or
16 former directors, officers, employees, and agents;

17 (13) To make donations for the public welfare or for
18 charitable, scientific, or educational purposes;

19 (14) To transact any lawful business that will aid
20 governmental policy; and

21 (15) To make payments or donations, or do any other act,
22 not inconsistent with law, that furthers the business and affairs of
23 the corporation.

24 Sec. 28. (MBCA 3.03) (a) In anticipation of or during an
25 emergency defined in subsection (d) of this section, the board of

1 directors of a corporation may:

2 (1) Modify lines of succession to accommodate the
3 incapacity of any director, officer, employee, or agent; and

4 (2) Relocate the principal office, designate alternative
5 principal offices or regional offices, or authorize the officers to
6 do so.

7 (b) During an emergency defined in subsection (d) of this
8 section, unless emergency bylaws provide otherwise:

9 (1) Notice of a meeting of the board of directors need be
10 given only to those directors whom it is practicable to reach and may
11 be given in any practicable manner, including by publication and
12 radio; and

13 (2) One or more officers of the corporation present at a
14 meeting of the board of directors may be deemed to be directors for
15 the meeting, in order of rank and within the same rank in order of
16 seniority, as necessary to achieve a quorum.

17 (c) Corporate action taken in good faith during an
18 emergency under this section to further the ordinary business affairs
19 of the corporation:

20 (1) Binds the corporation; and

21 (2) May not be used to impose liability on a corporate
22 director, officer, employee, or agent.

23 (d) An emergency exists for purposes of this section if a
24 quorum of the corporation's directors cannot readily be assembled
25 because of some catastrophic event.

1 Sec. 29. (MBCA 3.04) (a) Except as provided in subsection
2 (b) of this section, the validity of corporate action may not be
3 challenged on the ground that the corporation lacks or lacked power
4 to act.

5 (b) A corporation's power to act may be challenged:

6 (1) In a proceeding by a shareholder against the
7 corporation to enjoin the act;

8 (2) In a proceeding by the corporation, directly,
9 derivatively, or through a receiver, trustee, or other legal
10 representative, against an incumbent or former director, officer,
11 employee, or agent of the corporation; or

12 (3) In a proceeding by the Attorney General under section
13 197 of this act.

14 (c) In a shareholder's proceeding under subdivision (b)
15 (1) of this section to enjoin an unauthorized corporate act, the
16 court may enjoin or set aside the act, if equitable and if all
17 affected persons are parties to the proceeding, and may award damages
18 for loss, other than anticipated profits, suffered by the corporation
19 or another party because of enjoining the unauthorized act.

20 (d) Venue for a proceeding under subdivision (b)(1) or
21 (b)(2) of this section lies in the district court of the county where
22 the corporation's principal office, or, if none in this state, its
23 registered office, is located.

24 Sec. 30. (MBCA 4.01) (a) A corporate name:

25 (1) Must contain the word corporation, incorporated,

1 company, or limited, or the abbreviation corp., inc., co., or ltd.,
2 or words or abbreviations of like import in another language, except
3 that a corporation organized to conduct a banking business under the
4 Nebraska Banking Act may use a name which includes the word bank
5 without using any such words or abbreviations; and

6 (2) May not contain language stating or implying that the
7 corporation is organized for a purpose other than that permitted by
8 section 26 of this act and its articles of incorporation.

9 (b) Except as authorized by subsections (c) and (d) of
10 this section, a corporate name must not be the same as or deceptively
11 similar to, upon the records of the Secretary of State:

12 (1) The corporate name of a corporation incorporated or
13 authorized to transact business in this state;

14 (2) A corporate name reserved or registered under section
15 31 or 32 of this act;

16 (3) The fictitious name adopted by a foreign corporation
17 authorized to transact business in this state because its real name
18 is unavailable;

19 (4) The corporate name of a not-for-profit corporation
20 incorporated or authorized to transact business in this state;

21 (5) A trade name registered in this state pursuant to
22 sections 87-208 to 87-219.01; and

23 (6) Any other business entity name registered or filed
24 with the Secretary of State pursuant to the law of this state.

25 (c) A corporation may apply to the Secretary of State for

1 authorization to use a name that is deceptively similar to, upon the
2 records of the Secretary of State, one or more of the names described
3 in subsection (b) of this section. The Secretary of State shall
4 authorize use of the name applied for if:

5 (1) The other corporation or business entity consents to
6 the use in writing; or

7 (2) The applicant delivers to the Secretary of State a
8 certified copy of the final judgment of a court of competent
9 jurisdiction establishing the applicant's right to use the name
10 applied for in this state.

11 (d) A corporation may use the name, including the
12 fictitious name, of another domestic or foreign corporation or
13 business entity that is used in this state if the other corporation
14 or business entity is incorporated or authorized to transact business
15 in this state and the proposed user corporation:

16 (1) Has merged with the other corporation or business
17 entity;

18 (2) Has been formed by reorganization of the other
19 corporation or business entity; or

20 (3) Has acquired all or substantially all of the assets,
21 including the corporate name, of the other corporation or business
22 entity.

23 (e) The Nebraska Model Business Corporation Act does not
24 control the use of fictitious names.

25 Sec. 31. (MBCA 4.02) (a) A person may reserve the

1 exclusive use of a corporate name, including a fictitious name for a
2 foreign corporation whose corporate name is not available, by
3 delivering an application to the Secretary of State for filing. The
4 application must set forth the name and address of the applicant and
5 the name proposed to be reserved. If the Secretary of State finds
6 that the corporate name applied for is available, the Secretary of
7 State shall reserve the name for the applicant's exclusive use for a
8 nonrenewable one-hundred-twenty-day period.

9 (b) The owner of a reserved corporate name may transfer
10 the reservation to another person by delivering to the Secretary of
11 State a signed notice of the transfer that states the name and
12 address of the transferee.

13 Sec. 32. (MBCA 4.03) (a) A foreign corporation may
14 register its corporate name, or its corporate name with any addition
15 required by section 208 of this act, if the name is not the same as
16 or deceptively similar to, upon the records of the Secretary of
17 State, the corporate names that are not available under subsection
18 (b) of section 30 of this act.

19 (b) A foreign corporation registers its corporate name,
20 or its corporate name with any addition required by section 208 of
21 this act, by delivering to the Secretary of State for filing an
22 application:

23 (1) Setting forth its corporate name, or its corporate
24 name with any addition required by section 208 of this act, the state
25 or country and date of its incorporation, and a brief description of

1 the nature of the business in which it is engaged; and

2 (2) Accompanied by a certificate of existence, or a
3 document of similar import, from the state or country of
4 incorporation. Such certificate or document shall not bear a date of
5 more than sixty days prior to the date the application is delivered.

6 (c) The name is registered for the applicant's exclusive
7 use upon the effective date of the application.

8 (d) A foreign corporation whose registration is effective
9 may renew it for successive years by delivering to the Secretary of
10 State for filing a renewal application, which complies with the
11 requirements of subsection (b) of this section, between October 1 and
12 December 31 of the preceding year. The renewal application when filed
13 renews the registration for the following calendar year.

14 (e) A foreign corporation whose registration is effective
15 may thereafter qualify as a foreign corporation under the registered
16 name or consent in writing to the use of that name by a corporation
17 thereafter incorporated under the Nebraska Model Business Corporation
18 Act or by another foreign corporation thereafter authorized to
19 transact business in this state. The registration terminates when the
20 domestic corporation is incorporated or the foreign corporation
21 qualifies or consents to the qualification of another foreign
22 corporation under the registered name.

23 Sec. 33. (MBCA 5.01) Each corporation must continuously
24 maintain in this state:

25 (1) A registered office that may be the same as any of

1 its places of business; and

2 (2) A registered agent, who may be:

3 (i) An individual who resides in this state and whose
4 business office is identical with the registered office; or

5 (ii) A domestic or foreign corporation or other eligible
6 entity whose business office is identical with the registered office
7 and, in the case of a foreign corporation or foreign eligible entity,
8 is authorized to transact business in the state.

9 Sec. 34. (MBCA 5.02) (a) A corporation may change its
10 registered office or registered agent by delivering to the Secretary
11 of State for filing a statement of change that sets forth:

12 (1) The name of the corporation;

13 (2) The street address of its current registered office;

14 (3) If the current registered office is to be changed,
15 the street address of the new registered office;

16 (4) The name and street address of its current registered
17 agent. A post office box number may be provided in addition to the
18 street address;

19 (5) If the current registered agent is to be changed, the
20 name of the new registered agent and the new agent's written consent,
21 either on the statement or attached to it, to the appointment; and

22 (6) That after the change or changes are made, the street
23 addresses of its registered office and the business office of its
24 registered agent will be identical.

25 (b) If the street address or post office box number of a

1 registered agent's business office changes, the agent may change the
2 street address or, if one exists, the post office box number, of the
3 registered office of any corporation for which the agent is the
4 registered agent by delivering a signed written notice of the change
5 to the corporation and signing, either manually or in facsimile, and
6 delivering to the Secretary of State for filing a signed statement
7 that complies with the requirements of subsection (a) of this section
8 and recites that the corporation has been notified of the change.

9 Sec. 35. (MBCA 5.03) (a) A registered agent may resign
10 the agent's appointment by signing and delivering to the Secretary of
11 State for filing the signed original and two exact or conformed
12 copies of a statement of resignation. The statement may include a
13 statement that the registered office is also discontinued.

14 (b) After filing the statement the Secretary of State
15 shall mail one copy to the registered office, if not discontinued,
16 and the other copy to the corporation at its principal office.

17 (c) The agency appointment is terminated, and the
18 registered office discontinued if so provided, on the thirty-first
19 day after the date on which the statement was filed.

20 Sec. 36. (MBCA 5.04) (a) A corporation's registered agent
21 is the corporation's agent for service of process, notice, or demand
22 required or permitted by law to be served on the corporation.

23 (b) If a corporation has no registered agent, or the
24 agent cannot with reasonable diligence be served, the corporation may
25 be served by registered or certified mail, return receipt requested,

1 addressed to the secretary of the corporation at its principal
2 office. Service is perfected under this subsection at the earliest
3 of:

4 (1) The date the corporation receives the mail;

5 (2) The date shown on the return receipt, if signed on
6 behalf of the corporation; or

7 (3) Five days after its deposit in the United States
8 mail, as evidenced by the postmark, if mailed postpaid and correctly
9 addressed.

10 (c) This section does not prescribe the only means, or
11 necessarily the required means, of serving a corporation.

12 Sec. 37. (MBCA 6.01) (a) The articles of incorporation
13 must set forth any classes of shares and series of shares within a
14 class, and the number of shares of each class and series, that the
15 corporation is authorized to issue. If more than one class or series
16 of shares is authorized, the articles of incorporation must prescribe
17 a distinguishing designation for each class or series and must
18 describe, prior to the issuance of shares of a class or series, the
19 terms, including the preferences, rights, and limitations, of that
20 class or series. Except to the extent varied as permitted by this
21 section, all shares of a class or series must have terms, including
22 preferences, rights, and limitations that are identical with those of
23 other shares of the same class or series.

24 (b) The articles of incorporation must authorize:

25 (1) One or more classes or series of shares that together

1 have unlimited voting rights; and

2 (2) One or more classes or series of shares, which may be
3 the same class or classes as those with voting rights, that together
4 are entitled to receive the net assets of the corporation upon
5 dissolution.

6 (c) The articles of incorporation may authorize one or
7 more classes or series of shares that:

8 (1) Have special, conditional, or limited voting rights,
9 or no right to vote, except to the extent otherwise provided by the
10 Nebraska Model Business Corporation Act;

11 (2) Are redeemable or convertible as specified in the
12 articles of incorporation:

13 (i) At the option of the corporation, the shareholder, or
14 another person or upon the occurrence of a specified event;

15 (ii) For cash, indebtedness, securities, or other
16 property; and

17 (iii) At prices and in amounts specified or determined in
18 accordance with a formula;

19 (3) Entitle the holders to distributions calculated in
20 any manner, including dividends that may be cumulative,
21 noncumulative, or partially cumulative; or

22 (4) Have preference over any other class or series of
23 shares with respect to distributions, including distributions upon
24 the dissolution of the corporation.

25 (d) Terms of shares may be made dependent upon facts

1 objectively ascertainable outside the articles of incorporation in
2 accordance with subsection (k) of section 3 of this act.

3 (e) Any of the terms of shares may vary among holders of
4 the same class or series so long as such variations are expressly set
5 forth in the articles of incorporation.

6 (f) The description of the preferences, rights, and
7 limitations of classes or series of shares in subsection (c) of this
8 section is not exhaustive.

9 Sec. 38. (MBCA 6.02) (a) If the articles of incorporation
10 so provide, the board of directors is authorized, without shareholder
11 approval, to:

12 (1) Classify any unissued shares into one or more classes
13 or into one or more series within a class;

14 (2) Reclassify any unissued shares of any class into one
15 or more classes or into one or more series within one or more
16 classes; or

17 (3) Reclassify any unissued shares of any series of any
18 class into one or more classes or into one or more series within a
19 class.

20 (b) If the board of directors acts pursuant to subsection
21 (a) of this section, it must determine the terms, including the
22 preferences, rights, and limitations, to the same extent permitted
23 under section 37 of this act, of:

24 (1) Any class of shares before the issuance of any shares
25 of that class; or

1 (2) Any series within a class before the issuance of any
2 shares of that series.

3 (c) Before issuing any shares of a class or series
4 created under this section, the corporation must deliver to the
5 Secretary of State for filing articles of amendment setting forth the
6 terms determined under subsection (a) of this section.

7 Sec. 39. (MBCA 6.03) (a) A corporation may issue the
8 number of shares of each class or series authorized by the articles
9 of incorporation. Shares that are issued are outstanding shares until
10 they are reacquired, redeemed, converted, or canceled.

11 (b) The reacquisition, redemption, or conversion of
12 outstanding shares is subject to the limitations of subsection (c) of
13 this section and to section 52 of this act.

14 (c) At all times that shares of the corporation are
15 outstanding, one or more shares that together have unlimited voting
16 rights and one or more shares that together are entitled to receive
17 the net assets of the corporation upon dissolution must be
18 outstanding.

19 Sec. 40. (MBCA 6.04) (a) A corporation may:

20 (1) Issue fractions of a share or pay in money the value
21 of fractions of a share;

22 (2) Arrange for disposition of fractional shares by the
23 shareholders; and

24 (3) Issue scrip in registered or bearer form entitling
25 the holder to receive a full share upon surrendering enough scrip to

1 equal a full share.

2 (b) Each certificate representing scrip must be
3 conspicuously labeled scrip and must contain the information required
4 by subsection (b) of section 46 of this act.

5 (c) The holder of a fractional share is entitled to
6 exercise the rights of a shareholder, including the right to vote, to
7 receive dividends, and to participate in the assets of the
8 corporation upon liquidation. The holder of scrip is not entitled to
9 any of these rights unless the scrip provides for them.

10 (d) The board of directors may authorize the issuance of
11 scrip subject to any condition considered desirable, including:

12 (1) That the scrip will become void if not exchanged for
13 full shares before a specified date; and

14 (2) That the shares for which the scrip is exchangeable
15 may be sold and the proceeds paid to the scripholders.

16 Sec. 41. (MBCA 6.20) (a) A subscription for shares
17 entered into before incorporation is irrevocable for six months
18 unless the subscription agreement provides a longer or shorter period
19 or all the subscribers agree to revocation.

20 (b) The board of directors may determine the payment
21 terms of subscription for shares that were entered into before
22 incorporation, unless the subscription agreement specifies them. A
23 call for payment by the board of directors must be uniform so far as
24 practicable as to all shares of the same class or series, unless the
25 subscription agreement specifies otherwise.

1 (c) Shares issued pursuant to subscriptions entered into
2 before incorporation are fully paid and nonassessable when the
3 corporation receives the consideration specified in the subscription
4 agreement.

5 (d) If a subscriber defaults in payment of money or
6 property under a subscription agreement entered into before
7 incorporation, the corporation may collect the amount owed as any
8 other debt. Alternatively, unless the subscription agreement provides
9 otherwise, the corporation may rescind the agreement and may sell the
10 shares if the debt remains unpaid for more than twenty days after the
11 corporation sends written demand for payment to the subscriber.

12 (e) A subscription agreement entered into after
13 incorporation is a contract between the subscriber and the
14 corporation subject to section 42 of this act.

15 Sec. 42. (MBCA 6.21) (a) The powers granted in this
16 section to the board of directors may be reserved to the shareholders
17 by the articles of incorporation.

18 (b) The board of directors may authorize shares to be
19 issued for consideration consisting of any tangible or intangible
20 property or benefit to the corporation, including cash, promissory
21 notes, services performed, contracts for services to be performed, or
22 other securities of the corporation.

23 (c) Before the corporation issues shares, the board of
24 directors must determine that the consideration received or to be
25 received for shares to be issued is adequate. That determination by

1 the board of directors is conclusive insofar as the adequacy of
2 consideration for the issuance of shares relates to whether the
3 shares are validly issued, fully paid, and nonassessable.

4 (d) When the corporation receives the consideration for
5 which the board of directors authorized the issuance of shares, the
6 shares issued therefor are fully paid and nonassessable.

7 (e) The corporation may place in escrow shares issued for
8 a contract for future services or benefits or a promissory note, or
9 make other arrangements to restrict the transfer of the shares, and
10 may credit distributions in respect of the shares against their
11 purchase price until the services are performed, the note is paid, or
12 the benefits received. If the services are not performed, the note is
13 not paid, or the benefits are not received, the shares escrowed or
14 restricted and the distributions credited may be canceled in whole or
15 part.

16 (f)(1) An issuance of shares or other securities
17 convertible into or rights exercisable for shares, in a transaction
18 or a series of integrated transactions, requires approval of the
19 shareholders at a meeting at which a quorum consisting of at least a
20 majority of the votes entitled to be cast on the matter exists if:

21 (i) The shares, other securities, or rights are issued
22 for consideration other than cash or cash equivalents; and

23 (ii) The voting power of shares that are issued and
24 issuable as a result of the transaction or series of integrated
25 transactions will comprise more than twenty percent of the voting

1 power of the shares of the corporation that were outstanding
2 immediately before the transaction.

3 (2) In this subsection:

4 (i) For purposes of determining the voting power of
5 shares issued and issuable as a result of a transaction or series of
6 integrated transactions, the voting power of shares shall be the
7 greater of (A) the voting power of the shares to be issued or (B) the
8 voting power of the shares that would be outstanding after giving
9 effect to the conversion of convertible shares and other securities
10 and the exercise of rights to be issued; and

11 (ii) A series of transactions is integrated if
12 consummation of one transaction is made contingent on consummation of
13 one or more of the other transactions.

14 Sec. 43. (MBCA 6.22) (a) A purchaser from a corporation
15 of its own shares is not liable to the corporation or its creditors
16 with respect to the shares except to pay the consideration for which
17 the shares were authorized to be issued under section 42 of this act
18 or specified in the subscription agreement under section 41 of this
19 act.

20 (b) Unless otherwise provided in the articles of
21 incorporation, a shareholder of a corporation is not personally
22 liable for the acts or debts of the corporation, except that he or
23 she may become personally liable by reason of his or her own acts or
24 conduct.

25 Sec. 44. (MBCA 6.23) (a) Unless the articles of

1 incorporation provide otherwise, shares may be issued pro rata and
2 without consideration to the corporation's shareholders or to the
3 shareholders of one or more classes or series. An issuance of shares
4 under this subsection is a share dividend.

5 (b) Shares of one class or series may not be issued as a
6 share dividend in respect of shares of another class or series unless
7 (1) the articles of incorporation so authorize, (2) a majority of the
8 votes entitled to be cast by the class or series to be issued approve
9 the issue, or (3) there are no outstanding shares of the class or
10 series to be issued.

11 (c) If the board of directors does not fix the record
12 date for determining shareholders entitled to a share dividend, it is
13 the date the board of directors authorizes the share dividend.

14 Sec. 45. (MBCA 6.24) (a) A corporation may issue rights,
15 options, or warrants for the purchase of shares or other securities
16 of the corporation. The board of directors shall determine (1) the
17 terms upon which the rights, options, or warrants are issued and (2)
18 the terms, including the consideration for which the shares or other
19 securities are to be issued. The authorization by the board of
20 directors for the corporation to issue such rights, options, or
21 warrants constitutes authorization of the issuance of the shares or
22 other securities for which the rights, options, or warrants are
23 exercisable.

24 (b) The terms and conditions of such rights, options, or
25 warrants, including those outstanding on the operative date of this

1 act, may include, without limitation, restrictions or conditions
2 that:

3 (1) Preclude or limit the exercise, transfer, or receipt
4 of such rights, options, or warrants by any person or persons owning
5 or offering to acquire a specified number or percentage of the
6 outstanding shares or other securities of the corporation or by any
7 transferee or transferees of any such person or persons; or

8 (2) Invalidate or void such rights, options, or warrants
9 held by any such person or persons or any such transferee or
10 transferees.

11 (c) The board of directors may authorize one or more
12 officers to (1) designate the recipients of rights, options,
13 warrants, or other equity compensation awards that involve the
14 issuance of shares and (2) determine, within an amount and subject to
15 any other limitations established by the board and, if applicable,
16 the stockholders, the number of such rights, options, warrants, or
17 other equity compensation awards and the terms thereof to be received
18 by the recipients, except that an officer may not use such authority
19 to designate himself or herself or any other persons as the board of
20 directors may specify as a recipient of such rights, options,
21 warrants, or other equity compensation awards.

22 Sec. 46. (MBCA 6.25) (a) Shares may but need not be
23 represented by certificates. Unless the Nebraska Model Business
24 Corporation Act or another statute expressly provides otherwise, the
25 rights and obligations of shareholders are identical whether or not

1 their shares are represented by certificates.

2 (b) At a minimum each share certificate must state on its
3 face:

4 (1) The name of the issuing corporation and that it is
5 organized under the law of this state;

6 (2) The name of the person to whom issued; and

7 (3) The number and class of shares and the designation of
8 the series, if any, the certificate represents.

9 (c) If the issuing corporation is authorized to issue
10 different classes of shares or different series within a class, the
11 designations, relative rights, preferences, and limitations
12 applicable to each class and the variations in rights, preferences,
13 and limitations determined for each series, and the authority of the
14 board of directors to determine variations for future series, must be
15 summarized on the front or back of each certificate. Alternatively,
16 each certificate may state conspicuously on its front or back that
17 the corporation will furnish the shareholder this information on
18 request in writing and without charge.

19 (d) Each share certificate (1) must be signed, either
20 manually or in facsimile, by two officers designated in the bylaws or
21 by the board of directors and (2) may bear the corporate seal or its
22 facsimile.

23 (e) If the person who signed, either manually or in
24 facsimile, a share certificate no longer holds office when the
25 certificate is issued, the certificate is nevertheless valid.

1 Sec. 47. (MBCA 6.26) (a) Unless the articles of
2 incorporation or bylaws provide otherwise, the board of directors of
3 a corporation may authorize the issue of some or all of the shares of
4 any or all of its classes or series without certificates. The
5 authorization does not affect shares already represented by
6 certificates until they are surrendered to the corporation.

7 (b) Within a reasonable time after the issue or transfer
8 of shares without certificates, the corporation shall send the
9 shareholder a written statement of the information required on
10 certificates by subsections (b) and (c) of section 46 of this act,
11 and, if applicable, section 48 of this act.

12 Sec. 48. (MBCA 6.27) (a) The articles of incorporation,
13 bylaws, an agreement among shareholders, or an agreement between
14 shareholders and the corporation may impose restrictions on the
15 transfer or registration of transfer of shares of the corporation. A
16 restriction does not affect shares issued before the restriction was
17 adopted unless the holders of the shares are parties to the
18 restriction agreement or voted in favor of the restriction.

19 (b) A restriction on the transfer or registration of
20 transfer of shares is valid and enforceable against the holder or a
21 transferee of the holder if the restriction is authorized by this
22 section and its existence is noted conspicuously on the front or back
23 of the certificate or is contained in the information statement
24 required by subsection (b) of section 47 of this act. Unless so noted
25 or contained, a restriction is not enforceable against a person

1 without knowledge of the restriction.

2 (c) A restriction on the transfer or registration of
3 transfer of shares is authorized:

4 (1) To maintain the corporation's status when it is
5 dependent on the number or identity of its shareholders;

6 (2) To preserve exemptions under federal or state
7 securities law or under the Internal Revenue Code; or

8 (3) For any other reasonable purpose.

9 (d) A restriction on the transfer or registration of
10 transfer of shares may:

11 (1) Obligate the shareholder first to offer the
12 corporation or other persons, separately, consecutively, or
13 simultaneously, an opportunity to acquire the restricted shares;

14 (2) Obligate the corporation or other persons,
15 separately, consecutively, or simultaneously, to acquire the
16 restricted shares;

17 (3) Require the corporation, the holders of any class of
18 its shares, or another person to approve the transfer of the
19 restricted shares, if the requirement is not manifestly unreasonable;

20 or

21 (4) Prohibit the transfer of the restricted shares to
22 designated persons or classes of persons, if the prohibition is not
23 manifestly unreasonable.

24 (e) For purposes of this section, shares includes a
25 security convertible into or carrying a right to subscribe for or

1 acquire shares.

2 Sec. 49. (MBCA 6.28) A corporation may pay the expenses
3 of selling or underwriting its shares and of organizing or
4 reorganizing the corporation from the consideration received for
5 shares.

6 Sec. 50. (MBCA 6.30) (a) The shareholders of a
7 corporation do not have a preemptive right to acquire the
8 corporation's unissued shares except to the extent the articles of
9 incorporation so provide.

10 (b) A statement included in the articles of incorporation
11 that the corporation elects to have preemptive rights, or words of
12 similar import, means that the following principles apply except to
13 the extent the articles of incorporation expressly provide otherwise:

14 (1) The shareholders of the corporation have a preemptive
15 right, granted on uniform terms and conditions prescribed by the
16 board of directors to provide a fair and reasonable opportunity to
17 exercise the right, to acquire proportional amounts of the
18 corporation's unissued shares upon the decision of the board of
19 directors to issue them;

20 (2) A shareholder may waive his or her preemptive right.
21 A waiver evidenced by a writing is irrevocable even though it is not
22 supported by consideration;

23 (3) There is no preemptive right with respect to:

24 (i) Shares issued as compensation to directors, officers,
25 agents, or employees of the corporation, its subsidiaries or

1 affiliates;

2 (ii) Shares issued to satisfy conversion or option rights
3 created to provide compensation to directors, officers, agents, or
4 employees of the corporation, its subsidiaries or affiliates;

5 (iii) Shares authorized in articles of incorporation that
6 are issued within six months from the effective date of
7 incorporation; and

8 (iv) Shares sold otherwise than for money;

9 (4) Holders of shares of any class without general voting
10 rights but with preferential rights to distributions or assets have
11 no preemptive rights with respect to shares of any class;

12 (5) Holders of shares of any class with general voting
13 rights but without preferential rights to distributions or assets
14 have no preemptive rights with respect to shares of any class with
15 preferential rights to distributions or assets unless the shares with
16 preferential rights are convertible into or carry a right to
17 subscribe for or acquire shares without preferential rights; and

18 (6) Shares subject to preemptive rights that are not
19 acquired by shareholders may be issued to any person for a period of
20 one year after being offered to shareholders at a consideration set
21 by the board of directors that is not lower than the consideration
22 set for the exercise of preemptive rights. An offer at a lower
23 consideration or after the expiration of one year is subject to the
24 shareholders' preemptive rights.

25 (c) For purposes of this section, shares includes a

1 security convertible into or carrying a right to subscribe for or
2 acquire shares.

3 Sec. 51. (MBCA 6.31) (a) A corporation may acquire its
4 own shares, and shares so acquired constitute authorized but unissued
5 shares.

6 (b) If the articles of incorporation prohibit the reissue
7 of the acquired shares, the number of authorized shares is reduced by
8 the number of shares acquired.

9 Sec. 52. (MBCA 6.40) (a) A board of directors may
10 authorize and the corporation may make distributions to its
11 shareholders subject to restriction by the articles of incorporation
12 and the limitation in subsection (c) of this section.

13 (b) If the board of directors does not fix the record
14 date for determining shareholders entitled to a distribution, other
15 than one involving a purchase, redemption, or other acquisition of
16 the corporation's shares, it is the date the board of directors
17 authorizes the distribution.

18 (c) No distribution may be made if, after giving it
19 effect:

20 (1) The corporation would not be able to pay its debts as
21 they become due in the usual course of business; or

22 (2) The corporation's total assets would be less than the
23 sum of its total liabilities plus, unless the articles of
24 incorporation permit otherwise, the amount that would be needed, if
25 the corporation were to be dissolved at the time of the distribution,

1 to satisfy the preferential rights upon dissolution of shareholders
2 whose preferential rights are superior to those receiving the
3 distribution.

4 (d) The board of directors may base a determination that
5 a distribution is not prohibited under subsection (c) of this section
6 either on financial statements prepared on the basis of accounting
7 practices and principles that are reasonable in the circumstances or
8 on a fair valuation or other method that is reasonable in the
9 circumstances.

10 (e) Except as provided in subsection (g) of this section,
11 the effect of a distribution under subsection (c) of this section is
12 measured:

13 (1) In the case of distribution by purchase, redemption,
14 or other acquisition of the corporation's shares, as of the earlier
15 of (i) the date money or other property is transferred or debt
16 incurred by the corporation or (ii) the date the shareholder ceases
17 to be a shareholder with respect to the acquired shares;

18 (2) In the case of any other distribution of
19 indebtedness, as of the date the indebtedness is distributed; and

20 (3) In all other cases, as of (i) the date the
21 distribution is authorized if the payment occurs within one hundred
22 twenty days after the date of authorization or (ii) the date the
23 payment is made if it occurs more than one hundred twenty days after
24 the date of authorization.

25 (f) A corporation's indebtedness to a shareholder

1 incurred by reason of a distribution made in accordance with this
2 section is at parity with the corporation's indebtedness to its
3 general, unsecured creditors except to the extent subordinated by
4 agreement.

5 (g) Indebtedness of a corporation, including indebtedness
6 issued as a distribution, is not considered a liability for purposes
7 of determinations under subsection (c) of this section if its terms
8 provide that payment of principal and interest are made only if and
9 to the extent that payment of a distribution to shareholders could
10 then be made under this section. If the indebtedness is issued as a
11 distribution, each payment of principal or interest is treated as a
12 distribution, the effect of which is measured on the date the payment
13 is actually made.

14 (h) This section shall not apply to distributions in
15 liquidation under sections 184 to 202 of this act.

16 Sec. 53. (MBCA 7.01) (a) Unless directors are elected by
17 written consent in lieu of an annual meeting as permitted by section
18 56 of this act, a corporation shall hold a meeting of shareholders
19 annually at a time stated in or fixed in accordance with the bylaws,
20 except that directors may not be elected by less than unanimous
21 consent.

22 (b) Annual shareholders' meetings may be held in or out
23 of this state at the place stated in or fixed in accordance with the
24 bylaws. If no place is stated in or fixed in accordance with the
25 bylaws, annual meetings shall be held at the corporation's principal

1 office.

2 (c) The failure to hold an annual meeting at the time
3 stated in or fixed in accordance with a corporation's bylaws does not
4 affect the validity of any corporate action.

5 (d) Notwithstanding the provisions of this section, a
6 corporation registered as an investment company under the federal
7 Investment Company Act of 1940, as amended, 15 U.S.C. 80a-1 et seq.,
8 which, pursuant to section 20 of this act, has included in its
9 articles of incorporation a provision limiting or eliminating the
10 requirement to hold an annual meeting of the shareholders, is not
11 required to hold an annual meeting of the shareholders except as
12 provided in such articles of incorporation or as otherwise required
13 by such act and the rules and regulations adopted and promulgated
14 under such act.

15 Sec. 54. (MBCA 7.02) (a) A corporation shall hold a
16 special meeting of shareholders:

17 (1) On call of its board of directors or the person or
18 persons authorized to do so by the articles of incorporation or
19 bylaws; or

20 (2) If the holders of at least ten percent of all the
21 votes entitled to be cast on an issue proposed to be considered at
22 the proposed special meeting sign, date, and deliver to the
23 corporation one or more written demands for the meeting describing
24 the purpose or purposes for which it is to be held, except that the
25 articles of incorporation may fix a lower percentage or a higher

1 percentage not exceeding twenty-five percent of all the votes
2 entitled to be cast on any issue proposed to be considered. Unless
3 otherwise provided in the articles of incorporation, a written demand
4 for a special meeting may be revoked by a writing to that effect
5 received by the corporation prior to the receipt by the corporation
6 of demands sufficient in number to require the holding of a special
7 meeting.

8 (b) If not otherwise fixed under section 55 or 59 of this
9 act, the record date for determining shareholders entitled to demand
10 a special meeting is the date the first shareholder signs the demand.

11 (c) Special shareholders' meetings may be held in or out
12 of this state at the place stated in or fixed in accordance with the
13 bylaws. If no place is stated or fixed in accordance with the bylaws,
14 special meetings shall be held at the corporation's principal office.

15 (d) Only business within the purpose or purposes
16 described in the meeting notice required by subsection (c) of section
17 57 of this act may be conducted at a special shareholders' meeting.

18 Sec. 55. (MBCA 7.03) (a) The district court of the county
19 where a corporation's principal office, or, if none in this state,
20 its registered office, is located may summarily order a meeting to be
21 held:

22 (1) On application of any shareholder of the corporation
23 entitled to participate in an annual meeting if an annual meeting was
24 not held or action by written consent in lieu thereof did not become
25 effective within the earlier of six months after the end of the

1 corporation's fiscal year or fifteen months after its last annual
2 meeting; or

3 (2) On application of a shareholder who signed a demand
4 for a special meeting valid under section 54 of this act, if:

5 (i) Notice of the special meeting was not given within
6 thirty days after the date the demand was delivered to the
7 corporation's secretary; or

8 (ii) The special meeting was not held in accordance with
9 the notice.

10 (b) The court may fix the time and place of the meeting,
11 determine the shares entitled to participate in the meeting, specify
12 a record date or dates for determining shareholders entitled to
13 notice of and to vote at the meeting, prescribe the form and content
14 of the meeting notice, fix the quorum required for specific matters
15 to be considered at the meeting or direct that the votes represented
16 at the meeting constitute a quorum for action on those matters, and
17 enter other orders necessary to accomplish the purpose or purposes of
18 the meeting.

19 Sec. 56. (MBCA 7.04) (a) Action required or permitted by
20 the Nebraska Model Business Corporation Act to be taken at a
21 shareholders' meeting may be taken without a meeting if the action is
22 taken by all the shareholders entitled to vote on the action. The
23 action must be evidenced by one or more written consents bearing the
24 date of signature and describing the action taken, signed by all the
25 shareholders entitled to vote on the action and delivered to the

1 corporation for inclusion in the minutes or filing with the
2 corporation records.

3 (b) The articles of incorporation may provide that any
4 action required or permitted by the Nebraska Model Business
5 Corporation Act to be taken at a shareholders' meeting may be taken
6 without a meeting, and without prior notice, if consents in writing
7 setting forth the action so taken are signed by the holders of
8 outstanding shares having not less than the minimum number of votes
9 that would be required to authorize or take the action at a meeting
10 at which all shares entitled to vote on the action were present and
11 voted. The written consent shall bear the date of signature of the
12 shareholder who signs the consent and be delivered to the corporation
13 for inclusion in the minutes or filing with the corporation records.

14 (c) If not otherwise fixed under section 59 of this act
15 and if prior board action is not required respecting the action to be
16 taken without a meeting, the record date for determining the
17 shareholders entitled to take action without a meeting shall be the
18 first date on which a signed written consent is delivered to the
19 corporation. If not otherwise fixed under section 59 of this act and
20 if prior board action is required respecting the action to be taken
21 without a meeting, the record date shall be the close of business on
22 the day the resolution of the board taking such prior action is
23 adopted. No written consent shall be effective to take the corporate
24 action referred to therein unless, within sixty days of the earliest
25 date on which a consent delivered to the corporation as required by

1 this section was signed, written consents signed by sufficient
2 shareholders to take the action have been delivered to the
3 corporation. A written consent may be revoked by a writing to that
4 effect delivered to the corporation before unrevoked written consents
5 sufficient in number to take the corporate action are delivered to
6 the corporation.

7 (d) A consent signed pursuant to the provisions of this
8 section has the effect of a vote taken at a meeting and may be
9 described as such in any document. Unless the articles of
10 incorporation, bylaws, or a resolution of the board of directors
11 provides for a reasonable delay to permit tabulation of written
12 consents, the action taken by written consent shall be effective when
13 written consents signed by sufficient shareholders to take the action
14 are delivered to the corporation.

15 (e) If the Nebraska Model Business Corporation Act
16 requires that notice of a proposed action be given to nonvoting
17 shareholders and the action is to be taken by written consent of the
18 voting shareholders, the corporation must give its nonvoting
19 shareholders written notice of the action not more than ten days
20 after (1) written consents sufficient to take the action have been
21 delivered to the corporation or (2) such later date that tabulation
22 of consents is completed pursuant to an authorization under
23 subsection (d) of this section. The notice must reasonably describe
24 the action taken and contain or be accompanied by the same material
25 that, under any provision of the act, would have been required to be

1 sent to nonvoting shareholders in a notice of a meeting at which the
2 proposed action would have been submitted to the shareholders for
3 action.

4 (f) If action is taken by less than unanimous written
5 consent of the voting shareholders, the corporation must give its
6 nonconsenting voting shareholders written notice of the action not
7 more than ten days after (1) written consents sufficient to take the
8 action have been delivered to the corporation or (2) such later date
9 that tabulation of consents is completed pursuant to an authorization
10 under subsection (d) of this section. The notice must reasonably
11 describe the action taken and contain or be accompanied by the same
12 material that, under any provision of the Nebraska Model Business
13 Corporation Act, would have been required to be sent to voting
14 shareholders in a notice of a meeting at which the action would have
15 been submitted to the shareholders for action.

16 (g) The notice requirements in subsections (e) and (f) of
17 this section shall not delay the effectiveness of actions taken by
18 written consent, and a failure to comply with such notice
19 requirements shall not invalidate actions taken by written consent,
20 except that this subsection shall not be deemed to limit judicial
21 power to fashion any appropriate remedy in favor of a shareholder
22 adversely affected by a failure to give such notice within the
23 required time period.

24 Sec. 57. (MBCA 7.05) (a) A corporation shall notify
25 shareholders of the date, time, and place of each annual and special

1 shareholders' meeting no fewer than ten nor more than sixty days
2 before the meeting date. If the board of directors has authorized
3 participation by means of remote communication pursuant to section 61
4 of this act for any class or series of shareholders, the notice to
5 such class or series of shareholders shall describe the means of
6 remote communication to be used. The notice shall include the record
7 date for determining the shareholders entitled to vote at the
8 meeting, if such date is different than the record date for
9 determining shareholders entitled to notice of the meeting. Unless
10 the Nebraska Model Business Corporation Act or the articles of
11 incorporation require otherwise, the corporation is required to give
12 notice only to shareholders entitled to vote at the meeting as of the
13 record date for determining the shareholders entitled to notice of
14 the meeting.

15 (b) Unless the Nebraska Model Business Corporation Act or
16 the articles of incorporation require otherwise, notice of an annual
17 meeting need not include a description of the purpose or purposes for
18 which the meeting is called.

19 (c) Notice of a special meeting must include a
20 description of the purpose or purposes for which the meeting is
21 called.

22 (d) If not otherwise fixed under section 55 or 59 of this
23 act, the record date for determining shareholders entitled to notice
24 of and to vote at an annual or special shareholders' meeting is the
25 day before the first notice is delivered to shareholders.

1 (e) Unless the bylaws require otherwise, if an annual or
2 special shareholders' meeting is adjourned to a different date, time,
3 or place, notice need not be given of the new date, time, or place if
4 the new date, time, or place is announced at the meeting before
5 adjournment. If a new record date for the adjourned meeting is or
6 must be fixed under section 59 of this act, however, notice of the
7 adjourned meeting must be given under this section to shareholders
8 entitled to vote at such adjourned meeting as of the record date
9 fixed for notice of such adjourned meeting.

10 Sec. 58. (MBCA 7.06) (a) A shareholder may waive any
11 notice required by the Nebraska Model Business Corporation Act, the
12 articles of incorporation, or bylaws before or after the date and
13 time stated in the notice. The waiver must be in writing, be signed
14 by the shareholder entitled to the notice, and be delivered to the
15 corporation for inclusion in the minutes or filing with the corporate
16 records.

17 (b) A shareholder's attendance at a meeting:

18 (1) Waives objection to lack of notice or defective
19 notice of the meeting, unless the shareholder at the beginning of the
20 meeting objects to holding the meeting or transacting business at the
21 meeting; and

22 (2) Waives objection to consideration of a particular
23 matter at the meeting that is not within the purpose or purposes
24 described in the meeting notice, unless the shareholder objects to
25 considering the matter when it is presented.

1 Sec. 59. (MBCA 7.07) (a) The bylaws may fix or provide
2 the manner of fixing the record date or dates for one or more voting
3 groups in order to determine the shareholders entitled to notice of a
4 shareholders' meeting, to demand a special meeting, to vote, or to
5 take any other action. If the bylaws do not fix or provide for fixing
6 a record date, the board of directors of the corporation may fix a
7 future date as the record date.

8 (b) A record date fixed under this section may not be
9 more than seventy days before the meeting or action requiring a
10 determination of shareholders.

11 (c) A determination of shareholders entitled to notice of
12 or to vote at a shareholders' meeting is effective for any
13 adjournment of the meeting unless the board of directors fixes a new
14 record date or dates which it must do if the meeting is adjourned to
15 a date more than one hundred twenty days after the date fixed for the
16 original meeting.

17 (d) If a court orders a meeting adjourned to a date more
18 than one hundred twenty days after the date fixed for the original
19 meeting, it may provide that the original record date or dates
20 continue in effect or it may fix a new record date or dates.

21 (e) The record date for a shareholders' meeting fixed by
22 or in the manner provided in the bylaws or by the board of directors
23 shall be the record date for determining shareholders entitled both
24 to notice of and to vote at the shareholders' meeting, unless in the
25 case of a record date fixed by the board of directors and to the

1 extent not prohibited by the bylaws, the board, at the time it fixes
2 the record date for shareholders entitled to notice of the meeting,
3 fixes a later record date on or before the date of the meeting to
4 determine the shareholders entitled to vote at the meeting.

5 Sec. 60. (MBCA 7.08) (a) At each meeting of shareholders,
6 a chairperson shall preside. The chairperson shall be appointed as
7 provided in the bylaws or, in the absence of such provision, by the
8 board.

9 (b) The chairperson, unless the articles of incorporation
10 or bylaws provide otherwise, shall determine the order of business
11 and shall have the authority to establish rules for the conduct of
12 the meeting.

13 (c) Any rules adopted for, and the conduct of, the
14 meeting shall be fair to shareholders.

15 (d) The chairperson of the meeting shall announce at the
16 meeting when the polls close for each matter voted upon. If no
17 announcement is made, the polls shall be deemed to have closed upon
18 the final adjournment of the meeting. After the polls close, no
19 ballots, proxies, or votes nor any revocations or changes thereto may
20 be accepted.

21 Sec. 61. (MBCA 7.09) (a) Shareholders of any class or
22 series may participate in any meeting of shareholders by means of
23 remote communication to the extent the board of directors authorizes
24 such participation for such class or series. Participation by means
25 of remote communication shall be subject to such guidelines and

1 procedures as the board of directors adopts and shall be in
2 conformity with subsection (b) of this section.

3 (b) Shareholders participating in a shareholders' meeting
4 by means of remote communication shall be deemed present and may vote
5 at such a meeting if the corporation has implemented reasonable
6 measures:

7 (1) To verify that each person participating remotely is
8 a shareholder; and

9 (2) To provide such shareholders a reasonable opportunity
10 to participate in the meeting and to vote on matters submitted to the
11 shareholders, including an opportunity to communicate and to read or
12 hear the proceedings of the meeting substantially concurrently with
13 such proceedings.

14 Sec. 62. (MBCA 7.20) (a) After fixing a record date for a
15 meeting, a corporation shall prepare an alphabetical list of the
16 names of all its shareholders who are entitled to notice of a
17 shareholders' meeting. If the board of directors fixes a different
18 record date under subsection (e) of section 59 of this act to
19 determine the shareholders entitled to vote at the meeting, a
20 corporation also shall prepare an alphabetical list of the names of
21 all its shareholders who are entitled to vote at the meeting. A list
22 must be arranged by voting group, and within each voting group by
23 class or series of shares, and show the address of and number of
24 shares held by each shareholder.

25 (b) The shareholders' list for notice must be available

1 for inspection by any shareholder, beginning two business days after
2 notice of the meeting is given for which the list was prepared and
3 continuing through the meeting, at the corporation's principal office
4 or at a place identified in the meeting notice in the city where the
5 meeting will be held. A shareholders' list for voting must be
6 similarly available for inspection promptly after the record date for
7 voting. A shareholder, or the shareholders's agent or attorney, is
8 entitled upon written demand to inspect and, subject to the
9 requirements of subsection (c) of section 222 of this act, to copy a
10 list, during regular business hours and at the shareholder's expense,
11 during the period it is available for inspection.

12 (c) The corporation shall make the list of shareholders
13 entitled to vote available at the meeting, and any shareholder, or
14 the shareholder's agent or attorney, is entitled to inspect the list
15 at any time during the meeting or any adjournment.

16 (d) If the corporation refuses to allow a shareholder, or
17 the shareholder's agent or attorney, to inspect a shareholders' list
18 before or at the meeting or copy a list as permitted by subsection
19 (b) of this section, the district court of the county where a
20 corporation's principal office, or, if none in this state, its
21 registered office, is located, on application of the shareholder, may
22 summarily order the inspection or copying at the corporation's
23 expense and may postpone the meeting for which the list was prepared
24 until the inspection or copying is complete.

25 (e) Refusal or failure to prepare or make available the

1 shareholders' list does not affect the validity of action taken at
2 the meeting.

3 Sec. 63. (MBCA 7.21) (a) Except as provided in
4 subsections (b) and (d) of this section or unless the articles of
5 incorporation provide otherwise, each outstanding share, regardless
6 of class, is entitled to one vote on each matter voted on at a
7 shareholders' meeting. Only shares are entitled to vote.

8 (b) Absent special circumstances, the shares of a
9 corporation are not entitled to vote if they are owned, directly or
10 indirectly, by a second corporation, domestic or foreign, and the
11 first corporation owns, directly or indirectly, a majority of the
12 shares entitled to vote for directors of the second corporation.

13 (c) Subsection (b) of this section does not limit the
14 power of a corporation to vote any shares, including its own shares,
15 held by it in a fiduciary capacity.

16 (d) Redeemable shares are not entitled to vote after
17 notice of redemption is mailed to the holders and a sum sufficient to
18 redeem the shares has been deposited with a bank, trust company, or
19 other financial institution under an irrevocable obligation to pay
20 the holders the redemption price on surrender of the shares.

21 Sec. 64. (MBCA 7.22) (a) A shareholder may vote the
22 shareholder's shares in person or by proxy.

23 (b) A shareholder, or the shareholder's agent or
24 attorney-in-fact, may appoint a proxy to vote or otherwise act for
25 the shareholder by signing an appointment form or by an electronic

1 transmission. An electronic transmission must contain or be
2 accompanied by information from which the recipient can determine the
3 date of the transmission and that the transmission was authorized by
4 the sender or the sender's agent or attorney-in-fact.

5 (c) An appointment of a proxy is effective when a signed
6 appointment form or an electronic transmission of the appointment is
7 received by the inspector of election or the officer or agent of the
8 corporation authorized to tabulate votes. An appointment is valid for
9 eleven months unless a longer period is expressly provided in the
10 appointment form.

11 (d) An appointment of a proxy is revocable unless the
12 appointment form or electronic transmission states that it is
13 irrevocable and the appointment is coupled with an interest.
14 Appointments coupled with an interest include the appointment of:

15 (1) A pledgee;

16 (2) A person who purchased or agreed to purchase the
17 shares;

18 (3) A creditor of the corporation who extended it credit
19 under terms requiring the appointment;

20 (4) An employee of the corporation whose employment
21 contract requires the appointment; or

22 (5) A party to a voting agreement created under section
23 73 of this act.

24 (e) The death or incapacity of the shareholder appointing
25 a proxy does not affect the right of the corporation to accept the

1 proxy's authority unless notice of the death or incapacity is
2 received by the secretary or other officer or agent authorized to
3 tabulate votes before the proxy exercises authority under the
4 appointment.

5 (f) An appointment made irrevocable under subsection (d)
6 of this section is revoked when the interest with which it is coupled
7 is extinguished.

8 (g) A transferee for value of shares subject to an
9 irrevocable appointment may revoke the appointment if the transferee
10 did not know of its existence when acquiring the shares and the
11 existence of the irrevocable appointment was not noted conspicuously
12 on the certificate representing the shares or on the information
13 statement for shares without certificates.

14 (h) Subject to section 66 of this act and to any express
15 limitation on the proxy's authority stated in the appointment form or
16 electronic transmission, a corporation is entitled to accept the
17 proxy's vote or other action as that of the shareholder making the
18 appointment.

19 Sec. 65. (MBCA 7.23) (a) A corporation may establish a
20 procedure by which the beneficial owner of shares that are registered
21 in the name of a nominee is recognized by the corporation as the
22 shareholder. The extent of this recognition may be determined in the
23 procedure.

24 (b) The procedure may set forth:

25 (1) The types of nominees to which it applies;

1 (2) The rights or privileges that the corporation
2 recognizes in a beneficial owner;

3 (3) The manner in which the procedure is selected by the
4 nominee;

5 (4) The information that must be provided when the
6 procedure is selected;

7 (5) The period for which selection of the procedure is
8 effective; and

9 (6) Other aspects of the rights and duties created.

10 Sec. 66. (MBCA 7.24) (a) If the name signed on a vote,
11 consent, waiver, or proxy appointment corresponds to the name of a
12 shareholder, the corporation if acting in good faith is entitled to
13 accept the vote, consent, waiver, or proxy appointment and give it
14 effect as the act of the shareholder.

15 (b) If the name signed on a vote, consent, waiver, or
16 proxy appointment does not correspond to the name of its shareholder,
17 the corporation if acting in good faith is nevertheless entitled to
18 accept the vote, consent, waiver, or proxy appointment and give it
19 effect as the act of the shareholder if:

20 (1) The shareholder is an entity and the name signed
21 purports to be that of an officer or agent of the entity;

22 (2) The name signed purports to be that of an
23 administrator, executor, guardian, or conservator representing the
24 shareholder and, if the corporation requests, evidence of fiduciary
25 status acceptable to the corporation has been presented with respect

1 to the vote, consent, waiver, or proxy appointment;

2 (3) The name signed purports to be that of a receiver or
3 trustee in bankruptcy of the shareholder and, if the corporation
4 requests, evidence of this status acceptable to the corporation has
5 been presented with respect to the vote, consent, waiver, or proxy
6 appointment;

7 (4) The name signed purports to be that of a pledgee,
8 beneficial owner, or attorney-in-fact of the shareholder and, if the
9 corporation requests, evidence acceptable to the corporation of the
10 signatory's authority to sign for the shareholder has been presented
11 with respect to the vote, consent, waiver, or proxy appointment; or

12 (5) Two or more persons are the shareholder as cotenants
13 or fiduciaries and the name signed purports to be the name of at
14 least one of the co-owners and the person signing appears to be
15 acting on behalf of all the co-owners.

16 (c) The corporation is entitled to reject a vote,
17 consent, waiver, or proxy appointment if the secretary or other
18 officer or agent authorized to tabulate votes, acting in good faith,
19 has reasonable basis for doubt about the validity of the signature on
20 it or about the signatory's authority to sign for the shareholder.

21 (d) The corporation and its officer or agent who accepts
22 or rejects a vote, consent, waiver, or proxy appointment in good
23 faith and in accordance with the standards of this section or
24 subsection (b) of section 64 of this act are not liable in damages to
25 the shareholder for the consequences of the acceptance or rejection.

1 (e) Corporate action based on the acceptance or rejection
2 of a vote, consent, waiver, or proxy appointment under this section
3 is valid unless a court of competent jurisdiction determines
4 otherwise.

5 Sec. 67. (MBCA 7.25) (a) Shares entitled to vote as a
6 separate voting group may take action on a matter at a meeting only
7 if a quorum of those shares exists with respect to that matter.
8 Unless the articles of incorporation provide otherwise, a majority of
9 the votes entitled to be cast on the matter by the voting group
10 constitutes a quorum of that voting group for action on that matter.

11 (b) Once a share is represented for any purpose at a
12 meeting, it is deemed present for quorum purposes for the remainder
13 of the meeting and for any adjournment of that meeting unless a new
14 record date is or must be set for that adjourned meeting.

15 (c) If a quorum exists, action on a matter, other than
16 the election of directors, by a voting group is approved if the votes
17 cast within the voting group favoring the action exceed the votes
18 cast opposing the action, unless the articles of incorporation
19 require a greater number of affirmative votes.

20 (d) An amendment of articles of incorporation adding,
21 changing, or deleting a quorum or voting requirement for a voting
22 group greater than specified in subsection (a) or (c) of this section
23 is governed by section 69 of this act.

24 (e) The election of directors is governed by section 70
25 of this act.

1 (f) Whenever a provision of the Nebraska Model Business
2 Corporation Act provides for voting of classes or series as separate
3 voting groups, the rules provided in subsection (c) of section 153 of
4 this act for amendments of articles of incorporation apply to that
5 provision.

6 Sec. 68. (MBCA 7.26) (a) If the articles of incorporation
7 or the Nebraska Model Business Corporation Act provide for voting by
8 a single voting group on a matter, action on that matter is taken
9 when voted upon by that voting group as provided in section 67 of
10 this act.

11 (b) If the articles of incorporation or the act provide
12 for voting by two or more voting groups on a matter, action on that
13 matter is taken only when voted upon by each of those voting groups
14 counted separately as provided in section 67 of this act. Action may
15 be taken by one voting group on a matter even though no action is
16 taken by another voting group entitled to vote on the matter.

17 Sec. 69. (MBCA 7.27) (a) The articles of incorporation
18 may provide for a greater quorum or voting requirement for
19 shareholders, or voting groups of shareholders, than is provided for
20 by the Nebraska Model Business Corporation Act.

21 (b) An amendment to the articles of incorporation that
22 adds, changes, or deletes a greater quorum or voting requirement must
23 meet the same quorum requirement and be adopted by the same vote and
24 voting groups required to take action under the quorum and voting
25 requirements then in effect or proposed to be adopted, whichever is

1 greater.

2 Sec. 70. (MBCA 7.28) (a) Unless otherwise provided in the
3 articles of incorporation, directors are elected by a plurality of
4 the votes cast by the shares entitled to vote in the election at a
5 meeting at which a quorum is present.

6 (b) In all elections for directors, every shareholder
7 entitled to vote at such elections shall have the right to vote in
8 person or by proxy for the number of shares owned by him or her, for
9 as many persons as there are directors to be elected or to cumulate
10 such shares and give one candidate as many votes as the number of
11 directors multiplied by the number of his or her shares shall equal,
12 or to distribute them upon the same principle among as many
13 candidates as he or she thinks fit, and such directors shall not be
14 elected in any other manner.

15 Sec. 71. (MBCA 7.29) (a) A public corporation shall, and
16 any other corporation may, appoint one or more inspectors to act at a
17 meeting of shareholders and make a written report of the inspectors'
18 determinations. Each inspector shall take and sign an oath faithfully
19 to execute the duties of inspector with strict impartiality and
20 according to the best of the inspector's ability.

21 (b) The inspectors shall:

22 (1) Ascertain the number of shares outstanding and the
23 voting power of each;

24 (2) Determine the shares represented at a meeting;

25 (3) Determine the validity of proxies and ballots;

1 (4) Count all votes; and

2 (5) Determine the result.

3 (c) An inspector may be an officer or employee of the
4 corporation.

5 Sec. 72. (MBCA 7.30) (a) One or more shareholders may
6 create a voting trust, conferring on a trustee the right to vote or
7 otherwise act for them, by signing an agreement setting out the
8 provisions of the trust, which may include anything consistent with
9 its purpose, and transferring their shares to the trustee. When a
10 voting trust agreement is signed, the trustee must prepare a list of
11 the names and addresses of all voting trust beneficial owners,
12 together with the number and class of shares each transferred to the
13 trust, and deliver copies of the list and agreement to the
14 corporation's principal office.

15 (b) A voting trust becomes effective on the date the
16 first shares subject to the trust are registered in the trustee's
17 name.

18 (c) Limits, if any, on the duration of a voting trust
19 shall be as set forth in the voting trust. A voting trust that became
20 effective when the business corporation statutes repealed by this
21 legislative bill provided a ten-year limit on its duration remains
22 governed by the provisions of such statutes then in effect, unless
23 the voting trust is amended to provide otherwise by unanimous
24 agreement of the parties to the voting trust.

25 Sec. 73. (MBCA 7.31) (a) Two or more shareholders may

1 provide for the manner in which they will vote their shares by
2 signing an agreement for that purpose. A voting agreement created
3 under this section is not subject to the provisions of section 72 of
4 this act.

5 (b) A voting agreement created under this section is
6 specifically enforceable.

7 Sec. 74. (MBCA 7.32) (a) An agreement among the
8 shareholders of a corporation that complies with this section is
9 effective among the shareholders and the corporation even though it
10 is inconsistent with one or more other provisions of the Nebraska
11 Model Business Corporation Act in that it:

12 (1) Eliminates the board of directors or restricts the
13 discretion or powers of the board of directors;

14 (2) Governs the authorization or making of distributions
15 whether or not in proportion to ownership of shares, subject to the
16 limitations in section 52 of this act;

17 (3) Establishes who shall be directors or officers of the
18 corporation or their terms of office or manner of selection or
19 removal;

20 (4) Governs, in general or in regard to specific matters,
21 the exercise or division of voting power by or between the
22 shareholders and directors or by or among any of them, including use
23 of weighted voting rights or director proxies;

24 (5) Establishes the terms and conditions of any agreement
25 for the transfer or use of property or the provision of services

1 between the corporation and any shareholder, director, officer, or
2 employee of the corporation or among any of them;

3 (6) Transfers to one or more shareholders or other
4 persons all or part of the authority to exercise the corporate powers
5 or to manage the business and affairs of the corporation, including
6 the resolution of any issue about which there exists a deadlock among
7 directors or shareholders;

8 (7) Requires dissolution of the corporation at the
9 request of one or more of the shareholders or upon the occurrence of
10 a specified event or contingency; or

11 (8) Otherwise governs the exercise of the corporate
12 powers or the management of the business and affairs of the
13 corporation or the relationship among the shareholders, the
14 directors, and the corporation, or among any of them, and is not
15 contrary to public policy.

16 (b) An agreement authorized by this section shall be:

17 (1) As set forth (i) in the articles of incorporation or
18 bylaws and approved by all persons who are shareholders at the time
19 of the agreement or (ii) in a written agreement that is signed by all
20 persons who are shareholders at the time of the agreement and is made
21 known to the corporation; and

22 (2) Subject to amendment only by all persons who are
23 shareholders at the time of the amendment, unless the agreement
24 provides otherwise.

25 (c) The existence of an agreement authorized by this

1 section shall be noted conspicuously on the front or back of each
2 certificate for outstanding shares or on the information statement
3 required by subsection (b) of section 47 of this act. If at the time
4 of the agreement the corporation has shares outstanding represented
5 by certificates, the corporation shall recall the outstanding
6 certificates and issue substitute certificates that comply with this
7 subsection. The failure to note the existence of the agreement on the
8 certificate or information statement shall not affect the validity of
9 the agreement or any action taken pursuant to it. Any purchaser of
10 shares who, at the time of purchase, did not have knowledge of the
11 existence of the agreement shall be entitled to rescission of the
12 purchase. A purchaser shall be deemed to have knowledge of the
13 existence of the agreement if its existence is noted on the
14 certificate or information statement for the shares in compliance
15 with this subsection and, if the shares are not represented by a
16 certificate, the information statement is delivered to the purchaser
17 at or prior to the time of purchase of the shares. An action to
18 enforce the right of rescission authorized by this subsection must be
19 commenced within the earlier of ninety days after discovery of the
20 existence of the agreement or two years after the time of purchase of
21 the shares.

22 (d) An agreement authorized by this section shall cease
23 to be effective when the corporation becomes a public corporation. If
24 the agreement ceases to be effective for any reason, the board of
25 directors may, if the agreement is contained or referred to in the

1 corporation's articles of incorporation or bylaws, adopt an amendment
2 to the articles of incorporation or bylaws, without shareholder
3 action, to delete the agreement and any references to it.

4 (e) An agreement authorized by this section that limits
5 the discretion or powers of the board of directors shall relieve the
6 directors of, and impose upon the person or persons in whom such
7 discretion or powers are vested, liability for acts or omissions
8 imposed by law on directors to the extent that the discretion or
9 powers of the directors are limited by the agreement.

10 (f) The existence or performance of an agreement
11 authorized by this section shall not be a ground for imposing
12 personal liability on any shareholder for the acts or debts of the
13 corporation even if the agreement or its performance treats the
14 corporation as if it were a partnership or results in failure to
15 observe the corporate formalities otherwise applicable to the matters
16 governed by the agreement.

17 (g) Incorporators or subscribers for shares may act as
18 shareholders with respect to an agreement authorized by this section
19 if no shares have been issued when the agreement is made.

20 (h) Limits, if any, on the duration of an agreement
21 authorized by this section shall be as set forth in the agreement. An
22 agreement that became effective when the business corporation
23 statutes repealed by this legislative bill provided for a ten-year
24 limit on duration of shareholder agreements, unless the agreement
25 provided otherwise, remains governed by the provisions of such

1 statutes then in effect.

2 Sec. 75. (MBCA 7.40) In sections 75 to 82 of this act:

3 (1) Derivative proceeding means a civil suit in the right
4 of a domestic corporation or, to the extent provided in section 82 of
5 this act, in the right of a foreign corporation.

6 (2) Shareholder includes a beneficial owner whose shares
7 are held in a voting trust or held by a nominee on the beneficial
8 owner's behalf.

9 Sec. 76. (MBCA 7.41) A shareholder may not commence or
10 maintain a derivative proceeding unless the shareholder:

11 (1) Was a shareholder of the corporation at the time of
12 the act or omission complained of or became a shareholder through
13 transfer by operation of law from one who was a shareholder at that
14 time; and

15 (2) Fairly and adequately represents the interests of the
16 corporation in enforcing the right of the corporation.

17 Sec. 77. (MBCA 7.42) (a) No shareholder may commence a
18 derivative proceeding until:

19 (1) A written demand has been made upon the corporation
20 to take suitable action; and

21 (2) Ninety days have expired from the date delivery of
22 the demand was made unless the shareholder has earlier been notified
23 that the demand has been rejected by the corporation or unless
24 irreparable injury to the corporation would result by waiting for the
25 expiration of the ninety-day period.

1 (b) Venue for a proceeding under this section lies in the
2 district court of the county where the corporation's principal
3 office, or, if none in this state, its registered office, is located.

4 Sec. 78. (MBCA 7.43) If the corporation commences an
5 inquiry into the allegations made in the demand or complaint, the
6 court may stay any derivative proceeding for such period as the court
7 deems appropriate.

8 Sec. 79. (MBCA 7.44) (a) A derivative proceeding shall be
9 dismissed by the court on motion by the corporation if one of the
10 groups specified in subsection (b) or (e) of this section has
11 determined in good faith, after conducting a reasonable inquiry upon
12 which its conclusions are based, that the maintenance of the
13 derivative proceeding is not in the best interests of the
14 corporation.

15 (b) Unless a panel is appointed pursuant to subsection
16 (e) of this section, the determination in subsection (a) of this
17 section shall be made by:

18 (1) A majority vote of qualified directors present at a
19 meeting of the board of directors if the qualified directors
20 constitute a quorum; or

21 (2) A majority vote of a committee consisting of two or
22 more qualified directors appointed by majority vote of qualified
23 directors present at a meeting of the board of directors, regardless
24 of whether such qualified directors constitute a quorum.

25 (c) If a derivative proceeding is commenced after a

1 determination has been made rejecting a demand by a shareholder, the
2 complaint shall allege with particularity facts establishing either
3 (1) that a majority of the board of directors did not consist of
4 qualified directors at the time the determination was made or (2)
5 that the requirements of subsection (a) of this section have not been
6 met.

7 (d) If a majority of the board of directors consisted of
8 qualified directors at the time the determination was made, the
9 plaintiff shall have the burden of proving that the requirements of
10 subsection (a) of this section have not been met, and if not, the
11 corporation shall have the burden of proving that the requirements of
12 subsection (a) of this section have been met.

13 (e) Upon motion by the corporation, the court may appoint
14 a panel of one or more individuals to make a determination whether
15 the maintenance of the derivative proceeding is in the best interests
16 of the corporation. In such case, the plaintiff shall have the burden
17 of proving that the requirements of subsection (a) of this section
18 have not been met.

19 Sec. 80. (MBCA 7.45) A derivative proceeding may not be
20 discontinued or settled without the court's approval. If the court
21 determines that a proposed discontinuance or settlement will
22 substantially affect the interests of the corporation's shareholders
23 or a class of shareholders, the court shall direct that notice be
24 given to the shareholders affected.

25 Sec. 81. (MBCA 7.46) On termination of the derivative

1 proceeding the court may:

2 (1) Order the corporation to pay the plaintiff's
3 reasonable expenses, including attorney's fees, incurred in the
4 proceeding if it finds that the proceeding has resulted in a
5 substantial benefit to the corporation;

6 (2) Order the plaintiff to pay any defendant's reasonable
7 expenses, including attorney's fees, incurred in defending the
8 proceeding if it finds that the proceeding was commenced or
9 maintained without reasonable cause or for an improper purpose; or

10 (3) Order a party to pay an opposing party's reasonable
11 expenses, including attorney's fees, incurred because of the filing
12 of a pleading, motion, or other paper, if it finds that the pleading,
13 motion, or other paper was not well grounded in fact, after
14 reasonable inquiry, or warranted by existing law or a good faith
15 argument for the extension, modification, or reversal of existing law
16 and was interposed for an improper purpose, such as to harass or
17 cause unnecessary delay or needless increase in the cost of
18 litigation.

19 Sec. 82. (MBCA 7.47) In any derivative proceeding in the
20 right of a foreign corporation, the matters covered by sections 75 to
21 82 of this act shall be governed by the laws of the jurisdiction of
22 incorporation of the foreign corporation except for sections 78, 80,
23 and 81 of this act.

24 Sec. 83. (MBCA 7.48) (a) The court may appoint one or
25 more persons to be custodians, or, if the corporation is insolvent,

1 to be receivers, of and for a corporation in a proceeding by a
2 shareholder when it is established that:

3 (1) The directors are deadlocked in the management of the
4 corporate affairs, the shareholders are unable to break the deadlock,
5 and irreparable injury to the corporation is threatened or being
6 suffered; or

7 (2) The directors or those in control of the corporation
8 are acting fraudulently and irreparable injury to the corporation is
9 threatened or being suffered.

10 (b) The court:

11 (1) May issue injunctions, appoint a temporary custodian
12 or temporary receiver with all the powers and duties the court
13 directs, take other action to preserve the corporate assets wherever
14 located, and carry on the business of the corporation until a full
15 hearing is held;

16 (2) Shall hold a full hearing, after notifying all
17 parties to the proceeding and any interested persons designated by
18 the court, before appointing a custodian or receiver; and

19 (3) Has jurisdiction over the corporation and all of its
20 property, wherever located.

21 (c) The court may appoint an individual or domestic or
22 foreign corporation, authorized to transact business in this state,
23 as a custodian or receiver and may require the custodian or receiver
24 to post bond, with or without sureties, in an amount the court
25 directs.

1 (d) The court shall describe the powers and duties of the
2 custodian or receiver in its appointing order, which may be amended
3 from time to time. Among other powers:

4 (1) A custodian may exercise all of the powers of the
5 corporation, through or in place of its board of directors, to the
6 extent necessary to manage the business and affairs of the
7 corporation; and

8 (2) A receiver (i) may dispose of all or any part of the
9 assets of the corporation wherever located, at a public or private
10 sale, if authorized by the court and (ii) may sue and defend in the
11 receiver's own name as receiver in all courts of this state.

12 (e) The court during a custodianship may redesignate the
13 custodian a receiver, and during a receivership may redesignate the
14 receiver a custodian, if doing so is in the best interests of the
15 corporation.

16 (f) The court from time to time during the custodianship
17 or receivership may order compensation paid and expense disbursements
18 or reimbursements made to the custodian or receiver from the assets
19 of the corporation or proceeds from the sale of its assets.

20 Sec. 84. (MBCA 8.01) (a) Except as provided in section 74
21 of this act, each corporation must have a board of directors.

22 (b) All corporate powers shall be exercised by or under
23 the authority of the board of directors of the corporation, and the
24 business and affairs of the corporation shall be managed by or under
25 the direction and subject to the oversight of its board of directors,

1 subject to any limitation set forth in the articles of incorporation
2 or in an agreement authorized under section 74 of this act.

3 (c) In the case of a public corporation, the board's
4 oversight responsibilities include attention to:

5 (1) Business performance and plans;

6 (2) Major risks to which the corporation is or may be
7 exposed;

8 (3) The performance and compensation of senior officers;

9 (4) Policies and practices to foster the corporation's
10 compliance with law and ethical conduct;

11 (5) Preparation of the corporation's financial
12 statements;

13 (6) The effectiveness of the corporation's internal
14 controls;

15 (7) Arrangements for providing adequate and timely
16 information to directors; and

17 (8) The composition of the board and its committees,
18 taking into account the important role of independent directors.

19 Sec. 85. (MBCA 8.02) The articles of incorporation or
20 bylaws may prescribe qualifications for directors. A director need
21 not be a resident of this state or a shareholder of the corporation
22 unless the articles of incorporation or bylaws so prescribe.

23 Sec. 86. (MBCA 8.03) (a) A board of directors must
24 consist of one or more individuals, with the number specified in or
25 fixed in accordance with the articles of incorporation or bylaws.

1 (b) The number of directors may be increased or decreased
2 from time to time by amendment to, or in the manner provided in, the
3 articles of incorporation or the bylaws.

4 (c) Directors are elected at the first annual
5 shareholders' meeting and at each annual meeting thereafter unless
6 their terms are staggered under section 89 of this act.

7 (d) If a corporation is registered as an investment
8 company under the federal Investment Company Act of 1940, as amended,
9 15 U.S.C. 80a-1 et seq., and, pursuant to section 20 of this act, has
10 included in its articles of incorporation a provision limiting or
11 eliminating the requirement to hold an annual meeting of the
12 shareholders, the initial directors shall be elected at the first
13 meeting of the shareholders after such provision limiting or
14 eliminating such meeting is included in the articles of
15 incorporation, and thereafter the election of directors by
16 shareholders is not required unless required by such federal act or
17 the rules and regulations under such act or otherwise required by the
18 Nebraska Model Business Corporation Act.

19 Sec. 87. (MBCA 8.04) If the articles of incorporation
20 authorize dividing the shares into classes, the articles may also
21 authorize the election of all or a specified number of directors by
22 the holders of one or more authorized classes of shares. A class, or
23 classes, of shares entitled to elect one or more directors is a
24 separate voting group for purposes of the election of directors.

25 Sec. 88. (MBCA 8.05) (a) The terms of the initial

1 directors of a corporation expire at the first shareholders' meeting
2 at which directors are elected.

3 (b) The terms of all other directors expire at the next
4 or, if their terms are staggered in accordance with section 89 of
5 this act, at the applicable second or third annual shareholders'
6 meeting following their election, except to the extent a shorter term
7 is specified in the articles of incorporation in the event of a
8 director nominee failing to receive a specified vote for election.

9 (c) A decrease in the number of directors does not
10 shorten an incumbent director's term.

11 (d) The term of a director elected to fill a vacancy
12 expires at the next shareholders' meeting at which directors are
13 elected.

14 (e) Except to the extent otherwise provided in the
15 articles of incorporation, despite the expiration of a director's
16 term, the director continues to serve until the director's successor
17 is elected and qualifies or there is a decrease in the number of
18 directors.

19 Sec. 89. (MBCA 8.06) The articles of incorporation may
20 provide for staggering the terms of directors by dividing the total
21 number of directors into two or three groups, with each group
22 containing one-half or one-third of the total, as near as may be
23 practicable. In that event, the terms of directors in the first group
24 expire at the first annual shareholders' meeting after their
25 election, the terms of the second group expire at the second annual

1 shareholders' meeting after their election, and the terms of the
2 third group, if any, expire at the third annual shareholders' meeting
3 after their election. At each annual shareholders' meeting held
4 thereafter, directors shall be chosen for a term of two years or
5 three years, as the case may be, to succeed those whose terms expire.

6 Sec. 90. (MBCA 8.07) (a) A director may resign at any
7 time by delivering a written resignation to the board of directors or
8 its chairperson or to the secretary of the corporation.

9 (b) A resignation is effective when the resignation is
10 delivered unless the resignation specifies a later effective date or
11 an effective date determined upon the happening of an event or
12 events. A resignation that is conditioned upon failing to receive a
13 specified vote for election as a director may provide that it is
14 irrevocable.

15 Sec. 91. (MBCA 8.08) (a) The shareholders may remove one
16 or more directors with or without cause unless the articles of
17 incorporation provide that directors may be removed only for cause.

18 (b) If a director is elected by a voting group of
19 shareholders, only the shareholders of that voting group may
20 participate in the vote to remove that director.

21 (c) A director may not be removed if the number of votes
22 sufficient to elect the director under cumulative voting is voted
23 against removal.

24 (d) A director may be removed by the shareholders only at
25 a meeting called for the purpose of removing the director and the

1 meeting notice must state that the purpose, or one of the purposes,
2 of the meeting is removal of the director.

3 Sec. 92. (MBCA 8.09) (a) The district court of the county
4 where a corporation's principal office, or, if none in this state,
5 its registered office, is located may remove a director of the
6 corporation from office in a proceeding commenced by or in the right
7 of the corporation if the court finds that (1) the director engaged
8 in fraudulent conduct with respect to the corporation or its
9 shareholders, grossly abused the position of director, or
10 intentionally inflicted harm on the corporation and (2) considering
11 the director's course of conduct and the inadequacy of other
12 available remedies, removal would be in the best interest of the
13 corporation.

14 (b) A shareholder proceeding on behalf of the corporation
15 under subsection (a) of this section shall comply with all of the
16 requirements of sections 75 to 82 of this act, except subdivision (1)
17 of section 76 of this act.

18 (c) The court, in addition to removing the director, may
19 bar the director from reelection for a period prescribed by the
20 court.

21 (d) Nothing in this section limits the equitable powers
22 of the court to order other relief.

23 Sec. 93. (MBCA 8.10) (a) Unless the articles of
24 incorporation provide otherwise, if a vacancy occurs on a board of
25 directors, including a vacancy resulting from an increase in the

1 number of directors:

2 (1) The shareholders may fill the vacancy;

3 (2) The board of directors may fill the vacancy; or

4 (3) If the directors remaining in office constitute fewer
5 than a quorum of the board, they may fill the vacancy by the
6 affirmative vote of a majority of all the directors remaining in
7 office.

8 (b) If the vacant office was held by a director elected
9 by a voting group of shareholders, only the holders of shares of that
10 voting group are entitled to vote to fill the vacancy if it is filled
11 by the shareholders, and only the directors elected by that voting
12 group are entitled to fill the vacancy if it is filled by the
13 directors.

14 (c) A vacancy that will occur at a specific later date,
15 by reason of a resignation effective at a later date under subsection
16 (b) of section 90 of this act or otherwise, may be filled before the
17 vacancy occurs but the new director may not take office until the
18 vacancy occurs.

19 Sec. 94. (MBCA 8.11) Unless the articles of incorporation
20 or bylaws provide otherwise, the board of directors may fix the
21 compensation of directors.

22 Sec. 95. (MBCA 8.20) (a) The board of directors may hold
23 regular or special meetings in or out of this state.

24 (b) Unless the articles of incorporation or bylaws
25 provide otherwise, the board of directors may permit any or all

1 directors to participate in a regular or special meeting by, or
2 conduct the meeting through the use of, any means of communication by
3 which all directors participating may simultaneously hear each other
4 during the meeting. A director participating in a meeting by this
5 means is deemed to be present in person at the meeting.

6 Sec. 96. (MBCA 8.21) (a) Except to the extent that the
7 articles of incorporation or bylaws require that action by the board
8 of directors be taken at a meeting, action required or permitted by
9 the Nebraska Model Business Corporation Act to be taken by the board
10 of directors may be taken without a meeting if each director signs a
11 consent describing the action to be taken and delivers it to the
12 corporation.

13 (b) Action taken under this section is the act of the
14 board of directors when one or more consents signed by all the
15 directors are delivered to the corporation. The consent may specify
16 the time at which the action taken thereunder is to be effective. A
17 director's consent may be withdrawn by a revocation signed by the
18 director and delivered to the corporation prior to delivery to the
19 corporation of unrevoked written consents signed by all the
20 directors.

21 (c) A consent signed under this section has the effect of
22 action taken at a meeting of the board of directors and may be
23 described as such in any document.

24 Sec. 97. (MBCA 8.22) (a) Unless the articles of
25 incorporation or bylaws provide otherwise, regular meetings of the

1 board of directors may be held without notice of the date, time,
2 place, or purpose of the meeting.

3 (b) Unless the articles of incorporation or bylaws
4 provide for a longer or shorter period, special meetings of the board
5 of directors must be preceded by at least two days' notice of the
6 date, time, and place of the meeting. The notice need not describe
7 the purpose of the special meeting unless required by the articles of
8 incorporation or bylaws.

9 Sec. 98. (MBCA 8.23) (a) A director may waive any notice
10 required by the Nebraska Model Business Corporation Act, the articles
11 of incorporation, or bylaws before or after the date and time stated
12 in the notice. Except as provided by subsection (b) of this section,
13 the waiver must be in writing, signed by the director entitled to the
14 notice, and filed with the minutes or corporate records.

15 (b) A director's attendance at or participation in a
16 meeting waives any required notice to the director of the meeting
17 unless the director at the beginning of the meeting, or promptly upon
18 arrival, objects to holding the meeting or transacting business at
19 the meeting and does not thereafter vote for or assent to action
20 taken at the meeting.

21 Sec. 99. (MBCA 8.24) (a) Unless the articles of
22 incorporation or bylaws require a greater number or unless otherwise
23 specifically provided in the Nebraska Model Business Corporation Act,
24 a quorum of a board of directors consists of:

25 (1) A majority of the fixed number of directors if the

1 corporation has a fixed board size; or

2 (2) A majority of the number of directors prescribed, or
3 if no number is prescribed the number in office immediately before
4 the meeting begins, if the corporation has a variable-range size
5 board.

6 (b) The articles of incorporation or bylaws may authorize
7 a quorum of a board of directors to consist of no fewer than one-
8 third of the fixed or prescribed number of directors determined under
9 subsection (a) of this section.

10 (c) If a quorum is present when a vote is taken, the
11 affirmative vote of a majority of directors present is the act of the
12 board of directors unless the articles of incorporation or bylaws
13 require the vote of a greater number of directors.

14 (d) A director who is present at a meeting of the board
15 of directors or a committee of the board of directors when corporate
16 action is taken is deemed to have assented to the action taken
17 unless: (1) The director objects at the beginning of the meeting, or
18 promptly upon arrival, to holding it or transacting business at the
19 meeting; (2) the dissent or abstention from the action taken is
20 entered in the minutes of the meeting; or (3) the director delivers
21 written notice of the director's dissent or abstention to the
22 presiding officer of the meeting before its adjournment or to the
23 corporation immediately after adjournment of the meeting. The right
24 of dissent or abstention is not available to a director who votes in
25 favor of the action taken.

1 Sec. 100. (MBCA 8.25) (a) Unless the Nebraska Model
2 Business Corporation Act or the articles of incorporation or bylaws
3 provide otherwise, a board of directors may create one or more
4 committees and appoint one or more members of the board of directors
5 to serve on any such committee.

6 (b) Unless the Nebraska Model Business Corporation Act
7 otherwise provides, the creation of a committee and appointment of
8 members to it must be approved by the greater of (1) a majority of
9 all the directors in office when the action is taken or (2) the
10 number of directors required by the articles of incorporation or
11 bylaws to take action under section 99 of this act.

12 (c) Sections 95 to 99 of this act apply both to
13 committees of the board and to their members.

14 (d) To the extent specified by the board of directors or
15 in the articles of incorporation or bylaws, each committee may
16 exercise the powers of the board of directors under section 84 of
17 this act.

18 (e) A committee may not, however:

19 (1) Authorize or approve distributions, except according
20 to a formula or method, or within limits, prescribed by the board of
21 directors;

22 (2) Approve or propose to shareholders action that the
23 Nebraska Model Business Corporation Act requires be approved by
24 shareholders;

25 (3) Fill vacancies on the board of directors or, subject

1 to subsection (g) of this section, on any of its committees; or

2 (4) Adopt, amend, or repeal bylaws.

3 (f) The creation of, delegation of authority to, or
4 action by a committee does not alone constitute compliance by a
5 director with the standards of conduct described in section 102 of
6 this act.

7 (g) The board of directors may appoint one or more
8 directors as alternate members of any committee to replace any absent
9 or disqualified member during the member's absence or
10 disqualification. Unless the articles of incorporation or the bylaws
11 or the resolution creating the committee provide otherwise, in the
12 event of the absence or disqualification of a member of a committee,
13 the member or members present at any meeting and not disqualified
14 from voting, unanimously, may appoint another director to act in
15 place of the absent or disqualified member.

16 Sec. 101. (MBCA 8.26) A corporation may agree to submit a
17 matter to a vote of its shareholders even if, after approving the
18 matter, the board of directors determines it no longer recommends the
19 matter.

20 Sec. 102. (MBCA 8.30) (a)(1) Each member of the board of
21 directors, when discharging the duties of a director, shall act (i)
22 in good faith and (ii) in a manner the director reasonably believes
23 to be in the best interests of the corporation.

24 (2) A director may, but need not, in considering the best
25 interests of the corporation, consider, among other things, the

1 effects of any action on employees, suppliers, creditors, and
2 customers of the corporation and communities in which offices or
3 other facilities of the corporation are located.

4 (b) The members of the board of directors or a committee
5 of the board, when becoming informed in connection with their
6 decisionmaking function or devoting attention to their oversight
7 function, shall discharge their duties with the care that a person in
8 a like position would reasonably believe appropriate under similar
9 circumstances.

10 (c) In discharging board or committee duties, a director
11 shall disclose, or cause to be disclosed, to the other board or
12 committee members information not already known by them but known by
13 the director to be material to the discharge of their decisionmaking
14 or oversight functions, except that disclosure is not required to the
15 extent that the director reasonably believes that doing so would
16 violate a duty imposed under law, a legally enforceable obligation of
17 confidentiality, or a professional ethics rule.

18 (d) In discharging board or committee duties, a director
19 who does not have knowledge that makes reliance unwarranted is
20 entitled to rely on the performance by any of the persons specified
21 in subdivision (f)(1) or (f)(3) of this section to whom the board may
22 have delegated, formally or informally by course of conduct, the
23 authority or duty to perform one or more of the board's functions
24 that are delegable under applicable law.

25 (e) In discharging board or committee duties a director

1 who does not have knowledge that makes reliance unwarranted is
2 entitled to rely on information, opinions, reports, or statements,
3 including financial statements and other financial data, prepared or
4 presented by any of the persons specified in subsection (f) of this
5 section.

6 (f) A director is entitled to rely, in accordance with
7 subsection (d) or (e) of this section, on:

8 (1) One or more officers or employees of the corporation
9 whom the director reasonably believes to be reliable and competent in
10 the functions performed or the information, opinions, reports, or
11 statements provided;

12 (2) Legal counsel, public accountants, or other persons
13 retained by the corporation as to matters involving skills or
14 expertise the director reasonably believes are matters (i) within the
15 particular person's professional or expert competence or (ii) as to
16 which the particular person merits confidence; or

17 (3) A committee of the board of directors of which the
18 director is not a member if the director reasonably believes the
19 committee merits confidence.

20 Sec. 103. (MBCA 8.31) (a) A director shall not be liable
21 to the corporation or its shareholders for any decision to take or
22 not to take action, or any failure to take any action, as a director
23 unless the party asserting liability in a proceeding establishes
24 that:

25 (1) No defense interposed by the director based on (i)

1 any provision in the articles of incorporation authorized by
2 subdivision (b)(4) of section 20 of this act, (ii) the protection
3 afforded by section 121 of this act for action taken in compliance
4 with section 122 or 123 of this act, or (iii) the protection afforded
5 by section 124 of this act, precludes liability; and

6 (2) The challenged conduct consisted or was the result
7 of:

8 (i) Action not in good faith;

9 (ii) A decision:

10 (A) Which the director did not reasonably believe to be
11 in the best interests of the corporation; or

12 (B) As to which the director was not informed to an
13 extent the director reasonably believed appropriate in the
14 circumstances;

15 (iii) A lack of objectivity due to the director's
16 familial, financial, or business relationship with, or a lack of
17 independence due to the director's domination or control by, another
18 person having a material interest in the challenged conduct:

19 (A) Which relationship or which domination or control
20 could reasonably be expected to have affected the director's judgment
21 respecting the challenged conduct in a manner adverse to the
22 corporation; and

23 (B) After a reasonable expectation to such effect has
24 been established, the director shall not have established that the
25 challenged conduct was reasonably believed by the director to be in

1 the best interests of the corporation;

2 (iv) A sustained failure of the director to devote
3 attention to ongoing oversight of the business and affairs of the
4 corporation or a failure to devote timely attention by making, or
5 causing to be made, appropriate inquiry when particular facts and
6 circumstances of significant concern materialize that would alert a
7 reasonably attentive director to the need therefor; or

8 (v) Receipt of a financial benefit to which the director
9 was not entitled or any other breach of the director's duties to deal
10 fairly with the corporation and its shareholders that is actionable
11 under applicable law.

12 (b) The party seeking to hold the director liable:

13 (1) For money damages shall also have the burden of
14 establishing that:

15 (i) Harm to the corporation or its shareholders has been
16 suffered; and

17 (ii) The harm suffered was proximately caused by the
18 director's challenged conduct;

19 (2) For other money payment under a legal remedy, such as
20 compensation for the unauthorized use of corporate assets, shall also
21 have whatever persuasion burden may be called for to establish that
22 the payment sought is appropriate in the circumstances; or

23 (3) For other money payment under an equitable remedy,
24 such as profit recovery by or disgorgement to the corporation, shall
25 also have whatever persuasion burden may be called for to establish

1 that the equitable remedy sought is appropriate in the circumstances.

2 (c) Nothing contained in this section shall (1) in any
3 instance where fairness is at issue, such as consideration of the
4 fairness of a transaction to the corporation under subdivision (b)(3)
5 of section 121 of this act, alter the burden of proving the fact or
6 lack of fairness otherwise applicable, (2) alter the fact or lack of
7 liability of a director under another section of the Nebraska Model
8 Business Corporation Act, such as the provisions governing the
9 consequences of an unlawful distribution under section 104 of this
10 act or a transactional interest under section 121 of this act, or (3)
11 affect any rights to which the corporation or a shareholder may be
12 entitled under another statute of this state or the United States.

13 Sec. 104. (MBCA 8.33) (a) A director who votes for or
14 assents to a distribution in excess of what may be authorized and
15 made pursuant to subsection (a) of section 52 of this act or
16 subsection (a) of section 192 of this act is personally liable to the
17 corporation for the amount of the distribution that exceeds what
18 could have been distributed without violating subsection (a) of
19 section 52 of this act or subsection (a) of section 192 of this act
20 if the party asserting liability establishes that when taking the
21 action the director did not comply with section 102 of this act.

22 (b) A director held liable under subsection (a) of this
23 section for an unlawful distribution is entitled to:

24 (1) Contribution from every other director who could be
25 held liable under subsection (a) of this section for the unlawful

1 distribution; and

2 (2) Recoupment from each shareholder of the pro rata
3 portion of the amount of the unlawful distribution the shareholder
4 accepted, knowing the distribution was made in violation of
5 subsection (a) of section 52 of this act or subsection (a) of section
6 192 of this act.

7 (c) A proceeding to enforce:

8 (1) The liability of a director under subsection (a) of
9 this section is barred unless it is commenced within two years after
10 the date (i) on which the effect of the distribution was measured
11 under subsection (e) or (g) of section 52 of this act, (ii) as of
12 which the violation of subsection (a) of section 52 of this act
13 occurred as the consequence of disregard of a restriction in the
14 articles of incorporation, or (iii) on which the distribution of
15 assets to shareholders under subsection (a) of section 192 of this
16 act was made; or

17 (2) Contribution or recoupment under subsection (b) of
18 this section is barred unless it is commenced within one year after
19 the liability of the claimant has been finally adjudicated under
20 subsection (a) of this section.

21 Sec. 105. (MBCA 8.40) (a) A corporation has the officers
22 described in its bylaws or appointed by the board of directors in
23 accordance with the bylaws.

24 (b) The board of directors may elect individuals to fill
25 one or more offices of the corporation. An officer may appoint one or

1 more officers if authorized by the bylaws or the board of directors.

2 (c) The bylaws or the board of directors shall assign to
3 one of the officers responsibility for preparing the minutes of the
4 directors' and shareholders' meetings and for maintaining and
5 authenticating the records of the corporation required to be kept
6 under subsections (a) and (e) of section 221 of this act.

7 (d) The same individual may simultaneously hold more than
8 one office in a corporation.

9 Sec. 106. (MBCA 8.41) Each officer has the authority and
10 shall perform the functions set forth in the bylaws or, to the extent
11 consistent with the bylaws, the functions prescribed by the board of
12 directors or by direction of an officer authorized by the board of
13 directors to prescribe the functions of other officers.

14 Sec. 107. (MBCA 8.42) (a) An officer, when performing in
15 such capacity, has the duty to act:

16 (1) In good faith;

17 (2) With the care that a person in a like position would
18 reasonably exercise under similar circumstances; and

19 (3) In a manner the officer reasonably believes to be in
20 the best interests of the corporation.

21 (b) The duty of an officer includes the obligation:

22 (1) To inform the superior officer to whom, or the board
23 of directors or the committee thereof to which, the officer reports
24 of information about the affairs of the corporation known to the
25 officer, within the scope of the officer's functions, and known to

1 the officer to be material to such superior officer, board, or
2 committee; and

3 (2) To inform his or her superior officer, or another
4 appropriate person within the corporation, or the board of directors,
5 or a committee thereof, of any actual or probable material violation
6 of law involving the corporation or material breach of duty to the
7 corporation by an officer, employee, or agent of the corporation,
8 that the officer believes has occurred or is likely to occur.

9 (c) In discharging his or her duties, an officer who does
10 not have knowledge that makes reliance unwarranted is entitled to
11 rely on:

12 (1) The performance of properly delegated
13 responsibilities by one or more employees of the corporation whom the
14 officer reasonably believes to be reliable and competent in
15 performing the responsibilities delegated; or

16 (2) Information, opinions, reports, or statements,
17 including financial statements and other financial data, prepared or
18 presented by one or more employees of the corporation whom the
19 officer reasonably believes to be reliable and competent in the
20 matters presented or by legal counsel, public accountants, or other
21 persons retained by the corporation as to matters involving skills or
22 expertise the officer reasonably believes are matters (i) within the
23 particular person's professional or expert competence or (ii) as to
24 which the particular person merits confidence.

25 (d) An officer shall not be liable to the corporation or

1 its shareholders for any decision to take or not to take action or
2 any failure to take any action as an officer if the duties of the
3 office are performed in compliance with this section. Whether an
4 officer who does not comply with this section shall have liability
5 will depend in such instance on applicable law, including those
6 principles of section 103 of this act that have relevance.

7 Sec. 108. (MBCA 8.43) (a) An officer may resign at any
8 time by delivering notice to the corporation. A resignation is
9 effective when the notice is delivered unless the notice specifies a
10 later effective time. If a resignation is made effective at a later
11 time and the board or the appointing officer accepts the future
12 effective time, the board or the appointing officer may fill the
13 pending vacancy before the effective time if the board or the
14 appointing officer provides that the successor does not take office
15 until the effective time.

16 (b) An officer may be removed at any time with or without
17 cause by (1) the board of directors, (2) the officer who appointed
18 such officer, unless the bylaws or the board of directors provide
19 otherwise, or (3) any other officer if authorized by the bylaws or
20 the board of directors.

21 (c) In this section, appointing officer means the
22 officer, including any successor to that officer, who appointed the
23 officer resigning or being removed.

24 Sec. 109. (MBCA 8.44) (a) The appointment of an officer
25 does not itself create contract rights.

1 (b) An officer's removal does not affect the officer's
2 contract rights, if any, with the corporation. An officer's
3 resignation does not affect the corporation's contract rights, if
4 any, with the officer.

5 Sec. 110. (MBCA 8.50) In sections 110 to 119 of this act:

6 (1) Corporation includes any domestic or foreign
7 predecessor entity of a corporation in a merger.

8 (2) Director or officer means an individual who is or was
9 a director or officer, respectively, of a corporation or who, while a
10 director or officer of the corporation, is or was serving at the
11 corporation's request as a director, officer, manager, partner,
12 trustee, employee, or agent of another entity or employee benefit
13 plan. A director or officer is considered to be serving an employee
14 benefit plan at the corporation's request if the individual's duties
15 to the corporation also impose duties on, or otherwise involve
16 services by, the individual to the plan or to participants in or
17 beneficiaries of the plan. Director or officer includes, unless the
18 context requires otherwise, the estate or personal representative of
19 a director or officer.

20 (3) Liability means the obligation to pay a judgment,
21 settlement, penalty, fine, including an excise tax assessed with
22 respect to an employee benefit plan, or reasonable expenses incurred
23 with respect to a proceeding.

24 (4) Official capacity means (i) when used with respect to
25 a director, the office of director in a corporation and (ii) when

1 used with respect to an officer, as contemplated in section 116 of
2 this act, the office in a corporation held by the officer. Official
3 capacity does not include service for any other domestic or foreign
4 corporation or any partnership, joint venture, trust, employee
5 benefit plan, or other entity.

6 (5) Party means an individual who was, is, or is
7 threatened to be made, a defendant or respondent in a proceeding.

8 (6) Proceeding means any threatened, pending, or
9 completed action, suit, or proceeding, whether civil, criminal,
10 administrative, arbitrative, or investigative and whether formal or
11 informal.

12 Sec. 111. (MBCA 8.51) (a) Except as otherwise provided in
13 this section, a corporation may indemnify an individual who is a
14 party to a proceeding because the individual is a director against
15 liability incurred in the proceeding if:

16 (1)(i) The director conducted himself or herself in good
17 faith; and

18 (ii) Reasonably believed:

19 (A) In the case of conduct in an official capacity, that
20 his or her conduct was in the best interests of the corporation; and

21 (B) In all other cases, that the director's conduct was
22 at least not opposed to the best interests of the corporation; and

23 (iii) In the case of any criminal proceeding, the
24 director had no reasonable cause to believe his or her conduct was
25 unlawful; or

1 (2) The director engaged in conduct for which broader
2 indemnification has been made permissible or obligatory under a
3 provision of the articles of incorporation, as authorized by
4 subdivision (b)(5) of section 20 of this act.

5 (b) A director's conduct with respect to an employee
6 benefit plan for a purpose the director reasonably believed to be in
7 the interests of the participants in, and the beneficiaries of, the
8 plan is conduct that satisfies the requirement of subdivision (a)(1)
9 (ii)(B) of this section.

10 (c) The termination of a proceeding by judgment, order,
11 settlement, or conviction, or upon a plea of nolo contendere or its
12 equivalent, is not, of itself, determinative that the director did
13 not meet the relevant standard of conduct described in this section.

14 (d) Unless ordered by a court under subdivision (a)(3) of
15 section 114 of this act, a corporation may not indemnify a director:

16 (1) In connection with a proceeding by or in the right of
17 the corporation, except for expenses incurred in connection with the
18 proceeding if it is determined that the director has met the relevant
19 standard of conduct under subsection (a) of this section; or

20 (2) In connection with any proceeding with respect to
21 conduct for which the director was adjudged liable on the basis of
22 receiving a financial benefit to which he or she was not entitled,
23 whether or not involving action in the director's official capacity.

24 Sec. 112. (MBCA 8.52) A corporation shall indemnify a
25 director who was wholly successful, on the merits or otherwise, in

1 the defense of any proceeding to which the director was a party
2 because he or she was a director of the corporation against expenses
3 incurred by the director in connection with the proceeding.

4 Sec. 113. (MBCA 8.53) (a) A corporation may, before final
5 disposition of a proceeding, advance funds to pay for or reimburse
6 expenses incurred in connection with the proceeding by an individual
7 who is a party to the proceeding because that individual is a member
8 of the board of directors if the director delivers to the
9 corporation:

10 (1) A signed written affirmation of the director's good
11 faith belief that the relevant standard of conduct described in
12 section 111 of this act has been met by the director or that the
13 proceeding involves conduct for which liability has been eliminated
14 under a provision of the articles of incorporation as authorized by
15 subdivision (b)(4) of section 20 of this act; and

16 (2) A signed written undertaking of the director to repay
17 any funds advanced if the director is not entitled to mandatory
18 indemnification under section 112 of this act and it is ultimately
19 determined under section 114 or 115 of this act that the director has
20 not met the relevant standard of conduct described in section 111 of
21 this act.

22 (b) The undertaking required by subdivision (a)(2) of
23 this section must be an unlimited general obligation of the director
24 but need not be secured and may be accepted without reference to the
25 financial ability of the director to make repayment.

1 (c) Authorizations under this section shall be made:

2 (1) By the board of directors:

3 (i) If there are two or more qualified directors, by a
4 majority vote of all the qualified directors, a majority of whom
5 shall for such purpose constitute a quorum, or by a majority of the
6 members of a committee of two or more qualified directors appointed
7 by such a vote; or

8 (ii) If there are fewer than two qualified directors, by
9 the vote necessary for action by the board in accordance with
10 subsection (c) of section 99 of this act, in which authorization
11 directors who are not qualified directors may participate; or

12 (2) By the shareholders, but shares owned by or voted
13 under the control of a director who at the time is not a qualified
14 director may not be voted on the authorization.

15 Sec. 114. (MBCA 8.54) (a) A director who is a party to a
16 proceeding because he or she is a director may apply for
17 indemnification or an advance for expenses to the court conducting
18 the proceeding or to another court of competent jurisdiction. After
19 receipt of an application and after giving any notice it considers
20 necessary, the court shall:

21 (1) Order indemnification if the court determines that
22 the director is entitled to mandatory indemnification under section
23 112 of this act;

24 (2) Order indemnification or advance for expenses if the
25 court determines that the director is entitled to indemnification or

1 advance for expenses pursuant to a provision authorized by subsection
2 (a) of section 118 of this act; or

3 (3) Order indemnification or advance for expenses if the
4 court determines, in view of all the relevant circumstances, that it
5 is fair and reasonable:

6 (i) To indemnify the director; or

7 (ii) To advance expenses to the director, even if he or
8 she has not met the relevant standard of conduct set forth in
9 subsection (a) of section 111 of this act, failed to comply with
10 section 113 of this act, or was adjudged liable in a proceeding
11 referred to in subdivision (d)(1) or (2) of section 111 of this act,
12 but if the director was adjudged so liable indemnification shall be
13 limited to expenses incurred in connection with the proceeding.

14 (b) If the court determines that the director is entitled
15 to indemnification under subdivision (a)(1) of this section or to
16 indemnification or advance for expenses under subdivision (a)(2) of
17 this section, it shall also order the corporation to pay the
18 director's expenses incurred in connection with obtaining court-
19 ordered indemnification or advance for expenses. If the court
20 determines that the director is entitled to indemnification or
21 advance for expenses under subdivision (a)(3) of this section, it may
22 also order the corporation to pay the director's expenses to obtain
23 court-ordered indemnification or advance for expenses.

24 Sec. 115. (MBCA 8.55) (a) A corporation may not indemnify
25 a director under section 111 of this act unless authorized for a

1 specific proceeding after a determination has been made that
2 indemnification is permissible because the director has met the
3 relevant standard of conduct set forth in section 111 of this act.

4 (b) The determination shall be made:

5 (1) If there are two or more qualified directors, by the
6 board of directors by a majority vote of all the qualified directors,
7 a majority of whom shall for such purpose constitute a quorum, or by
8 a majority of the members of a committee of two or more qualified
9 directors appointed by such a vote;

10 (2) By special legal counsel:

11 (i) Selected in the manner prescribed in subdivision (1)
12 of this subsection; or

13 (ii) If there are fewer than two qualified directors,
14 selected by the board of directors, in which selection directors who
15 are not qualified directors may participate; or

16 (3) By the shareholders, but shares owned by or voted
17 under the control of a director who at the time is not a qualified
18 director may not be voted on the determination.

19 (c) Authorization of indemnification shall be made in the
20 same manner as the determination that indemnification is permissible,
21 except that if there are fewer than two qualified directors, or if
22 the determination is made by special legal counsel, authorization of
23 indemnification shall be made by those entitled to select special
24 legal counsel under subdivision (b)(2)(ii) of this section.

25 Sec. 116. (MBCA 8.56) (a) A corporation may indemnify and

1 advance expenses under sections 110 to 119 of this act to an officer
2 of the corporation who is a party to a proceeding because he or she
3 is an officer of the corporation:

4 (1) To the same extent as a director; and

5 (2) If he or she is an officer but not a director, to
6 such further extent as may be provided by the articles of
7 incorporation, the bylaws, a resolution of the board of directors, or
8 contract except for:

9 (i) Liability in connection with a proceeding by or in
10 the right of the corporation other than for expenses incurred in
11 connection with the proceeding; or

12 (ii) Liability arising out of conduct that constitutes:

13 (A) Receipt by the officer of a financial benefit to
14 which he or she is not entitled;

15 (B) An intentional infliction of harm on the corporation
16 or the shareholders; or

17 (C) An intentional violation of criminal law.

18 (b) The provisions of subdivision (a)(2) of this section
19 shall apply to an officer who is also a director if the basis on
20 which he or she is made a party to the proceeding is an act or
21 omission solely as an officer.

22 (c) An officer of a corporation who is not a director is
23 entitled to mandatory indemnification under section 112 of this act
24 and may apply to a court under section 114 of this act for
25 indemnification or an advance for expenses, in each case to the same

1 extent to which a director may be entitled to indemnification or
2 advance for expenses under such provisions.

3 Sec. 117. (MBCA 8.57) A corporation may purchase and
4 maintain insurance on behalf of an individual who is a director or
5 officer of the corporation, or who, while a director or officer of
6 the corporation, serves at the corporation's request as a director,
7 officer, partner, trustee, employee, or agent of another domestic or
8 foreign corporation, partnership, joint venture, trust, employee
9 benefit plan, or other entity, against liability asserted against or
10 incurred by the individual in that capacity or arising from his or
11 her status as a director or officer, whether or not the corporation
12 would have power to indemnify or advance expenses to the individual
13 against the same liability under sections 110 to 119 of this act.

14 Sec. 118. (MBCA 8.58) (a) A corporation may, by a
15 provision in its articles of incorporation or bylaws or in a
16 resolution adopted or a contract approved by its board of directors
17 or shareholders, obligate itself in advance of the act or omission
18 giving rise to a proceeding to provide indemnification in accordance
19 with section 111 of this act or advance funds to pay for or reimburse
20 expenses in accordance with section 113 of this act. Any such
21 obligatory provision shall be deemed to satisfy the requirements for
22 authorization referred to in subsection (c) of section 113 of this
23 act and in subsection (c) of section 115 of this act. Any such
24 provision that obligates the corporation to provide indemnification
25 to the fullest extent permitted by law shall be deemed to obligate

1 the corporation to advance funds to pay for or reimburse expenses in
2 accordance with section 113 of this act to the fullest extent
3 permitted by law, unless the provision specifically provides
4 otherwise.

5 (b) A right of indemnification or to advances for
6 expenses created by sections 110 to 119 of this act or under
7 subsection (a) of this section and in effect at the time of an act or
8 omission shall not be eliminated or impaired with respect to such act
9 or omission by an amendment of the articles of incorporation or
10 bylaws or a resolution of the directors or shareholders, adopted
11 after the occurrence of such act or omission, unless, in the case of
12 a right created under subsection (a) of this section, the provision
13 creating such right and in effect at the time of such act or omission
14 explicitly authorizes such elimination or impairment after such act
15 or omission has occurred.

16 (c) Any provision pursuant to subsection (a) of this
17 section shall not obligate the corporation to indemnify or advance
18 expenses to a director of a predecessor of the corporation,
19 pertaining to conduct with respect to the predecessor, unless
20 otherwise specifically provided. Any provision for indemnification or
21 advance for expenses in the articles of incorporation, bylaws, or a
22 resolution of the board of directors or shareholders of a predecessor
23 of the corporation in a merger or in a contract to which the
24 predecessor is a party existing at the time the merger takes effect
25 shall be governed by subdivision (a)(4) of section 167 of this act.

1 (d) Subject to subsection (b) of this section, a
2 corporation may, by a provision in its articles of incorporation,
3 limit any of the rights to indemnification or advance for expenses
4 created by or pursuant to sections 110 to 119 of this act.

5 (e) Sections 110 to 119 of this act do not limit a
6 corporation's power to pay or reimburse expenses incurred by a
7 director or an officer in connection with appearing as a witness in a
8 proceeding at a time when he or she is not a party.

9 (f) Sections 110 to 119 of this act do not limit a
10 corporation's power to indemnify, advance expenses to, or provide or
11 maintain insurance on behalf of an employee or agent.

12 Sec. 119. (MBCA 8.59) A corporation may provide
13 indemnification or advance expenses to a director or an officer only
14 as permitted by sections 110 to 119 of this act.

15 Sec. 120. (MBCA 8.60) In sections 120 to 123 of this act:

16 (1) Director's conflicting interest transaction means a
17 transaction effected or proposed to be effected by the corporation or
18 by an entity controlled by the corporation:

19 (i) To which, at the relevant time, the director is a
20 party;

21 (ii) Respecting which, at the relevant time, the director
22 had knowledge and a material financial interest known to the
23 director; or

24 (iii) Respecting which, at the relevant time, the
25 director knew that a related person was a party or had a material

1 financial interest.

2 (2) Control, including the term controlled by, means (i)
3 having the power, directly or indirectly, to elect or remove a
4 majority of the members of the board of directors or other governing
5 body of an entity, whether through the ownership of voting shares or
6 interests, by contract, or otherwise, or (ii) being subject to a
7 majority of the risk of loss from the entity's activities or entitled
8 to receive a majority of the entity's residual returns.

9 (3) Relevant time means (i) the time at which directors'
10 action respecting the transaction is taken in compliance with section
11 122 of this act, or (ii) if the transaction is not brought before the
12 board of directors of the corporation, or its committee, for action
13 under section 122 of this act, at the time the corporation, or an
14 entity controlled by the corporation, becomes legally obligated to
15 consummate the transaction.

16 (4) Material financial interest means a financial
17 interest in a transaction that would reasonably be expected to impair
18 the objectivity of the director's judgment when participating in
19 action on the authorization of the transaction.

20 (5) Related person means:

21 (i) The director's spouse;

22 (ii) A child, stepchild, grandchild, parent, stepparent,
23 grandparent, sibling, stepsibling, half-sibling, aunt, uncle, niece,
24 or nephew, or spouse of any thereof, of the director or of the
25 director's spouse;

1 (iii) An individual living in the same home as the
2 director;

3 (iv) An entity, other than the corporation or an entity
4 controlled by the corporation, controlled by the director or any
5 person specified in subdivisions (5)(i) through (iii) of this
6 section;

7 (v) A domestic or foreign (A) business or nonprofit
8 corporation, other than the corporation or an entity controlled by
9 the corporation, of which the director is a director, (B)
10 unincorporated entity of which the director is a general partner or a
11 member of the governing body, or (C) individual, trust, or estate for
12 whom or of which the director is a trustee, guardian, personal
13 representative, or like fiduciary; or

14 (vi) A person that is, or an entity that is controlled
15 by, an employer of the director.

16 (6) Fair to the corporation means, for purposes of
17 subdivision (b)(3) of section 121 of this act, that the transaction
18 as a whole was beneficial to the corporation, taking into appropriate
19 account whether it was (i) fair in terms of the director's dealings
20 with the corporation and (ii) comparable to what might have been
21 obtainable in an arm's length transaction, given the consideration
22 paid or received by the corporation.

23 (7) Required disclosure means disclosure of (i) the
24 existence and nature of the director's conflicting interest and (ii)
25 all facts known to the director respecting the subject matter of the

1 transaction that a director free of such conflicting interest would
2 reasonably believe to be material in deciding whether to proceed with
3 the transaction.

4 Sec. 121. (MBCA 8.61) (a) A transaction effected or
5 proposed to be effected by the corporation, or by an entity
6 controlled by the corporation, may not be the subject of equitable
7 relief, or give rise to an award of damages or other sanctions
8 against a director of the corporation, in a proceeding by a
9 shareholder or by or in the right of the corporation on the ground
10 that the director has an interest respecting the transaction if it is
11 not a director's conflicting interest transaction.

12 (b) A director's conflicting interest transaction may not
13 be the subject of equitable relief, or give rise to an award of
14 damages or other sanctions against a director of the corporation, in
15 a proceeding by a shareholder or by or in the right of the
16 corporation on the ground that the director has an interest
17 respecting the transaction if:

18 (1) Directors' action respecting the transaction was
19 taken in compliance with section 122 of this act at any time;

20 (2) Shareholders' action respecting the transaction was
21 taken in compliance with section 123 of this act at any time; or

22 (3) The transaction, judged according to the
23 circumstances at the relevant time, is established to have been fair
24 to the corporation.

25 Sec. 122. (MBCA 8.62) (a) Directors' action respecting a

1 director's conflicting interest transaction is effective for purposes
2 of subdivision (b)(1) of section 121 of this act if the transaction
3 has been authorized by the affirmative vote of a majority, but no
4 fewer than two, of the qualified directors who voted on the
5 transaction after required disclosure by the conflicted director of
6 information not already known by such qualified directors or after
7 modified disclosure in compliance with subsection (b) of this section
8 if:

9 (1) The qualified directors have deliberated and voted
10 outside the presence of and without the participation by any other
11 director; and

12 (2) When the action has been taken by a committee, all
13 members of the committee were qualified directors and either (i) the
14 committee was composed of all the qualified directors on the board of
15 directors or (ii) the members of the committee were appointed by the
16 affirmative vote of a majority of the qualified directors on the
17 board.

18 (b) Notwithstanding subsection (a) of this section, when
19 a transaction is a director's conflicting interest transaction only
20 because a related person described in subdivision (5)(v) or (vi) of
21 section 120 of this act is a party to or has a material financial
22 interest in the transaction, the conflicted director is not obligated
23 to make required disclosure to the extent that the director
24 reasonably believes that doing so would violate a duty imposed under
25 law, a legally enforceable obligation of confidentiality, or a

1 professional ethics rule if the conflicted director discloses to the
2 qualified directors voting on the transaction:

3 (1) All information required to be disclosed that is not
4 so violative;

5 (2) The existence and nature of the director's
6 conflicting interest; and

7 (3) The nature of the conflicted director's duty not to
8 disclose the confidential information.

9 (c) A majority, but no fewer than two, of all the
10 qualified directors on the board of directors, or on the committee,
11 constitutes a quorum for purposes of action that complies with this
12 section.

13 (d) Where directors' action under this section does not
14 satisfy a quorum or voting requirement applicable to the
15 authorization of the transaction by reason of the articles of
16 incorporation, the bylaws, or a provision of law, independent action
17 to satisfy those authorization requirements must be taken by the
18 board of directors or a committee in which action directors who are
19 not qualified directors may participate.

20 Sec. 123. (MBCA 8.63) (a) Shareholders' action respecting
21 a director's conflicting interest transaction is effective for
22 purposes of subdivision (b)(2) of section 121 of this act if a
23 majority of the votes cast by the holders of all qualified shares are
24 in favor of the transaction after (1) notice to shareholders
25 describing the action to be taken respecting the transaction, (2)

1 provision to the corporation of the information referred to in
2 subsection (b) of this section, and (3) communication to the
3 shareholders entitled to vote on the transaction of the information
4 that is the subject of required disclosure to the extent the
5 information is not known by them. In the case of shareholders' action
6 at a meeting, the shareholders entitled to vote shall be determined
7 as of the record date for notice of the meeting.

8 (b) A director who has a conflicting interest respecting
9 the transaction shall, before the shareholders' vote, inform the
10 secretary or other officer or agent of the corporation authorized to
11 tabulate votes, in writing, of the number of shares that the director
12 knows are not qualified shares under subsection (c) of this section
13 and the identity of the holders of those shares.

14 (c) For purposes of this section: (1) Holder means and
15 held by refers to shares held by both a record shareholder, as
16 defined in subdivision (8) of section 171 of this act, and a
17 beneficial shareholder, as defined in subdivision (2) of section 171
18 of this act; and (2) qualified shares means all shares entitled to be
19 voted with respect to the transaction except for shares that the
20 secretary or other officer or agent of the corporation authorized to
21 tabulate votes either knows, or under subsection (b) of this section
22 is notified, are held by (i) a director who has a conflicting
23 interest respecting the transaction or (ii) a related person of the
24 director, excluding a person described in subdivision (5)(vi) of
25 section 120 of this act.

1 (d) A majority of the votes entitled to be cast by the
2 holders of all qualified shares constitutes a quorum for purposes of
3 compliance with this section. Subject to subsection (e) of this
4 section, shareholders' action that otherwise complies with this
5 section is not affected by the presence of holders, or by the voting,
6 of shares that are not qualified shares.

7 (e) If a shareholders' vote does not comply with
8 subsection (a) of this section solely because of a director's failure
9 to comply with subsection (b) of this section and if the director
10 establishes that the failure was not intended to influence and did
11 not in fact determine the outcome of the vote, the court may take
12 such action respecting the transaction and the director and may give
13 such effect, if any, to the shareholders' vote as the court considers
14 appropriate in the circumstances.

15 (f) When shareholders' action under this section does not
16 satisfy a quorum or voting requirement applicable to the
17 authorization of the transaction by reason of the articles of
18 incorporation or the bylaws or a provision of law, independent action
19 to satisfy those authorization requirements must be taken by the
20 shareholders in which action shares that are not qualified shares may
21 participate.

22 Sec. 124. (MBCA 8.70) (a) A director's taking advantage,
23 directly or indirectly, of a business opportunity may not be the
24 subject of equitable relief or give rise to an award of damages or
25 other sanctions against the director in a proceeding by or in the

1 right of the corporation on the ground that such opportunity should
2 have first been offered to the corporation if before becoming legally
3 obligated respecting the opportunity the director brings it to the
4 attention of the corporation and:

5 (1) Action by qualified directors disclaiming the
6 corporation's interest in the opportunity is taken in compliance with
7 the procedures set forth in section 122 of this act, as if the
8 decision being made concerned a director's conflicting interest
9 transaction; or

10 (2) Shareholders' action disclaiming the corporation's
11 interest in the opportunity is taken in compliance with the
12 procedures set forth in section 123 of this act, as if the decision
13 being made concerned a director's conflicting interest transaction,
14 except that rather than making required disclosure as defined in
15 section 120 of this act, in each case the director shall have made
16 prior disclosure to those acting on behalf of the corporation of all
17 material facts concerning the business opportunity that are then
18 known to the director.

19 (b) In any proceeding seeking equitable relief or other
20 remedies based upon an alleged improper taking advantage of a
21 business opportunity by a director, the fact that the director did
22 not employ the procedure described in subsection (a) of this section
23 before taking advantage of the opportunity shall not create an
24 inference that the opportunity should have been first presented to
25 the corporation or alter the burden of proof otherwise applicable to

1 establish that the director breached a duty to the corporation in the
2 circumstances.

3 Sec. 125. (MBCA 9.01) Sections 125 to 149 of this act may
4 not be used to effect a transaction that converts an insurance
5 company organized on the mutual principle to one organized on a
6 stock-share basis.

7 Sec. 126. (MBCA 9.02) (a) If a domestic or foreign
8 business corporation or eligible entity may not be a party to a
9 merger without the approval of the Attorney General, the Department
10 of Banking and Finance, the Department of Insurance, or the Public
11 Service Commission, the corporation or eligible entity shall not be a
12 party to a transaction under sections 125 to 149 of this act without
13 the prior approval of that agency.

14 (b) Property held in trust or for charitable purposes
15 under the laws of this state by a domestic or foreign eligible entity
16 shall not, by any transaction under sections 125 to 149 of this act,
17 be diverted from the objects for which it was donated, granted, or
18 devised unless and until the eligible entity obtains an order of the
19 court specifying the disposition of the property to the extent
20 required by and pursuant to cy pres or other nondiversion law of this
21 state.

22 Sec. 127. (MBCA 9.20) (a) A foreign business corporation
23 may become a domestic business corporation only if the domestication
24 is permitted by the organic law of the foreign corporation.

25 (b) A domestic business corporation may become a foreign

1 business corporation if the domestication is permitted by the laws of
2 the foreign jurisdiction. Regardless of whether the laws of the
3 foreign jurisdiction require the adoption of a plan of domestication,
4 the domestication shall be approved by the adoption by the
5 corporation of a plan of domestication in the manner provided in
6 sections 127 to 132 of this act.

7 (c) The plan of domestication must include:

8 (1) A statement of the jurisdiction in which the
9 corporation is to be domesticated;

10 (2) The terms and conditions of the domestication;

11 (3) The manner and basis of reclassifying the shares of
12 the corporation following its domestication into shares or other
13 securities, obligations, rights to acquire shares or other
14 securities, cash, other property, or any combination of the
15 foregoing; and

16 (4) Any desired amendments to the articles of
17 incorporation of the corporation following its domestication.

18 (d) The plan of domestication may also include a
19 provision that the plan may be amended prior to filing the document
20 required by the laws of this state or the other jurisdiction to
21 consummate the domestication, except that subsequent to approval of
22 the plan by the shareholders the plan may not be amended to change:

23 (1) The amount or kind of shares or other securities,
24 obligations, rights to acquire shares or other securities, cash, or
25 other property to be received by the shareholders under the plan;

1 (2) The articles of incorporation as they will be in
2 effect immediately following the domestication, except for changes
3 permitted by section 154 of this act or by comparable provisions of
4 the laws of the other jurisdiction; or

5 (3) Any of the other terms or conditions of the plan if
6 the change would adversely affect any of the shareholders in any
7 material respect.

8 (e) Terms of a plan of domestication may be made
9 dependent upon facts objectively ascertainable outside the plan in
10 accordance with subsection (k) of section 3 of this act.

11 (f) If any debt security, note, or similar evidence of
12 indebtedness for money borrowed, whether secured or unsecured, or a
13 contract of any kind, issued, incurred, or signed by a domestic
14 business corporation before the operative date of this act contains a
15 provision applying to a merger of the corporation and the document
16 does not refer to a domestication of the corporation, the provision
17 shall be deemed to apply to a domestication of the corporation until
18 such time as the provision is amended subsequent to that date.

19 Sec. 128. (MBCA 9.21) In the case of a domestication of a
20 domestic business corporation in a foreign jurisdiction:

21 (1) The plan of domestication must be adopted by the
22 board of directors.

23 (2) After adopting the plan of domestication, the board
24 of directors must submit the plan to the shareholders for their
25 approval. The board of directors must also transmit to the

1 shareholders a recommendation that the shareholders approve the plan
2 unless (i) the board of directors makes a determination that because
3 of conflicts of interest or other special circumstances it should not
4 make such a recommendation or (ii) section 101 of this act applies.
5 If subdivision (2)(i) or (ii) of this section applies, the board must
6 transmit to the shareholders the basis for so proceeding.

7 (3) The board of directors may condition its submission
8 of the plan of domestication to the shareholders on any basis.

9 (4) If the approval of the shareholders is to be given at
10 a meeting, the corporation must notify each shareholder, whether or
11 not entitled to vote, of the meeting of shareholders at which the
12 plan of domestication is to be submitted for approval. The notice
13 must state that the purpose, or one of the purposes, of the meeting
14 is to consider the plan and must contain or be accompanied by a copy
15 or summary of the plan. The notice shall include or be accompanied by
16 a copy of the articles of incorporation as they will be in effect
17 immediately after the domestication.

18 (5) Unless the articles of incorporation, or the board of
19 directors acting pursuant to subdivision (3) of this section,
20 requires a greater vote or a greater number of votes to be present,
21 approval of the plan of domestication requires the approval of the
22 shareholders at a meeting at which a quorum consisting of at least a
23 majority of the votes entitled to be cast on the plan exists, and if
24 any class or series of shares is entitled to vote as a separate group
25 on the plan, the approval of each such separate voting group at a

1 meeting at which a quorum of the voting group consisting of at least
2 a majority of the votes entitled to be cast on the domestication by
3 that voting group exists.

4 (6) Subject to subdivision (7) of this section, separate
5 voting by voting groups is required by each class or series of shares
6 that:

7 (i) Are to be reclassified under the plan of
8 domestication into other securities, obligations, rights to acquire
9 shares or other securities, cash, other property, or any combination
10 of the foregoing;

11 (ii) Are entitled to vote as a separate group on a
12 provision of the plan that constitutes a proposed amendment to
13 articles of incorporation of the corporation following its
14 domestication that requires action by separate voting groups under
15 section 153 of this act; or

16 (iii) Is entitled under the articles of incorporation to
17 vote as a voting group to approve an amendment of the articles.

18 (7) The articles of incorporation may expressly limit or
19 eliminate the separate voting rights provided in subdivision (6)(i)
20 of this section.

21 (8) If any provision of the articles of incorporation,
22 bylaws, or an agreement to which any of the directors or shareholders
23 are parties, adopted or entered into before the operative date of
24 this act, applies to a merger of the corporation and that document
25 does not refer to a domestication of the corporation, the provision

1 shall be deemed to apply to a domestication of the corporation until
2 such time as the provision is amended subsequent to that date.

3 Sec. 129. (MBCA 9.22) (a) After the domestication of a
4 foreign business corporation has been authorized as required by the
5 laws of the foreign jurisdiction, articles of domestication shall be
6 signed by any officer or other duly authorized representative. The
7 articles shall set forth:

8 (1) The name of the corporation immediately before the
9 filing of the articles of domestication and, if that name is
10 unavailable for use in this state or the corporation desires to
11 change its name in connection with the domestication, a name that
12 satisfies the requirements of section 30 of this act;

13 (2) The jurisdiction of incorporation of the corporation
14 immediately before the filing of the articles of domestication and
15 the date the corporation was incorporated in that jurisdiction; and

16 (3) A statement that the domestication of the corporation
17 in this state was duly authorized as required by the laws of the
18 jurisdiction in which the corporation was incorporated immediately
19 before its domestication in this state.

20 (b) The articles of domestication shall either contain
21 all of the provisions that subsection (a) of section 20 of this act
22 requires to be set forth in articles of incorporation and any other
23 desired provisions that subsection (b) of section 20 of this act
24 permits to be included in articles of incorporation or shall have
25 attached articles of incorporation. In either case, provisions that

1 would not be required to be included in restated articles of
2 incorporation may be omitted.

3 (c) The articles of domestication shall be delivered to
4 the Secretary of State for filing, and shall take effect at the
5 effective time provided in section 6 of this act.

6 (d) If the foreign corporation is authorized to transact
7 business in this state under sections 203 to 220 of this act, its
8 certificate of authority shall be canceled automatically on the
9 effective date of its domestication.

10 Sec. 130. (MBCA 9.23) (a) Whenever a domestic business
11 corporation has adopted and approved, in the manner required by
12 sections 127 to 132 of this act, a plan of domestication providing
13 for the corporation to be domesticated in a foreign jurisdiction,
14 articles of charter surrender shall be signed on behalf of the
15 corporation by any officer or other duly authorized representative.
16 The articles of charter surrender shall set forth:

17 (1) The name of the corporation;

18 (2) A statement that the articles of charter surrender
19 are being filed in connection with the domestication of the
20 corporation in a foreign jurisdiction;

21 (3) A statement that the domestication was duly approved
22 by the shareholders and, if voting by any separate voting group was
23 required, by each such separate voting group, in the manner required
24 by the Nebraska Model Business Corporation Act and the articles of
25 incorporation; and

1 (4) The corporation's new jurisdiction of incorporation.

2 (b) The articles of charter surrender shall be delivered
3 by the corporation to the Secretary of State for filing. The articles
4 of charter surrender shall take effect at the effective time provided
5 in section 6 of this act.

6 Sec. 131. (MBCA 9.24) (a) When a domestication becomes
7 effective:

8 (1) The title to all real and personal property, both
9 tangible and intangible, of the corporation remains in the
10 corporation without reversion or impairment;

11 (2) The liabilities of the corporation remain the
12 liabilities of the corporation;

13 (3) An action or proceeding pending against the
14 corporation continues against the corporation as if the domestication
15 had not occurred;

16 (4) The articles of domestication, or the articles of
17 incorporation attached to the articles of domestication, constitute
18 the articles of incorporation of a foreign corporation domesticating
19 in this state;

20 (5) The shares of the corporation are reclassified into
21 shares, other securities, obligations, rights to acquire shares or
22 other securities, or into cash or other property in accordance with
23 the terms of the domestication, and the shareholders are entitled
24 only to the rights provided by those terms and to any appraisal
25 rights they may have under the organic law of the domesticating

1 corporation; and

2 (6) The corporation is deemed to:

3 (i) Be incorporated under and subject to the organic law
4 of the domesticated corporation for all purposes;

5 (ii) Be the same corporation without interruption as the
6 domesticating corporation; and

7 (iii) Have been incorporated on the date the
8 domesticating corporation was originally incorporated.

9 (b) When a domestication of a domestic business
10 corporation in a foreign jurisdiction becomes effective, the foreign
11 business corporation is deemed to agree that it will promptly pay the
12 amount, if any, to which such shareholders are entitled under
13 sections 171 to 183 of this act.

14 (c) The owner liability of a shareholder in a foreign
15 corporation that is domesticated in this state shall be as follows:

16 (1) The domestication does not discharge any owner
17 liability under the laws of the foreign jurisdiction to the extent
18 any such owner liability arose before the effective time of the
19 articles of domestication;

20 (2) The shareholder shall not have owner liability under
21 the laws of the foreign jurisdiction for any debt, obligation, or
22 liability of the corporation that arises after the effective time of
23 the articles of domestication;

24 (3) The provisions of the laws of the foreign
25 jurisdiction shall continue to apply to the collection or discharge

1 of any owner liability preserved by subdivision (1) of this
2 subsection, as if the domestication had not occurred; and

3 (4) The shareholder shall have whatever rights of
4 contribution from other shareholders are provided by the laws of the
5 foreign jurisdiction with respect to any owner liability preserved by
6 subdivision (1) of this subsection, if the domestication had not
7 occurred.

8 (d) A shareholder who becomes subject to owner liability
9 for some or all of the debts, obligations, or liabilities of the
10 corporation as a result of its domestication in this state shall have
11 owner liability only for those debts, obligations, or liabilities of
12 the corporation that arise after the effective time of the articles
13 of domestication.

14 Sec. 132. (MBCA 9.25) (a) Unless otherwise provided in a
15 plan of domestication of a domestic business corporation, after the
16 plan has been adopted and approved as required by sections 127 to 132
17 of this act, and at any time before the domestication has become
18 effective, it may be abandoned by the board of directors without
19 action by the shareholders.

20 (b) If a domestication is abandoned under subsection (a)
21 of this section after articles of charter surrender have been filed
22 with the Secretary of State but before the domestication has become
23 effective, a statement that the domestication has been abandoned in
24 accordance with this section, signed by an officer or other duly
25 authorized representative, shall be delivered to the Secretary of

1 State for filing prior to the effective date of the domestication.
2 The statement shall take effect upon filing and the domestication
3 shall be deemed abandoned and shall not become effective.

4 (c) If the domestication of a foreign business
5 corporation in this state is abandoned in accordance with the laws of
6 the foreign jurisdiction after articles of domestication have been
7 filed with the Secretary of State, a statement that the domestication
8 has been abandoned, signed by an officer or other duly authorized
9 representative, shall be delivered to the Secretary of State for
10 filing. The statement shall take effect upon filing and the
11 domestication shall be deemed abandoned and shall not become
12 effective.

13 Sec. 133. (MBCA 9.30) (a) A domestic business corporation
14 may become a domestic nonprofit corporation pursuant to a plan of
15 nonprofit conversion.

16 (b) A domestic business corporation may become a foreign
17 nonprofit corporation if the nonprofit conversion is permitted by the
18 laws of the foreign jurisdiction. Regardless of whether the laws of
19 the foreign jurisdiction require the adoption of a plan of nonprofit
20 conversion, the foreign nonprofit conversion shall be approved by the
21 adoption by the domestic business corporation of a plan of nonprofit
22 conversion in the manner provided in sections 133 to 138 of this act.

23 (c) The plan of nonprofit conversion must include:

24 (1) The terms and conditions of the conversion;

25 (2) The manner and basis of reclassifying the shares of

1 the corporation following its conversion into memberships, if any, or
2 securities, obligations, rights to acquire memberships or securities,
3 cash, other property, or any combination of the foregoing;

4 (3) Any desired amendments to the articles of
5 incorporation of the corporation following its conversion; and

6 (4) If the domestic business corporation is to be
7 converted to a foreign nonprofit corporation, a statement of the
8 jurisdiction in which the corporation will be incorporated after the
9 conversion.

10 (d) The plan of nonprofit conversion may also include a
11 provision that the plan may be amended prior to filing articles of
12 nonprofit conversion, except that subsequent to approval of the plan
13 by the shareholders the plan may not be amended to change:

14 (1) The amount or kind of memberships or securities,
15 obligations, rights to acquire memberships or securities, cash, or
16 other property to be received by the shareholders under the plan;

17 (2) The articles of incorporation as they will be in
18 effect immediately following the conversion, except for changes
19 permitted by section 154 of this act; or

20 (3) Any of the other terms or conditions of the plan if
21 the change would adversely affect any of the shareholders in any
22 material respect.

23 (e) Terms of a plan of nonprofit conversion may be made
24 dependent upon facts objectively ascertainable outside the plan in
25 accordance with subsection (k) of section 3 of this act.

1 (f) If any debt security, note, or similar evidence of
2 indebtedness for money borrowed, whether secured or unsecured, or a
3 contract of any kind, issued, incurred, or signed by a domestic
4 business corporation before the operative date of this act contains a
5 provision applying to a merger of the corporation and the document
6 does not refer to a nonprofit conversion of the corporation, the
7 provision shall be deemed to apply to a nonprofit conversion of the
8 corporation until such time as the provision is amended subsequent to
9 that date.

10 Sec. 134. (MBCA 9.31) In the case of a conversion of a
11 domestic business corporation to a domestic or foreign nonprofit
12 corporation:

13 (1) The plan of nonprofit conversion must be adopted by
14 the board of directors.

15 (2) After adopting the plan of nonprofit conversion, the
16 board of directors must submit the plan to the shareholders for their
17 approval. The board of directors must also transmit to the
18 shareholders a recommendation that the shareholders approve the plan,
19 unless (i) the board of directors makes a determination that because
20 of conflicts of interest or other special circumstances it should not
21 make such a recommendation or (ii) section 101 of this act applies.
22 If subdivision (2)(i) or (ii) of this section applies, the board must
23 transmit to the shareholders the basis for so proceeding.

24 (3) The board of directors may condition its submission
25 of the plan of nonprofit conversion to the shareholders on any basis.

1 (4) If the approval of the shareholders is to be given at
2 a meeting, the corporation must notify each shareholder of the
3 meeting of shareholders at which the plan of nonprofit conversion is
4 to be submitted for approval. The notice must state that the purpose,
5 or one of the purposes, of the meeting is to consider the plan and
6 must contain or be accompanied by a copy or summary of the plan. The
7 notice shall include or be accompanied by a copy of the articles of
8 incorporation as they will be in effect immediately after the
9 nonprofit conversion.

10 (5) Unless the articles of incorporation, or the board of
11 directors acting pursuant to subdivision (3) of this section,
12 requires a greater vote or a greater number of votes to be present,
13 approval of the plan of nonprofit conversion requires the approval of
14 each class or series of shares of the corporation voting as a
15 separate voting group at a meeting at which a quorum of the voting
16 group consisting of at least a majority of the votes entitled to be
17 cast on the nonprofit conversion by that voting group exists.

18 (6) If any provision of the articles of incorporation,
19 bylaws, or an agreement to which any of the directors or shareholders
20 are parties, adopted or entered into before the operative date of
21 this act, applies to a merger, other than a provision that eliminates
22 or limits voting or appraisal rights, and the document does not refer
23 to a nonprofit conversion of the corporation, the provision shall be
24 deemed to apply to a nonprofit conversion of the corporation until
25 such time as the provision is amended subsequent to that date.

1 Sec. 135. (MBCA 9.32) (a) After a plan of nonprofit
2 conversion providing for the conversion of a domestic business
3 corporation to a domestic nonprofit corporation has been adopted and
4 approved as required by the Nebraska Model Business Corporation Act,
5 articles of nonprofit conversion shall be signed on behalf of the
6 corporation by any officer or other duly authorized representative.
7 The articles shall set forth:

8 (1) The name of the corporation immediately before the
9 filing of the articles of nonprofit conversion and if that name does
10 not satisfy the requirements of the Nebraska Nonprofit Corporation
11 Act, or the corporation desires to change its name in connection with
12 the conversion, a name that satisfies the requirements of the
13 Nebraska Nonprofit Corporation Act; and

14 (2) A statement that the plan of nonprofit conversion was
15 duly approved by the shareholders in the manner required by the
16 Nebraska Model Business Corporation Act and the articles of
17 incorporation.

18 (b) The articles of nonprofit conversion shall either
19 contain all of the provisions that the Nebraska Nonprofit Corporation
20 Act requires to be set forth in articles of incorporation of a
21 domestic nonprofit corporation and any other desired provisions
22 permitted by the Nebraska Nonprofit Corporation Act or shall have
23 attached articles of incorporation that satisfy the requirements of
24 the Nebraska Nonprofit Corporation Act. In either case, provisions
25 that would not be required to be included in restated articles of

1 incorporation of a domestic nonprofit corporation may be omitted.

2 (c) The articles of nonprofit conversion shall be
3 delivered to the Secretary of State for filing and shall take effect
4 at the effective time provided in section 6 of this act.

5 Sec. 136. (MBCA 9.33) (a) Whenever a domestic business
6 corporation has adopted and approved, in the manner required by
7 sections 133 to 138 of this act, a plan of nonprofit conversion
8 providing for the corporation to be converted to a foreign nonprofit
9 corporation, articles of charter surrender shall be signed on behalf
10 of the corporation by any officer or other duly authorized
11 representative. The articles of charter surrender shall set forth:

12 (1) The name of the corporation;

13 (2) A statement that the articles of charter surrender
14 are being filed in connection with the conversion of the corporation
15 to a foreign nonprofit corporation;

16 (3) A statement that the foreign nonprofit conversion was
17 duly approved by the shareholders in the manner required by the
18 Nebraska Model Business Corporation Act and the articles of
19 incorporation; and

20 (4) The corporation's new jurisdiction of incorporation.

21 (b) The articles of charter surrender shall be delivered
22 by the corporation to the Secretary of State for filing. The articles
23 of charter surrender shall take effect on the effective time provided
24 in section 6 of this act.

25 Sec. 137. (MBCA 9.34) (a) When a conversion of a domestic

1 business corporation to a domestic nonprofit corporation becomes
2 effective:

3 (1) The title to all real and personal property, both
4 tangible and intangible, of the corporation remains in the
5 corporation without reversion or impairment;

6 (2) The liabilities of the corporation remain the
7 liabilities of the corporation;

8 (3) An action or proceeding pending against the
9 corporation continues against the corporation as if the conversion
10 had not occurred;

11 (4) The articles of incorporation of the domestic or
12 foreign nonprofit corporation become effective;

13 (5) The shares of the corporation are reclassified into
14 memberships, securities, obligations, rights to acquire memberships
15 or securities, or into cash or other property in accordance with the
16 plan of conversion, and the shareholders are entitled only to the
17 rights provided in the plan of nonprofit conversion or to any rights
18 they may have under sections 171 to 183 of this act; and

19 (6) The corporation is deemed to:

20 (i) Be a domestic nonprofit corporation for all purposes;

21 (ii) Be the same corporation without interruption as the
22 corporation that existed prior to the conversion; and

23 (iii) Have been incorporated on the date that it was
24 originally incorporated as a domestic business corporation.

25 (b) When a conversion of a domestic business corporation

1 to a foreign nonprofit corporation becomes effective, the foreign
2 nonprofit corporation is deemed to agree that it will promptly pay
3 the amount, if any, to which such shareholders are entitled under
4 sections 171 to 183 of this act.

5 (c) The owner liability of a shareholder in a domestic
6 business corporation that converts to a domestic nonprofit
7 corporation shall be as follows:

8 (1) The conversion does not discharge any owner liability
9 of the shareholder as a shareholder of the business corporation to
10 the extent any such owner liability arose before the effective time
11 of the articles of nonprofit conversion;

12 (2) The shareholder shall not have owner liability for
13 any debt, obligation, or liability of the nonprofit corporation that
14 arises after the effective time of the articles of nonprofit
15 conversion;

16 (3) The laws of this state shall continue to apply to the
17 collection or discharge of any owner liability preserved by
18 subdivision (1) of this subsection as if the conversion had not
19 occurred and the nonprofit corporation was still a business
20 corporation; and

21 (4) The shareholder shall have whatever rights of
22 contribution from other shareholders that are provided by the laws of
23 this state with respect to any owner liability preserved by
24 subdivision (1) of this subsection as if the conversion had not
25 occurred and the nonprofit corporation were still a business

1 corporation.

2 (d) A shareholder who becomes subject to owner liability
3 for some or all of the debts, obligations, or liabilities of the
4 nonprofit corporation shall have owner liability only for those
5 debts, obligations, or liabilities of the nonprofit corporation that
6 arise after the effective time of the articles of nonprofit
7 conversion.

8 Sec. 138. (MBCA 9.35) (a) Unless otherwise provided in a
9 plan of nonprofit conversion of a domestic business corporation,
10 after the plan has been adopted and approved as required by sections
11 133 to 138 of this act, and at any time before the nonprofit
12 conversion has become effective, it may be abandoned by the board of
13 directors without action by the shareholders.

14 (b) If a nonprofit conversion is abandoned under
15 subsection (a) of this section after articles of nonprofit conversion
16 or articles of charter surrender have been filed with the Secretary
17 of State but before the nonprofit conversion has become effective, a
18 statement that the nonprofit conversion has been abandoned in
19 accordance with this section, signed by an officer or other duly
20 authorized representative, shall be delivered to the Secretary of
21 State for filing prior to the effective date of the nonprofit
22 conversion. The statement shall take effect upon filing and the
23 nonprofit conversion shall be deemed abandoned and shall not become
24 effective.

25 Sec. 139. (MBCA 9.40) A foreign nonprofit corporation may

1 become a domestic business corporation if the domestication and
2 conversion is permitted by the organic law of the foreign nonprofit
3 corporation.

4 Sec. 140. (MBCA 9.41) (a) After the conversion of a
5 foreign nonprofit corporation to a domestic business corporation has
6 been authorized as required by the laws of the foreign jurisdiction,
7 articles of domestication and conversion shall be signed by any
8 officer or other duly authorized representative. The articles shall
9 set forth:

10 (1) The name of the corporation immediately before the
11 filing of the articles of domestication and conversion and, if that
12 name is unavailable for use in this state or the corporation desires
13 to change its name in connection with the domestication and
14 conversion, a name that satisfies the requirements of section 30 of
15 this act;

16 (2) The jurisdiction of incorporation of the corporation
17 immediately before the filing of the articles of domestication and
18 conversion and the date the corporation was incorporated in that
19 jurisdiction; and

20 (3) A statement that the domestication and conversion of
21 the corporation in this state was duly authorized as required by the
22 laws of the jurisdiction in which the corporation was incorporated
23 immediately before its domestication and conversion in this state.

24 (b) The articles of domestication and conversion shall
25 either contain all of the provisions that subsection (a) of section

1 20 of this act requires to be set forth in articles of incorporation
2 and any other desired provisions that subsection (b) of section 20 of
3 this act permits to be included in articles of incorporation or shall
4 have attached articles of incorporation. In either case, provisions
5 that would not be required to be included in restated articles of
6 incorporation may be omitted.

7 (c) The articles of domestication and conversion shall be
8 delivered to the Secretary of State for filing and shall take effect
9 at the effective time provided in section 6 of this act.

10 (d) If the foreign nonprofit corporation is authorized to
11 transact business in this state under the foreign qualification
12 provision of the Nebraska Nonprofit Corporation Act, its certificate
13 of authority shall be canceled automatically on the effective date of
14 its domestication and conversion.

15 Sec. 141. (MBCA 9.42) (a) When a domestication and
16 conversion of a foreign nonprofit corporation to a domestic business
17 corporation becomes effective:

18 (1) The title to all real and personal property, both
19 tangible and intangible, of the corporation remains in the
20 corporation without reversion or impairment;

21 (2) The liabilities of the corporation remain the
22 liabilities of the corporation;

23 (3) An action or proceeding pending against the
24 corporation continues against the corporation as if the domestication
25 and conversion had not occurred;

1 (4) The articles of domestication and conversion, or the
2 articles of incorporation attached to the articles of domestication
3 and conversion, constitute the articles of incorporation of the
4 corporation;

5 (5) Shares, other securities, obligations, rights to
6 acquire shares or other securities of the corporation, or cash or
7 other property shall be issued or paid as provided pursuant to the
8 laws of the foreign jurisdiction so long as at least one share is
9 outstanding immediately after the effective time; and

10 (6) The corporation is deemed to:

11 (i) Be a domestic corporation for all purposes;

12 (ii) Be the same corporation without interruption as the
13 foreign nonprofit corporation; and

14 (iii) Have been incorporated on the date the foreign
15 nonprofit corporation was originally incorporated.

16 (b) The owner liability of a member of a foreign
17 nonprofit corporation that domesticates and converts to a domestic
18 business corporation shall be as follows:

19 (1) The domestication and conversion does not discharge
20 any owner liability under the laws of the foreign jurisdiction to the
21 extent any such owner liability arose before the effective time of
22 the articles of domestication and conversion;

23 (2) The member shall not have owner liability under the
24 laws of the foreign jurisdiction for any debt, obligation, or
25 liability of the corporation that arises after the effective time of

1 the articles of domestication and conversion;

2 (3) The provisions of the laws of the foreign
3 jurisdiction shall continue to apply to the collection or discharge
4 of any owner liability preserved by subdivision (1) of this
5 subsection as if the domestication and conversion had not occurred;
6 and

7 (4) The member shall have whatever rights of contribution
8 from other members are provided by the laws of the foreign
9 jurisdiction with respect to any owner liability preserved by
10 subdivision (1) of this subsection as if the domestication and
11 conversion had not occurred.

12 (c) A member of a foreign nonprofit corporation who
13 becomes subject to owner liability for some or all of the debts,
14 obligations, or liabilities of the corporation as a result of its
15 domestication and conversion in this state shall have owner liability
16 only for those debts, obligations, or liabilities of the corporation
17 that arise after the effective time of the articles of domestication
18 and conversion.

19 Sec. 142. (MBCA 9.43) If the domestication and conversion
20 of a foreign nonprofit corporation to a domestic business corporation
21 is abandoned in accordance with the laws of the foreign jurisdiction
22 after articles of domestication and conversion have been filed with
23 the Secretary of State, a statement that the domestication and
24 conversion has been abandoned, signed by an officer or other duly
25 authorized representative, shall be delivered to the Secretary of

1 State for filing. The statement shall take effect upon filing and the
2 domestication and conversion shall be deemed abandoned and shall not
3 become effective.

4 Sec. 143. (MBCA 9.50) (a) A domestic business corporation
5 may become a domestic unincorporated entity pursuant to a plan of
6 entity conversion.

7 (b) A domestic business corporation may become a foreign
8 unincorporated entity if the entity conversion is permitted by the
9 laws of the foreign jurisdiction.

10 (c) A domestic unincorporated entity may become a
11 domestic business corporation. If the organic law of a domestic
12 unincorporated entity does not provide procedures for the approval of
13 an entity conversion, the conversion shall be adopted and approved,
14 and the entity conversion effectuated, in the same manner as a merger
15 of the unincorporated entity. If the organic law of a domestic
16 unincorporated entity does not provide procedures for the approval of
17 either an entity conversion or a merger, a plan of entity conversion
18 shall be adopted and approved, the entity conversion effectuated, and
19 appraisal rights exercised in accordance with the procedures in
20 sections 143 to 149 of this act and sections 171 to 183 of this act.
21 Without limiting the provisions of this subsection, a domestic
22 unincorporated entity whose organic law does not provide procedures
23 for the approval of an entity conversion shall be subject to
24 subsection (e) of this section and subdivision (7) of section 145 of
25 this act. For purposes of applying sections 143 to 149 and 171 to 183

1 of this act:

2 (1) The unincorporated entity, its interest holders,
3 interests, and organic documents taken together, shall be deemed to
4 be a domestic business corporation, shareholders, shares, and
5 articles of incorporation, respectively and vice versa, as the
6 context may require; and

7 (2) If the business and affairs of the unincorporated
8 entity are managed by a group of persons that is not identical to the
9 interest holders, that group shall be deemed to be the board of
10 directors.

11 (d) A foreign unincorporated entity may become a domestic
12 business corporation if the organic law of the foreign unincorporated
13 entity authorizes it to become a corporation in another jurisdiction.

14 (e) If any debt security, note, or similar evidence of
15 indebtedness for money borrowed, whether secured or unsecured, or a
16 contract of any kind, issued, incurred, or signed by a domestic
17 business corporation before the operative date of this act applies to
18 a merger of the corporation and the document does not refer to an
19 entity conversion of the corporation, the provision shall be deemed
20 to apply to an entity conversion of the corporation until such time
21 as the provision is amended subsequent to that date.

22 (f) As used in sections 143 to 149 of this act:

23 (1) Converting entity means the domestic business
24 corporation or domestic unincorporated entity that adopts a plan of
25 entity conversion or the foreign unincorporated entity converting to

1 a domestic business corporation; and

2 (2) Surviving entity means the corporation or
3 unincorporated entity that is in existence immediately after
4 consummation of an entity conversion pursuant to sections 143 to 149
5 of this act.

6 Sec. 144. (MBCA 9.51) (a) A plan of entity conversion
7 must include:

8 (1) A statement of the type of other entity the surviving
9 entity will be and, if it will be a foreign other entity, its
10 jurisdiction of organization;

11 (2) The terms and conditions of the conversion;

12 (3) The manner and basis of converting the shares of the
13 domestic business corporation following its conversion into interests
14 or other securities, obligations, rights to acquire interests or
15 other securities, cash, other property, or any combination of the
16 foregoing; and

17 (4) The full text, as they will be in effect immediately
18 after consummation of the conversion, of the organic documents of the
19 surviving entity.

20 (b) The plan of entity conversion may also include a
21 provision that the plan may be amended prior to filing articles of
22 entity conversion, except that subsequent to approval of the plan by
23 the shareholders the plan may not be amended to change:

24 (1) The amount or kind of shares or other securities,
25 interests, obligations, rights to acquire shares, other securities,

1 or interests, cash, or other property to be received under the plan
2 by the shareholders;

3 (2) The organic documents that will be in effect
4 immediately following the conversion, except for changes permitted by
5 a provision of the organic law of the surviving entity comparable to
6 section 154 of this act; or

7 (3) Any of the other terms or conditions of the plan if
8 the change would adversely affect any of the shareholders in any
9 material respect.

10 (c) Terms of a plan of entity conversion may be made
11 dependent upon facts objectively ascertainable outside the plan in
12 accordance with subsection (k) of section 3 of this act.

13 Sec. 145. (MBCA 9.52) In the case of an entity conversion
14 of a domestic business corporation to a domestic or foreign
15 unincorporated entity:

16 (1) The plan of entity conversion must be adopted by the
17 board of directors.

18 (2) After adopting the plan of entity conversion, the
19 board of directors must submit the plan to the shareholders for their
20 approval. The board of directors must also transmit to the
21 shareholders a recommendation that the shareholders approve the plan
22 unless (i) the board of directors makes a determination that because
23 of conflicts of interest or other special circumstances it should not
24 make such a recommendation or (ii) section 101 of this act applies.
25 If subdivision (2)(i) or (ii) of this section applies, the board must

1 transmit to the shareholders the basis for so proceeding.

2 (3) The board of directors may condition its submission
3 of the plan of entity conversion to the shareholders on any basis.

4 (4) If the approval of the shareholders is to be given at
5 a meeting, the corporation must notify each shareholder, whether or
6 not entitled to vote, of the meeting of shareholders at which the
7 plan of entity conversion is to be submitted for approval. The notice
8 must state that the purpose, or one of the purposes, of the meeting
9 is to consider the plan and must contain or be accompanied by a copy
10 or summary of the plan. The notice shall include or be accompanied by
11 a copy of the organic documents as they will be in effect immediately
12 after the entity conversion.

13 (5) Unless the articles of incorporation, or the board of
14 directors acting pursuant to subdivision (3) of this section,
15 requires a greater vote or a greater number of votes to be present,
16 approval of the plan of entity conversion requires the approval of
17 each class or series of shares of the corporation voting as a
18 separate voting group at a meeting at which a quorum of the voting
19 group consisting of at least a majority of the votes entitled to be
20 cast on the conversion by that voting group exists.

21 (6) If any provision of the articles of incorporation,
22 bylaws, or an agreement to which any of the directors or shareholders
23 are parties, adopted or entered into before the operative date of
24 this act, applies to a merger of the corporation, other than a
25 provision that limits or eliminates voting or appraisal rights, and

1 the document does not refer to an entity conversion of the
2 corporation, the provision shall be deemed to apply to an entity
3 conversion of the corporation until such time as the provision is
4 subsequently amended.

5 (7) If as a result of the conversion one or more
6 shareholders of the corporation would become subject to owner
7 liability for the debts, obligations, or liabilities of any other
8 person or entity, approval of the plan of conversion shall require
9 the signing, by each such shareholder, of a separate written consent
10 to become subject to such owner liability.

11 Sec. 146. (MBCA 9.53) (a) After the conversion of a
12 domestic business corporation to a domestic unincorporated entity has
13 been adopted and approved as required by the Nebraska Model Business
14 Corporation Act, articles of entity conversion shall be signed on
15 behalf of the corporation by any officer or other duly authorized
16 representative. The articles shall:

17 (1) Set forth the name of the corporation immediately
18 before the filing of the articles of entity conversion and the name
19 to which the name of the corporation is to be changed, which shall be
20 a name that satisfies the organic law of the surviving entity;

21 (2) State the type of unincorporated entity that the
22 surviving entity will be;

23 (3) Set forth a statement that the plan of entity
24 conversion was duly approved by the shareholders in the manner
25 required by the act and the articles of incorporation; and

1 (4) If the surviving entity is a filing entity, either
2 contain all of the provisions required to be set forth in its public
3 organic document and any other desired provisions that are permitted
4 or have attached a public organic document; except that, in either
5 case, provisions that would not be required to be included in a
6 restated public organic document may be omitted.

7 (b) After the conversion of a domestic unincorporated
8 entity to a domestic business corporation has been adopted and
9 approved as required by the organic law of the unincorporated entity,
10 articles of entity conversion shall be signed on behalf of the
11 unincorporated entity by any officer or other duly authorized
12 representative. The articles shall:

13 (1) Set forth the name of the unincorporated entity
14 immediately before the filing of the articles of entity conversion
15 and the name to which the name of the unincorporated entity is to be
16 changed which shall be a name that satisfies the requirements of
17 section 30 of this act;

18 (2) Set forth a statement that the plan of entity
19 conversion was duly approved in accordance with the organic law of
20 the unincorporated entity; and

21 (3) Either contain all of the provisions that subsection
22 (a) of section 20 of this act requires to be set forth in articles of
23 incorporation and any other desired provisions that subsection (b) of
24 section 20 of this act permits to be included in articles of
25 incorporation or have attached articles of incorporation; except

1 that, in either case, provisions that would not be required to be
2 included in restated articles of incorporation of a domestic business
3 corporation may be omitted.

4 (c) After the conversion of a foreign unincorporated
5 entity to a domestic business corporation has been authorized as
6 required by the laws of the foreign jurisdiction, articles of entity
7 conversion shall be signed on behalf of the foreign unincorporated
8 entity by any officer or other duly authorized representative. The
9 articles shall:

10 (1) Set forth the name of the unincorporated entity
11 immediately before the filing of the articles of entity conversion
12 and the name to which the name of the unincorporated entity is to be
13 changed which shall be a name that satisfies the requirements of
14 section 30 of this act;

15 (2) Set forth the jurisdiction under the laws of which
16 the unincorporated entity was organized immediately before the filing
17 of the articles of entity conversion and the date on which the
18 unincorporated entity was organized in that jurisdiction;

19 (3) Set forth a statement that the conversion of the
20 unincorporated entity was duly approved in the manner required by its
21 organic law; and

22 (4) Either contain all of the provisions that subsection
23 (a) of section 20 of this act requires to be set forth in articles of
24 incorporation and any other desired provisions that subsection (b) of
25 section 20 of this act permits to be included in articles of

1 incorporation or have attached articles of incorporation; except
2 that, in either case, provisions that would not be required to be
3 included in restated articles of incorporation of a domestic business
4 corporation may be omitted.

5 (d) The articles of entity conversion shall be delivered
6 to the Secretary of State for filing and shall take effect at the
7 effective time provided in section 6 of this act. Articles of entity
8 conversion under subsection (a) or (b) of this section may be
9 combined with any required conversion filing under the organic law of
10 the domestic unincorporated entity if the combined filing satisfies
11 the requirements of both this section and the other organic law.

12 (e) If the converting entity is a foreign unincorporated
13 entity that is authorized to transact business in this state under a
14 provision of law similar to sections 203 to 220 of this act, its
15 certificate of authority or other type of foreign qualification shall
16 be canceled automatically on the effective date of its conversion.

17 Sec. 147. (MBCA 9.54) (a) Whenever a domestic business
18 corporation has adopted and approved, in the manner required by
19 sections 143 to 149 of this act, a plan of entity conversion
20 providing for the corporation to be converted to a foreign
21 unincorporated entity, articles of charter surrender shall be signed
22 on behalf of the corporation by any officer or other duly authorized
23 representative. The articles of charter surrender shall set forth:

24 (1) The name of the corporation;

25 (2) A statement that the articles of charter surrender

1 are being filed in connection with the conversion of the corporation
2 to a foreign unincorporated entity;

3 (3) A statement that the conversion was duly approved by
4 the shareholders in the manner required by the Nebraska Model
5 Business Corporation Act and the articles of incorporation;

6 (4) The jurisdiction under the laws of which the
7 surviving entity will be organized; and

8 (5) If the surviving entity will be a nonfiling entity,
9 the address of its executive office immediately after the conversion.

10 (b) The articles of charter surrender shall be delivered
11 by the corporation to the Secretary of State for filing. The articles
12 of charter surrender shall take effect on the effective time provided
13 in section 6 of this act.

14 Sec. 148. (MBCA 9.55) (a) When a conversion under
15 sections 143 to 149 of this act becomes effective:

16 (1) The title to all real and personal property, both
17 tangible and intangible, of the converting entity remains in the
18 surviving entity without reversion or impairment;

19 (2) The liabilities of the converting entity remain the
20 liabilities of the surviving entity;

21 (3) An action or proceeding pending against the
22 converting entity continues against the surviving entity as if the
23 conversion had not occurred;

24 (4) In the case of a surviving entity that is a filing
25 entity, its articles of incorporation or public organic document and

1 its private organic document become effective;

2 (5) In the case of a surviving entity that is a nonfiling
3 entity, its private organic document becomes effective;

4 (6) The shares or interests of the converting entity are
5 reclassified into shares, interests, other securities, obligations,
6 rights to acquire shares, interests, or other securities, or into
7 cash or other property in accordance with the plan of conversion, and
8 the shareholders or interest holders of the converting entity are
9 entitled only to the rights provided to them under the terms of the
10 conversion and to any appraisal rights they may have under the
11 organic law of the converting entity; and

12 (7) The surviving entity is deemed to:

13 (i) Be incorporated or organized under and subject to the
14 organic law of the converting entity for all purposes;

15 (ii) Be the same corporation or unincorporated entity
16 without interruption as the converting entity; and

17 (iii) Have been incorporated or otherwise organized on
18 the date that the converting entity was originally incorporated or
19 organized.

20 (b) When a conversion of a domestic business corporation
21 to a foreign other entity becomes effective, the surviving entity is
22 deemed to agree that it will promptly pay the amount, if any, to
23 which such shareholders are entitled under sections 171 to 183 of
24 this act.

25 (c) A shareholder who becomes subject to owner liability

1 for some or all of the debts, obligations, or liabilities of the
2 surviving entity shall be personally liable only for those debts,
3 obligations, or liabilities of the surviving entity that arise after
4 the effective time of the articles of entity conversion.

5 (d) The owner liability of an interest holder in an
6 unincorporated entity that converts to a domestic business
7 corporation shall be as follows:

8 (1) The conversion does not discharge any owner liability
9 under the organic law of the unincorporated entity to the extent any
10 such owner liability arose before the effective time of the articles
11 of entity conversion;

12 (2) The interest holder shall not have owner liability
13 under the organic law of the unincorporated entity for any debt,
14 obligation, or liability of the corporation that arises after the
15 effective time of the articles of entity conversion;

16 (3) The provisions of the organic law of the
17 unincorporated entity shall continue to apply to the collection or
18 discharge of any owner liability preserved by subdivision (1) of this
19 subsection as if the conversion had not occurred; and

20 (4) The interest holder shall have whatever rights of
21 contribution from other interest holders that are provided by the
22 organic law of the unincorporated entity with respect to any owner
23 liability preserved by subdivision (1) of this subsection as if the
24 conversion had not occurred.

25 Sec. 149. (MBCA 9.56) (a) Unless otherwise provided in a

1 plan of entity conversion of a domestic business corporation, after
2 the plan has been adopted and approved as required by sections 143 to
3 149 of this act and at any time before the entity conversion has
4 become effective, it may be abandoned by the board of directors
5 without action by the shareholders.

6 (b) If an entity conversion is abandoned after articles
7 of entity conversion or articles of charter surrender have been filed
8 with the Secretary of State but before the entity conversion has
9 become effective, a statement that the entity conversion has been
10 abandoned in accordance with this section, signed by an officer or
11 other duly authorized representative, shall be delivered to the
12 Secretary of State for filing prior to the effective date of the
13 entity conversion. Upon filing, the statement shall take effect and
14 the entity conversion shall be deemed abandoned and shall not become
15 effective.

16 Sec. 150. (MBCA 10.01) (a) A corporation may amend its
17 articles of incorporation at any time to add or change a provision
18 that is required or permitted in the articles of incorporation as of
19 the effective date of the amendment or to delete a provision that is
20 not required to be contained in the articles of incorporation.

21 (b) A shareholder of the corporation does not have a
22 vested property right resulting from any provision in the articles of
23 incorporation, including provisions relating to management, control,
24 capital structure, dividend entitlement, or purpose or duration of
25 the corporation.

1 Sec. 151. (MBCA 10.02) If a corporation has not yet
2 issued shares, its board of directors or its incorporators if it has
3 no board of directors may adopt one or more amendments to the
4 corporation's articles of incorporation.

5 Sec. 152. (MBCA 10.03) If a corporation has issued
6 shares, an amendment to the articles of incorporation shall be
7 adopted in the following manner:

8 (1) The proposed amendment must be adopted by the board
9 of directors.

10 (2) Except as provided in sections 154, 156, and 157 of
11 this act, after adopting the proposed amendment the board of
12 directors must submit the amendment to the shareholders for their
13 approval. The board of directors must also transmit to the
14 shareholders a recommendation that the shareholders approve the
15 amendment unless (i) the board of directors makes a determination
16 that because of conflicts of interest or other special circumstances
17 it should not make such a recommendation or (ii) section 101 of this
18 act applies. If subdivision (2)(i) or (ii) of this section applies,
19 the board must transmit to the shareholders the basis for so
20 proceeding.

21 (3) The board of directors may condition its submission
22 of the amendment to the shareholders on any basis.

23 (4) If the amendment is required to be approved by the
24 shareholders and the approval is to be given at a meeting, the
25 corporation must notify each shareholder, whether or not entitled to

1 vote, of the meeting of shareholders at which the amendment is to be
2 submitted for approval. The notice must state that the purpose, or
3 one of the purposes, of the meeting is to consider the amendment and
4 must contain or be accompanied by a copy of the amendment.

5 (5) Unless the articles of incorporation, or the board of
6 directors acting pursuant to subdivision (3) of this section,
7 requires a greater vote or a greater number of shares to be present,
8 approval of the amendment requires the approval of the shareholders
9 at a meeting at which a quorum consisting of at least a majority of
10 the votes entitled to be cast on the amendment exists, and, if any
11 class or series of shares is entitled to vote as a separate group on
12 the amendment, except as provided in subsection (c) of section 153 of
13 this act, the approval of each such separate voting group at a
14 meeting at which a quorum of the voting group consisting of at least
15 a majority of the votes entitled to be cast on the amendment by that
16 voting group exists.

17 Sec. 153. (MBCA 10.04) (a) If a corporation has more than
18 one class of shares outstanding, the holders of the outstanding
19 shares of a class are entitled to vote as a separate voting group, if
20 shareholder voting is otherwise required by the Nebraska Model
21 Business Corporation Act, on a proposed amendment to the articles of
22 incorporation if the amendment would:

23 (1) Effect an exchange or reclassification of all or part
24 of the shares of the class into shares of another class;

25 (2) Effect an exchange or reclassification or create the

1 right of exchange of all or part of the shares of another class into
2 shares of the class;

3 (3) Change the rights, preferences, or limitations of all
4 or part of the shares of the class;

5 (4) Change the shares of all or part of the class into a
6 different number of shares of the same class;

7 (5) Create a new class of shares having rights or
8 preferences with respect to distributions that are prior or superior
9 to the shares of the class;

10 (6) Increase the rights, preferences, or number of
11 authorized shares of any class that, after giving effect to the
12 amendment, have rights or preferences with respect to distributions
13 that are prior or superior to the shares of the class;

14 (7) Limit or deny an existing preemptive right of all or
15 part of the shares of the class; or

16 (8) Cancel or otherwise affect rights to distributions
17 that have accumulated but not yet been authorized on all or part of
18 the shares of the class.

19 (b) If a proposed amendment would affect a series of a
20 class of shares in one or more of the ways described in subsection
21 (a) of this section, the holders of shares of that series are
22 entitled to vote as a separate voting group on the proposed
23 amendment.

24 (c) If a proposed amendment that entitles the holders of
25 two or more classes or series of shares to vote as separate voting

1 groups under this section would affect those two or more classes or
2 series in the same or substantially similarly way, the holders of
3 shares of all the classes or series so affected must vote together as
4 a single voting group on the proposed amendment unless otherwise
5 provided in the articles of incorporation or required by the board of
6 directors.

7 (d) A class or series of shares is entitled to the voting
8 rights granted by this section although the articles of incorporation
9 provide that the shares are nonvoting shares.

10 Sec. 154. (MBCA 10.05) Unless the articles of
11 incorporation provide otherwise, a corporation's board of directors
12 may adopt amendments to the corporation's articles of incorporation
13 without shareholder approval:

14 (1) To extend the duration of the corporation if it was
15 incorporated at a time when limited duration was required by law;

16 (2) To delete the names and addresses of the initial
17 directors;

18 (3) To delete the name and address of the initial
19 registered agent or registered office, if a statement of change is on
20 file with the Secretary of State;

21 (4) If the corporation has only one class of shares
22 outstanding:

23 (i) To change each issued and unissued authorized share
24 of the class into a greater number of whole shares of that class; or

25 (ii) To increase the number of authorized shares of the

1 class to the extent necessary to permit the issuance of shares as a
2 share dividend;

3 (5) To change the corporate name by substituting the word
4 corporation, incorporated, company, limited, or the abbreviation
5 corp., inc., co., or ltd., for a similar word or abbreviation in the
6 name or by adding, deleting, or changing a geographical attribution
7 for the name;

8 (6) To reflect a reduction in authorized shares, as a
9 result of the operation of subsection (b) of section 51 of this act,
10 when the corporation has acquired its own shares and the articles of
11 incorporation prohibit the reissue of the acquired shares;

12 (7) To delete a class of shares from the articles of
13 incorporation, as a result of the operation of subsection (b) of
14 section 51 of this act, when there are no remaining shares of the
15 class because the corporation has acquired all shares of the class
16 and the articles of incorporation prohibit the reissue of the
17 acquired shares; or

18 (8) To make any change expressly permitted by subsection
19 (a) or (b) of section 38 of this act to be made without shareholder
20 approval.

21 Sec. 155. (MBCA 10.06) After an amendment to the articles
22 of incorporation has been adopted and approved in the manner required
23 by the Nebraska Model Business Corporation Act and by the articles of
24 incorporation, the corporation shall deliver to the Secretary of
25 State, for filing, articles of amendment, which shall set forth:

- 1 (1) The name of the corporation;
- 2 (2) The text of each amendment adopted, or the
3 information required by subdivision (k)(5) of section 3 of this act;
- 4 (3) If an amendment provides for an exchange,
5 reclassification, or cancellation of issued shares, provisions for
6 implementing the amendment if not contained in the amendment itself,
7 which may be made dependent upon facts objectively ascertainable
8 outside the articles of amendment in accordance with subdivision (k)
9 (5) of section 3 of this act;
- 10 (4) The date of each amendment's adoption; and
- 11 (5) If an amendment:
- 12 (i) Was adopted by the incorporators or board of
13 directors without shareholder approval, a statement that the
14 amendment was duly approved by the incorporators or by the board of
15 directors, as the case may be, and that shareholder approval was not
16 required;
- 17 (ii) Required approval by the shareholders, a statement
18 that the amendment was duly approved by the shareholders in the
19 manner required by the act and by the articles of incorporation; or
- 20 (iii) Is being filed pursuant to subdivision (k)(5) of
21 section 3 of this act, a statement to that effect.
- 22 Sec. 156. (MBCA 10.07) (a) A corporation's board of
23 directors may restate its articles of incorporation at any time, with
24 or without shareholder approval, to consolidate all amendments into a
25 single document.

1 (b) If the restated articles include one or more new
2 amendments that require shareholder approval, the amendments must be
3 adopted and approved as provided in section 152 of this act.

4 (c) A corporation that restates its articles of
5 incorporation shall deliver to the Secretary of State for filing
6 articles of restatement setting forth the name of the corporation and
7 the text of the restated articles of incorporation together with a
8 certificate which states that the restated articles consolidate all
9 amendments into a single document and, if a new amendment is included
10 in the restated articles, also includes the statements required under
11 section 155 of this act.

12 (d) Duly adopted restated articles of incorporation
13 supersede the original articles of incorporation and all amendments
14 thereto.

15 (e) The Secretary of State may certify restated articles
16 of incorporation as the articles of incorporation currently in effect
17 without including the certificate information required by subsection
18 (c) of this section.

19 Sec. 157. (MBCA 10.08) (a) A corporation's articles of
20 incorporation may be amended without action by the board of directors
21 or shareholders to carry out a plan of reorganization ordered or
22 decreed by a court of competent jurisdiction under the authority of a
23 law of the United States.

24 (b) The individual or individuals designated by the court
25 shall deliver to the Secretary of State for filing articles of

1 amendment setting forth:

2 (1) The name of the corporation;

3 (2) The text of each amendment approved by the court;

4 (3) The date of the court's order or decree approving the
5 articles of amendment;

6 (4) The title of the reorganization proceeding in which
7 the order or decree was entered; and

8 (5) A statement that the court had jurisdiction of the
9 proceeding under federal statute.

10 (c) This section does not apply after entry of a final
11 decree in the reorganization proceeding even though the court retains
12 jurisdiction of the proceeding for limited purposes unrelated to
13 consummation of the reorganization plan.

14 Sec. 158. (MBCA 10.09) An amendment to the articles of
15 incorporation does not affect a cause of action existing against or
16 in favor of the corporation, a proceeding to which the corporation is
17 a party, or the existing rights of persons other than shareholders of
18 the corporation. An amendment changing a corporation's name does not
19 abate a proceeding brought by or against the corporation in its
20 former name.

21 Sec. 159. (MBCA 10.20) (a) A corporation's shareholders
22 may amend or repeal the corporation's bylaws.

23 (b) A corporation's board of directors may amend or
24 repeal the corporation's bylaws, unless:

25 (1) The articles of incorporation or section 160 of this

1 act reserves that power exclusively to the shareholders in whole or
2 part; or

3 (2) Except as provided in subsection (d) of section 24 of
4 this act, the shareholders in amending, repealing, or adopting a
5 bylaw expressly provide that the board of directors may not amend,
6 repeal, or reinstate that bylaw.

7 Sec. 160. (MBCA 10.21) (a) A bylaw that increases a
8 quorum or voting requirement for the board of directors may be
9 amended or repealed:

10 (1) If originally adopted by the shareholders, only by
11 the shareholders unless the bylaw otherwise provides; or

12 (2) If adopted by the board of directors, either by the
13 shareholders or by the board of directors.

14 (b) A bylaw adopted or amended by the shareholders that
15 increases a quorum or voting requirement for the board of directors
16 may provide that it can be amended or repealed only by a specified
17 vote of either the shareholders or the board of directors.

18 (c) Action by the board of directors under subsection (a)
19 of this section to amend or repeal a bylaw that changes the quorum or
20 voting requirement for the board of directors must meet the same
21 quorum requirement and be adopted by the same vote required to take
22 action under the quorum and voting requirement then in effect or
23 proposed to be adopted, whichever is greater.

24 Sec. 161. (MBCA 11.01) As used in sections 161 to 168 of
25 this act:

1 (1) Merger means a business combination pursuant to
2 section 162 of this act.

3 (2) Party to a merger or party to a share exchange means
4 any domestic or foreign corporation or eligible entity that will:

5 (i) Merge under a plan of merger;

6 (ii) Acquire shares or eligible interests of another
7 corporation or an eligible entity in a share exchange; or
8 (iii) Have all of its shares or eligible interests or all
9 of one or more classes or series of its shares or eligible interests
10 acquired in a share exchange.

11 (3) Share exchange means a business combination pursuant
12 to section 163 of this act.

13 (4) Survivor in a merger means the corporation or
14 eligible entity into which one or more other corporations or eligible
15 entities are merged. A survivor of a merger may preexist the merger
16 or be created by the merger.

17 Sec. 162. (MBCA 11.02) (a) One or more domestic business
18 corporations may merge with one or more domestic or foreign business
19 corporations or eligible entities pursuant to a plan of merger or two
20 or more foreign business corporations or domestic or foreign eligible
21 entities may merge into a new domestic business corporation to be
22 created in the merger in the manner provided in sections 161 to 168
23 of this act.

24 (b) A foreign business corporation, or a foreign eligible
25 entity, may be a party to a merger with a domestic business

1 corporation or may be created by the terms of the plan of merger only
2 if the merger is permitted by the organic law of the foreign business
3 corporation or eligible entity.

4 (c) If the organic law of a domestic eligible entity does
5 not provide procedures for the approval of a merger, a plan of merger
6 may be adopted and approved, the merger effectuated, and appraisal
7 rights exercised in accordance with the procedures in sections 161 to
8 168 and 171 to 183 of this act. For the purposes of applying sections
9 161 to 168 and 171 to 183 of this act:

10 (1) The eligible entity, its members or interest holders,
11 eligible interests, and organic documents taken together shall be
12 deemed to be a domestic business corporation, shareholders, shares,
13 and articles of incorporation, respectively and vice versa as the
14 context may require; and

15 (2) If the business and affairs of the eligible entity
16 are managed by a group of persons that is not identical to the
17 members or interest holders, that group shall be deemed to be the
18 board of directors.

19 (d) The plan of merger must include:

20 (1) The name of each domestic or foreign business
21 corporation or eligible entity that will merge and the name of the
22 domestic or foreign business corporation or eligible entity that will
23 be the survivor of the merger;

24 (2) The terms and conditions of the merger;

25 (3) The manner and basis of converting the shares of each

1 merging domestic or foreign business corporation and eligible
2 interests of each merging domestic or foreign eligible entity into
3 shares or other securities, eligible interests, obligations, rights
4 to acquire shares, other securities, or eligible interests, cash,
5 other property, or any combination of the foregoing;

6 (4) The articles of incorporation of any domestic or
7 foreign business or nonprofit corporation or the organic documents of
8 any domestic or foreign unincorporated entity to be created by the
9 merger or, if a new domestic or foreign business or nonprofit
10 corporation or unincorporated entity is not to be created by the
11 merger, any amendments to the survivor's articles of incorporation or
12 organic documents; and

13 (5) Any other provisions required by the laws under which
14 any party to the merger is organized or by which it is governed or by
15 the articles of incorporation or organic document of any such party.

16 (e) Terms of a plan of merger may be made dependent on
17 facts objectively ascertainable outside the plan in accordance with
18 subsection (k) of section 3 of this act.

19 (f) The plan of merger may also include a provision that
20 the plan may be amended prior to filing articles of merger, but if
21 the shareholders of a domestic corporation that is a party to the
22 merger are required or permitted to vote on the plan, the plan must
23 provide that subsequent to approval of the plan by such shareholders
24 the plan may not be amended to change:

25 (1) The amount or kind of shares or other securities,

1 eligible interests, obligations, rights to acquire shares, other
2 securities, or eligible interests, cash, or other property to be
3 received under the plan by the shareholders of or owners of eligible
4 interests in any party to the merger;

5 (2) The articles of incorporation of any corporation or
6 the organic documents of any unincorporated entity that will survive
7 or be created as a result of the merger, except for changes permitted
8 by section 154 of this act or by comparable provisions of the organic
9 laws of any such foreign corporation or domestic or foreign
10 unincorporated entity; or

11 (3) Any of the other terms or conditions of the plan if
12 the change would adversely affect such shareholders in any material
13 respect.

14 (g) Property held in trust or for charitable purposes
15 under the laws of this state by a domestic or foreign eligible entity
16 shall not be diverted by a merger from the objects for which it was
17 donated, granted, or devised unless and until the eligible entity
18 obtains an order of the court specifying the disposition of the
19 property to the extent required by and pursuant to cy pres or other
20 nondiversion law of this state.

21 Sec. 163. (MBCA 11.03) (a) Through a share exchange:

22 (1) A domestic corporation may acquire all of the shares
23 of one or more classes or series of shares of another domestic or
24 foreign corporation, or all of the interests of one or more classes
25 or series of interests of a domestic or foreign other entity, in

1 exchange for shares or other securities, interests, obligations,
2 rights to acquire shares or other securities, cash, other property,
3 or any combination of the foregoing pursuant to a plan of share
4 exchange; or

5 (2) All of the shares of one or more classes or series of
6 shares of a domestic corporation may be acquired by another domestic
7 or foreign corporation or other entity in exchange for shares or
8 other securities, interests, obligations, rights to acquire shares or
9 other securities, cash, other property, or any combination of the
10 foregoing pursuant to a plan of share exchange.

11 (b) A foreign corporation or eligible entity may be a
12 party to a share exchange only if the share exchange is permitted by
13 the organic law of the corporation or other entity.

14 (c) If the organic law of a domestic other entity does
15 not provide procedures for the approval of a share exchange, a plan
16 of share exchange may be adopted and approved and the share exchange
17 effectuated in accordance with the procedures, if any, for a merger.
18 If the organic law of a domestic other entity does not provide
19 procedures for the approval of either a share exchange or a merger, a
20 plan of share exchange may be adopted and approved, the share
21 exchange effectuated, and appraisal rights exercised, in accordance
22 with the procedures in sections 161 to 168 and 171 to 183 of this
23 act. For the purposes of applying sections 161 to 168 and 171 to 183
24 of this act:

25 (1) The other entity, its interest holders, interests,

1 and organic documents taken together shall be deemed to be a domestic
2 business corporation, shareholders, shares, and articles of
3 incorporation, respectively and vice versa as the context may
4 require; and

5 (2) If the business and affairs of the other entity are
6 managed by a group of persons that is not identical to the interest
7 holders, that group shall be deemed to be the board of directors.

8 (d) The plan of share exchange must include:

9 (1) The name of each corporation or other entity whose
10 shares or interests will be acquired and the name of the corporation
11 or other entity that will acquire those shares or interests;

12 (2) The terms and conditions of the share exchange;

13 (3) The manner and basis of exchanging shares of a
14 corporation or interests in an other entity whose shares or interests
15 will be acquired under the share exchange into shares or other
16 securities, interests, obligations, rights to acquire shares, other
17 securities, or interests, cash, other property, or any combination of
18 the foregoing; and

19 (4) Any other provisions required by the laws under which
20 any party to the share exchange is organized or by the articles of
21 incorporation or organic document of any such party.

22 (e) Terms of a plan of share exchange may be made
23 dependent on facts objectively ascertainable outside the plan in
24 accordance with subsection (k) of section 3 of this act.

25 (f) The plan of share exchange may also include a

1 provision that the plan may be amended prior to filing articles of
2 share exchange, but if the shareholders of a domestic corporation
3 that is a party to the share exchange are required or permitted to
4 vote on the plan, the plan must provide that subsequent to approval
5 of the plan by such shareholders the plan may not be amended to
6 change:

7 (1) The amount or kind of shares or other securities,
8 interests, obligations, rights to acquire shares, other securities,
9 or interests, cash, or other property to be issued by the corporation
10 or to be received under the plan by the shareholders of or owners of
11 interests in any party to the share exchange; or

12 (2) Any of the other terms or conditions of the plan if
13 the change would adversely affect such shareholders in any material
14 respect.

15 (g) This section does not limit the power of a domestic
16 corporation to acquire shares of another corporation or interests in
17 another entity in a transaction other than a share exchange.

18 Sec. 164. (MBCA 11.04) In the case of a domestic
19 corporation that is a party to a merger or share exchange:

20 (1) The plan of merger or share exchange must be adopted
21 by the board of directors.

22 (2) Except as provided in subdivision (8) of this section
23 and in section 165 of this act, after adopting the plan of merger or
24 share exchange the board of directors must submit the plan to the
25 shareholders for their approval. The board of directors must also

1 transmit to the shareholders a recommendation that the shareholders
2 approve the plan unless (i) the board of directors makes a
3 determination that because of conflicts of interest or other special
4 circumstances it should not make such a recommendation or (ii)
5 section 101 of this act applies. If either subdivision (2)(i) or (ii)
6 of this section applies, the board must transmit to the shareholders
7 the basis for so proceeding.

8 (3) The board of directors may condition its submission
9 of the plan of merger or share exchange to the shareholders on any
10 basis.

11 (4) If the plan of merger or share exchange is required
12 to be approved by the shareholders and if the approval is to be given
13 at a meeting, the corporation must notify each shareholder, whether
14 or not entitled to vote, of the meeting of shareholders at which the
15 plan is to be submitted for approval. The notice must state that the
16 purpose, or one of the purposes, of the meeting is to consider the
17 plan and must contain or be accompanied by a copy or summary of the
18 plan. If the corporation is to be merged into an existing corporation
19 or other entity, the notice shall also include or be accompanied by a
20 copy or summary of the articles of incorporation or organizational
21 documents of that corporation or other entity. If the corporation is
22 to be merged into a corporation or other entity that is to be created
23 pursuant to the merger, the notice shall include or be accompanied by
24 a copy or a summary of the articles of incorporation or
25 organizational documents of the new corporation or other entity.

1 (5) Unless the articles of incorporation or the board of
2 directors acting pursuant to subdivision (3) of this section requires
3 a greater vote or a greater number of votes to be present, approval
4 of the plan of merger or share exchange requires the approval of the
5 shareholders at a meeting at which a quorum consisting of at least a
6 majority of the votes entitled to be cast on the plan exists, and if
7 any class or series of shares is entitled to vote as a separate group
8 on the plan of merger or share exchange, the approval of each such
9 separate voting group at a meeting at which a quorum of the voting
10 group consisting of at least a majority of the votes entitled to be
11 cast on the merger or share exchange by that voting group is present.

12 (6) Subject to subdivision (7) of this section, separate
13 voting by voting groups is required:

14 (i) On a plan of merger, by each class or series of
15 shares that:

16 (A) Are to be converted under the plan of merger into
17 other securities, interests, obligations, rights to acquire shares,
18 other securities, or interests, cash, other property, or any
19 combination of the foregoing; or

20 (B) Are entitled to vote as a separate group on a
21 provision in the plan that constitutes a proposed amendment to
22 articles of incorporation of a surviving corporation, that requires
23 action by separate voting groups under section 153 of this act;

24 (ii) On a plan of share exchange, by each class or series
25 of shares included in the exchange with each class or series

1 constituting a separate voting group; and

2 (iii) On a plan of merger or share exchange, if the
3 voting group is entitled under the articles of incorporation to vote
4 as a voting group to approve a plan of merger or share exchange.

5 (7) The articles of incorporation may expressly limit or
6 eliminate the separate voting rights provided in subdivisions (6)(i)
7 (A) and (6)(ii) of this section as to any class or series of shares,
8 except for a transaction that (i) includes what is or would be, if
9 the corporation were the surviving corporation, an amendment subject
10 to subdivision (6)(i)(B) of this section and (ii) will effect no
11 significant change in the assets of the resulting entity, including
12 all parents and subsidiaries on a consolidated basis.

13 (8) Unless the articles of incorporation otherwise
14 provide, approval by the corporation's shareholders of a plan of
15 merger or share exchange is not required if:

16 (i) The corporation will survive the merger or is the
17 acquiring corporation in a share exchange;

18 (ii) Except for amendments permitted by section 154 of
19 this act, its articles of incorporation will not be changed;

20 (iii) Each shareholder of the corporation whose shares
21 were outstanding immediately before the effective date of the merger
22 or share exchange will hold the same number of shares, with identical
23 preferences, limitations, and relative rights, immediately after the
24 effective date of change; and

25 (iv) The issuance in the merger or share exchange of

1 shares or other securities convertible into or rights exercisable for
2 shares does not require a vote under subsection (f) of section 42 of
3 this act.

4 (9) If as a result of a merger or share exchange one or
5 more shareholders of a domestic corporation would become subject to
6 owner liability for the debts, obligations, or liabilities of any
7 other person or entity, approval of the plan of merger or share
8 exchange shall require the execution by each such shareholder of a
9 separate written consent to become subject to such owner liability.

10 Sec. 165. (MBCA 11.05) (a) A domestic parent corporation
11 that owns shares of a domestic or foreign subsidiary corporation that
12 carry at least ninety percent of the voting power of each class and
13 series of the outstanding shares of the subsidiary that have voting
14 power may merge the subsidiary into itself or into another such
15 subsidiary, or merge itself into the subsidiary, without the approval
16 of the board of directors or shareholders of the subsidiary unless
17 the articles of incorporation of any of the corporations otherwise
18 provide, and unless, in the case of a foreign subsidiary, approval by
19 the subsidiary's board of directors or shareholders is required by
20 the laws under which the subsidiary is organized.

21 (b) If under subsection (a) of this section approval of a
22 merger by the subsidiary's shareholders is not required, the parent
23 corporation shall within ten days after the effective date of the
24 merger notify each of the subsidiary's shareholders that the merger
25 has become effective.

1 (c) Except as provided in subsections (a) and (b) of this
2 section, a merger between a parent and a subsidiary shall be governed
3 by the provisions of sections 161 to 168 of this act applicable to
4 mergers generally.

5 Sec. 166. (MBCA 11.06) (a) After a plan of merger or
6 share exchange has been adopted and approved as required by the
7 Nebraska Model Business Corporation Act, articles of merger or share
8 exchange shall be signed on behalf of each party to the merger or
9 share exchange by any officer or other duly authorized
10 representative. The articles shall set forth:

11 (1) The names of the parties to the merger or share
12 exchange;

13 (2) If the articles of incorporation of the survivor of a
14 merger are amended, or if a new corporation is created as a result of
15 a merger, the amendments to the survivor's articles of incorporation
16 or the articles of incorporation of the new corporation;

17 (3) If the plan of merger or share exchange required
18 approval by the shareholders of a domestic corporation that was a
19 party to the merger or share exchange, a statement that the plan was
20 duly approved by the shareholders and, if voting by any separate
21 voting group was required, by each such separate voting group, in the
22 manner required by the act and the articles of incorporation;

23 (4) If the plan of merger or share exchange did not
24 require approval by the shareholders of a domestic corporation that
25 was a party to the merger or share exchange, a statement to that

1 effect; and

2 (5) As to each foreign corporation or eligible entity
3 that was a party to the merger or share exchange, a statement that
4 the participation of the foreign corporation or eligible entity was
5 duly authorized as required by the organic law of the corporation or
6 eligible entity.

7 (b) Articles of merger or share exchange shall be
8 delivered to the Secretary of State for filing by the survivor of the
9 merger or the acquiring corporation in a share exchange and shall
10 take effect at the effective time provided in section 6 of this act.
11 Articles of merger or share exchange filed under this section may be
12 combined with any filing required under the organic law of any
13 domestic eligible entity involved in the transaction if the combined
14 filing satisfies the requirements of both this section and the other
15 organic law.

16 Sec. 167. (MBCA 11.07) (a) When a merger becomes
17 effective:

18 (1) The corporation or eligible entity that is designated
19 in the plan of merger as the survivor continues or comes into
20 existence, as the case may be;

21 (2) The separate existence of every corporation or
22 eligible entity that is merged into the survivor ceases;

23 (3) All property owned by and every contract right
24 possessed by each corporation or eligible entity that merges into the
25 survivor is vested in the survivor without reversion or impairment;

1 (4) All liabilities of each corporation or eligible
2 entity that is merged into the survivor are vested in the survivor;

3 (5) The name of the survivor may, but need not be,
4 substituted in any pending proceeding for the name of any party to
5 the merger whose separate existence ceased in the merger;

6 (6) The articles of incorporation or organic documents of
7 the survivor are amended to the extent provided in the plan of
8 merger;

9 (7) The articles of incorporation or organic documents of
10 a survivor that is created by the merger become effective; and

11 (8) The shares of each corporation that is a party to the
12 merger and the interests in an eligible entity that is a party to a
13 merger that are to be converted under the plan of merger into shares,
14 eligible interests, obligations, rights to acquire securities, other
15 securities, or eligible interests, cash, other property, or any
16 combination of the foregoing, are converted, and the former holders
17 of such shares or eligible interests are entitled only to the rights
18 provided to them in the plan of merger or to any rights they may have
19 under sections 171 to 183 of this act or the organic law of the
20 eligible entity.

21 (b) When a share exchange becomes effective, the shares
22 of each domestic corporation that are to be exchanged for shares or
23 other securities, interests, obligations, rights to acquire shares or
24 other securities, cash, other property, or any combination of the
25 foregoing are entitled only to the rights provided to them in the

1 plan of share exchange or to any rights they may have under sections
2 171 to 183 of this act.

3 (c) A person who becomes subject to owner liability for
4 some or all of the debts, obligations, or liabilities of any entity
5 as a result of a merger or share exchange shall have owner liability
6 only to the extent provided in the organic law of the entity and only
7 for those debts, obligations, and liabilities that arise after the
8 effective time of the articles of merger or share exchange.

9 (d) Upon a merger becoming effective, a foreign
10 corporation or a foreign eligible entity that is the survivor of the
11 merger is deemed to agree that it will promptly pay the amount, if
12 any, to which such shareholders are entitled under sections 171 to
13 183 of this act.

14 (e) The effect of a merger or share exchange on the owner
15 liability of a person who had owner liability for some or all of the
16 debts, obligations, or liabilities of a party to the merger or share
17 exchange shall be as follows:

18 (1) The merger or share exchange does not discharge any
19 owner liability under the organic law of the entity in which the
20 person was a shareholder or interest holder to the extent any such
21 owner liability arose before the effective time of the articles of
22 merger or share exchange;

23 (2) The person shall not have owner liability under the
24 organic law of the entity in which the person was a shareholder or
25 interest holder prior to the merger or share exchange for any debt,

1 obligation, or liability that arises after the effective time of the
2 articles of merger or share exchange;

3 (3) The provisions of the organic law of any entity for
4 which the person had owner liability before the merger or share
5 exchange shall continue to apply to the collection or discharge of
6 any owner liability preserved by subdivision (1) of this subsection
7 as if the merger or share exchange had not occurred; and

8 (4) The person shall have whatever rights of contribution
9 from other persons provided by the organic law of the entity for
10 which the person had owner liability with respect to any owner
11 liability preserved by subdivision (1) of this subsection as if the
12 merger or share exchange had not occurred.

13 Sec. 168. (MBCA 11.08) (a) Unless otherwise provided in a
14 plan of merger or share exchange or in the laws under which a foreign
15 business corporation or a domestic or foreign eligible entity that is
16 a party to a merger or a share exchange is organized or by which it
17 is governed, after the plan has been adopted and approved as required
18 by sections 161 to 168 of this act, and at any time before the merger
19 or share exchange has become effective, it may be abandoned by a
20 domestic business corporation that is a party thereto without action
21 by its shareholders in accordance with any procedures set forth in
22 the plan of merger or share exchange or, if no such procedures are
23 set forth in the plan, in the manner determined by the board of
24 directors, subject to any contractual rights of other parties to the
25 merger or share exchange.

1 (b) If a merger or share exchange is abandoned under
2 subsection (a) of this section after articles of merger or share
3 exchange have been filed with the Secretary of State but before the
4 merger or share exchange has become effective, a statement that the
5 merger or share exchange has been abandoned in accordance with this
6 section, signed on behalf of a party to the merger or share exchange
7 by an officer or other duly authorized representative, shall be
8 delivered to the Secretary of State for filing prior to the effective
9 date of the merger or share exchange. Upon filing, the statement
10 shall take effect and the merger or share exchange shall be deemed
11 abandoned and shall not become effective.

12 Sec. 169. (MBCA 12.01) No approval of the shareholders of
13 a corporation is required, unless the articles of incorporation
14 otherwise provide:

15 (1) To sell, lease, exchange, or otherwise dispose of any
16 or all of the corporation's assets in the usual and regular course of
17 business;

18 (2) To mortgage, pledge, dedicate to the repayment of
19 indebtedness, whether with or without recourse, or otherwise encumber
20 any or all of the corporation's assets, whether or not in the usual
21 and regular course of business;

22 (3) To transfer any or all of the corporation's assets to
23 one or more corporations or other entities all of the shares or
24 interests of which are owned by the corporation; or

25 (4) To distribute assets pro rata to the holders of one

1 or more classes or series of the corporation's shares.

2 Sec. 170. (MBCA 12.02) (a) A sale, lease, exchange, or
3 other disposition of assets, other than a disposition described in
4 section 169 of this act, requires approval of the corporation's
5 shareholders if the disposition would leave the corporation without a
6 significant continuing business activity. If a corporation retains a
7 business activity that represented at least twenty-five percent of
8 total assets at the end of the most recently completed fiscal year,
9 and twenty-five percent of either income from continuing operations
10 before taxes or revenues from continuing operations for that fiscal
11 year, in each case of the corporation and its subsidiaries on a
12 consolidated basis, the corporation will conclusively be deemed to
13 have retained a significant continuing business activity.

14 (b) A disposition that requires approval of the
15 shareholders under subsection (a) of this section shall be initiated
16 by a resolution by the board of directors authorizing the
17 disposition. After adoption of such a resolution, the board of
18 directors shall submit the proposed disposition to the shareholders
19 for their approval. The board of directors shall also transmit to the
20 shareholders a recommendation that the shareholders approve the
21 proposed disposition, unless (1) the board of directors makes a
22 determination that because of conflicts of interest or other special
23 circumstances it should not make such a recommendation or (2) section
24 101 of this act applies. If either subdivision (b)(1) or (2) of this
25 section applies, the board of directors shall transmit to the

1 shareholders the basis for so proceeding.

2 (c) The board of directors may condition its submission
3 of a disposition to the shareholders under subsection (b) of this
4 section on any basis.

5 (d) If a disposition is required to be approved by the
6 shareholders under subsection (a) of this section and if the approval
7 is to be given at a meeting, the corporation shall notify each
8 shareholder, whether or not entitled to vote, of the meeting of
9 shareholders at which the disposition is to be submitted for
10 approval. The notice shall state that the purpose, or one of the
11 purposes, of the meeting is to consider the disposition and shall
12 contain a description of the disposition, including the terms and
13 conditions thereof and the consideration to be received by the
14 corporation.

15 (e) Unless the articles of incorporation or the board of
16 directors acting pursuant to subsection (c) of this section requires
17 a greater vote or a greater number of votes to be present, the
18 approval of a disposition by the shareholders shall require the
19 approval of the shareholders at a meeting at which a quorum
20 consisting of at least a majority of the votes entitled to be cast on
21 the disposition exists.

22 (f) After a disposition has been approved by the
23 shareholders under subsection (b) of this section and at any time
24 before the disposition has been consummated, it may be abandoned by
25 the corporation without action by the shareholders, subject to any

1 contractual rights of other parties to the disposition.

2 (g) A disposition of assets in the course of dissolution
3 under sections 184 to 202 of this act is not governed by this
4 section.

5 (h) The assets of a direct or indirect consolidated
6 subsidiary shall be deemed the assets of the parent corporation for
7 the purposes of this section.

8 Sec. 171. (MBCA 13.01) In sections 171 to 183 of this
9 act:

10 (1) Affiliate means a person that directly or indirectly
11 through one or more intermediaries controls, is controlled by, or is
12 under common control with another person or is a senior executive
13 thereof. For purposes of subdivision (6) of this section, a person is
14 deemed to be an affiliate of its senior executives.

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

18 (3) Corporation means the issuer of the shares held by a
19 shareholder demanding appraisal and, for matters covered in sections
20 176 to 182 of this act, includes the surviving 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 corporate
24 action to which the shareholder objects;

25 (ii) Using customary and current valuation concepts and

1 techniques generally employed for similar businesses in the context
2 of the transaction requiring appraisal; and

3 (iii) Without discounting for lack of marketability or
4 minority status except, if appropriate, for amendments to the
5 articles pursuant to subdivision (a)(5) of section 172 of this act.

6 (5) Interest means interest from the effective date of
7 the corporate action until the date of payment at the rate of
8 interest specified in section 45-104, as such rate may from time to
9 time be adjusted by the Legislature.

10 (6) Interested transaction means a corporate action
11 described in subsection (a) of section 172 of this act, other than a
12 merger pursuant to section 165 of this act, involving an interested
13 person in which any of the shares or assets of the corporation are
14 being acquired or converted. As used in this definition:

15 (i) Interested person means a person or an affiliate of a
16 person who at any time during the one-year period immediately
17 preceding approval by the board of directors of the corporate action:

18 (A) Was the beneficial owner of twenty percent or more of
19 the voting power of the corporation, other than as owner of excluded
20 shares;

21 (B) Had the power, contractually or otherwise, other than
22 as owner of excluded shares, to cause the appointment or election of
23 twenty-five percent or more of the directors to the board of
24 directors of the corporation; or

25 (C) Was a senior executive or director of the corporation

1 or a senior executive of any affiliate thereof and that senior
2 executive or director will receive, as a result of the corporate
3 action, a financial benefit not generally available to other
4 shareholders as such, other than:

5 (I) Employment, consulting, retirement, or similar
6 benefits established separately and not as part of or in
7 contemplation of the corporate action;

8 (II) Employment, consulting, retirement, or similar
9 benefits established in contemplation of or as part of the corporate
10 action that are not more favorable than those existing before the
11 corporate action or, if more favorable, that have been approved on
12 behalf of the corporation in the same manner as is provided in
13 section 122 of this act; or

14 (III) In the case of a director of the corporation who
15 will, in the corporate action, become a director of the acquiring
16 entity in the corporate action or one of its affiliates, rights and
17 benefits as a director that are provided on the same basis as those
18 afforded by the acquiring entity generally to other directors of such
19 entity or such affiliate;

20 (ii) Beneficial owner means any person who, directly or
21 indirectly, through any contract, arrangement, or understanding,
22 other than a revocable proxy, has or shares the power to vote or to
23 direct the voting of shares; except that a member of a national
24 securities exchange is not deemed to be a beneficial owner of
25 securities held directly or indirectly by it on behalf of another

1 person solely because the member is the record holder of the
2 securities if the member is precluded by the rules of the exchange
3 from voting without instruction on contested matters or matters that
4 may affect substantially the rights or privileges of the holders of
5 the securities to be voted. When two or more persons agree to act
6 together for the purpose of voting their shares of the corporation,
7 each member of the group formed thereby is deemed to have acquired
8 beneficial ownership, as of the date of the agreement, of all voting
9 shares of the corporation beneficially owned by any member of the
10 group; and

11 (iii) Excluded shares means shares acquired pursuant to
12 an offer for all shares having voting power if the offer was made
13 within one year prior to the corporate action for consideration of
14 the same kind and of a value equal to or less than that paid in
15 connection with the corporate action.

16 (7) Preferred shares means a class or series of shares
17 whose holders have preference over any other class or series with
18 respect to distributions.

19 (8) Record shareholder means the person in whose name
20 shares are registered in the records of the corporation or the
21 beneficial owner of shares to the extent of the rights granted by a
22 nominee certificate on file with the corporation.

23 (9) Senior executive means the chief executive officer,
24 chief operating officer, chief financial officer, and anyone in
25 charge of a principal business unit or function.

1 (10) Shareholder means both a record shareholder and a
2 beneficial shareholder.

3 Sec. 172. (MBCA 13.02) (a) A shareholder is entitled to
4 appraisal rights and to obtain payment of the fair value of that
5 shareholder's shares in the event of any of the following corporate
6 actions:

7 (1) Consummation of a merger to which the corporation is
8 a party (i) if shareholder approval is required for the merger by
9 section 164 of this act, except that appraisal rights shall not be
10 available to any shareholder of the corporation with respect to
11 shares of any class or series that remain outstanding after
12 consummation of the merger or (ii) if the corporation is a subsidiary
13 and the merger is governed by section 165 of this act;

14 (2) Consummation of a share exchange to which the
15 corporation is a party as the corporation whose shares will be
16 acquired, except that appraisal rights shall not be available to any
17 shareholder of the corporation with respect to any class or series of
18 shares of the corporation that is not exchanged;

19 (3) Consummation of a disposition of assets pursuant to
20 section 170 of this act if the shareholder is entitled to vote on the
21 disposition, except that appraisal rights shall not be available to
22 any shareholder of the corporation with respect to shares of any
23 class or series if (i) under the terms of the corporate action
24 approved by the shareholders there is to be distributed to
25 shareholders in cash its net assets, in excess of a reasonable amount

1 reserved to meet claims of the type described in sections 189 and 190
2 of this act, (A) within one year after the shareholders' approval of
3 the action and (B) in accordance with their respective interests
4 determined at the time of distribution and (ii) the disposition of
5 assets is not an interested transaction;

6 (4) An amendment of the articles of incorporation with
7 respect to a class or series of shares that reduces the number of
8 shares of a class or series owned by the shareholder to a fraction of
9 a share if the corporation has the obligation or right to repurchase
10 the fractional share so created;

11 (5) Any other amendment to the articles of incorporation,
12 merger, share exchange, or disposition of assets to the extent
13 provided by the articles of incorporation, bylaws, or a resolution of
14 the board of directors;

15 (6) Consummation of a domestication if the shareholder
16 does not receive shares in the foreign corporation resulting from the
17 domestication that have terms as favorable to the shareholder in all
18 material respects and represent at least the same percentage interest
19 of the total voting rights of the outstanding shares of the
20 corporation as the shares held by the shareholder before the
21 domestication;

22 (7) Consummation of a conversion of the corporation to
23 nonprofit status pursuant to sections 133 to 138 of this act; or

24 (8) Consummation of a conversion of the corporation to an
25 unincorporated entity pursuant to sections 143 to 149 of this act.

1 (b) Notwithstanding subsection (a) of this section, the
2 availability of appraisal rights under subdivisions (a)(1), (2), (3),
3 (4), (6), and (8) of this section shall be limited in accordance with
4 the following provisions:

5 (1) Appraisal rights shall not be available for the
6 holders of shares of any class or series of shares which is:

7 (i) A covered security under section 18(b)(1)(A) or (B)
8 of the federal Securities Act of 1933, as amended, 15 U.S.C. 77r(b)
9 (1)(A) or (B);

10 (ii) Traded in an organized market and has at least two
11 thousand shareholders and a market value of at least twenty million
12 dollars, exclusive of the value of such shares held by the
13 corporation's subsidiaries, senior executives, directors, and
14 beneficial shareholders owning more than ten percent of such shares;
15 or

16 (iii) Issued by an open-end management investment company
17 registered with the Securities and Exchange Commission under the
18 federal Investment Company Act of 1940, as amended, 15 U.S.C. 80a-1
19 et seq., and may be redeemed at the option of the holder at net asset
20 value;

21 (2) The applicability of subdivision (b)(1) of this
22 section shall be determined as of:

23 (i) The record date fixed to determine the shareholders
24 entitled to receive notice of the meeting of shareholders to act upon
25 the corporate action requiring appraisal rights; or

1 (ii) The day before the effective date of such corporate
2 action if there is no meeting of shareholders;

3 (3) Subdivision (b)(1) of this section shall not be
4 applicable and appraisal rights shall be available pursuant to
5 subsection (a) of this section for the holders of any class or series
6 of shares (i) who are required by the terms of the corporate action
7 requiring appraisal rights to accept for such shares anything other
8 than cash or shares of any class or any series of shares of any
9 corporation or any other proprietary interest of any other entity
10 that satisfies the standards set forth in subdivision (b)(1) of this
11 section at the time the corporate action becomes effective or (ii) in
12 the case of the consummation of a disposition of assets pursuant to
13 section 170 of this act, unless such cash, shares, or proprietary
14 interests are, under the terms of the corporate action approved by
15 the shareholders as part of a distribution to shareholders of the net
16 assets of the corporation in excess of a reasonable amount to meet
17 claims of the type described in sections 189 and 190 of this act, (A)
18 within one year after the shareholders' approval of the action and
19 (B) in accordance with their respective interests determined at the
20 time of the distribution; and

21 (4) Subdivision (b)(1) of this section shall not be
22 applicable and appraisal rights shall be available pursuant to
23 subsection (a) of this section for the holders of any class or series
24 of shares where the corporate action is an interested transaction.

25 (c) Notwithstanding any other provision of this section,

1 the articles of incorporation as originally filed or any amendment
2 thereto may limit or eliminate appraisal rights for any class or
3 series of preferred shares, except that (1) no such limitation or
4 elimination shall be effective if the class or series does not have
5 the right to vote separately as a voting group, alone or as part of a
6 group, on the action or if the action is a nonprofit conversion under
7 sections 133 to 138 of this act, or a conversion to an unincorporated
8 entity under sections 143 to 149 of this act, or a merger having a
9 similar effect and (2) any such limitation or elimination contained
10 in an amendment to the articles of incorporation that limits or
11 eliminates appraisal rights for any of such shares that are
12 outstanding immediately prior to the effective date of such amendment
13 or that the corporation is or may be required to issue or sell
14 thereafter pursuant to any conversion, exchange, or other right
15 existing immediately before the effective date of such amendment
16 shall not apply to any corporate action that becomes effective within
17 one year after that date if such action would otherwise afford
18 appraisal rights.

19 Sec. 173. (MBCA 13.03) (a) A record shareholder may
20 assert appraisal rights as to fewer than all the shares registered in
21 the record shareholder's name but owned by a beneficial shareholder
22 only if the record shareholder objects with respect to all shares of
23 the class or series owned by the beneficial shareholder and notifies
24 the corporation in writing of the name and address of each beneficial
25 shareholder on whose behalf appraisal rights are being asserted. The

1 rights of a record shareholder who asserts appraisal rights for only
2 part of the shares held of record in the record shareholder's name
3 under this subsection shall be determined as if the shares as to
4 which the record shareholder objects and the record shareholder's
5 other shares were registered in the names of different record
6 shareholders.

7 (b) A beneficial shareholder may assert appraisal rights
8 as to shares of any class or series held on behalf of the shareholder
9 only if such shareholder:

10 (1) Submits to the corporation the record shareholder's
11 written consent to the assertion of such rights no later than the
12 date referred to in subdivision (b)(2)(ii) of section 176 of this
13 act; and

14 (2) Does so with respect to all shares of the class or
15 series that are beneficially owned by the beneficial shareholder.

16 Sec. 174. (MBCA 13.20) (a) When any corporate action
17 specified in subsection (a) of section 172 of this act is to be
18 submitted to a vote at a shareholders' meeting, the meeting notice
19 must state that the corporation has concluded that the shareholders
20 are, are not, or may be entitled to assert appraisal rights under
21 sections 171 to 183 of this act. If the corporation concludes that
22 appraisal rights are or may be available, a copy of sections 171 to
23 183 of this act must accompany the meeting notice sent to those
24 record shareholders entitled to exercise appraisal rights.

25 (b) In a merger pursuant to section 165 of this act, the

1 parent corporation must notify in writing all record shareholders of
2 the subsidiary who are entitled to assert appraisal rights that the
3 corporate action became effective. Such notice must be sent within
4 ten days after the corporate action became effective and include the
5 materials described in section 176 of this act.

6 (c) When any corporate action specified in subsection (a)
7 of section 172 of this act is to be approved by written consent of
8 the shareholders pursuant to section 56 of this act:

9 (1) Written notice that appraisal rights are, are not, or
10 may be available must be sent to each record shareholder from whom a
11 consent is solicited at the time consent of such shareholder is first
12 solicited and, if the corporation has concluded that appraisal rights
13 are or may be available, must be accompanied by a copy of sections
14 171 to 183 of this act; and

15 (2) Written notice that appraisal rights are, are not, or
16 may be available must be delivered together with the notice to
17 nonconsenting and nonvoting shareholders required by subsections (e)
18 and (f) of section 56 of this act, may include the materials
19 described in section 176 of this act, and, if the corporation has
20 concluded that appraisal rights are or may be available, must be
21 accompanied by a copy of sections 171 to 183 of this act.

22 (d) When corporate action described in subsection (a) of
23 section 172 of this act is proposed or a merger pursuant to section
24 165 of this act is effected, the notice referred to in subsection (a)
25 or (c) of this section, if the corporation concludes that appraisal

1 rights are or may be available, and in subsection (b) of this section
2 shall be accompanied by:

3 (1) The annual financial statements specified in
4 subsection (a) of section 227 of this act of the corporation that
5 issued the shares that may be subject to appraisal, which shall be as
6 of a date ending not more than sixteen months before the date of the
7 notice and shall comply with subsection (b) of section 227 of this
8 act, except that if such annual financial statements are not
9 reasonably available, the corporation shall provide reasonably
10 equivalent financial information; and

11 (2) The latest available quarterly financial statements
12 of such corporation, if any.

13 (e) The right to receive the information described in
14 subsection (d) of this section may be waived in writing by a
15 shareholder before or after the corporate action.

16 Sec. 175. (MBCA 13.21) (a) If a corporate action
17 specified in subsection (a) of section 172 of this act is submitted
18 to a vote at a shareholders' meeting, a shareholder who wishes to
19 assert appraisal rights with respect to any class or series of
20 shares:

21 (1) Must deliver to the corporation, before the vote is
22 taken, written notice of the shareholder's intent to demand payment
23 if the proposed action is effectuated; and

24 (2) Must not vote, or cause or permit to be voted, any
25 shares of such class or series in favor of the proposed action.

1 (b) If a corporate action specified in subsection (a) of
2 section 172 of this act is to be approved by less than unanimous
3 written consent, a shareholder who wishes to assert appraisal rights
4 with respect to any class or series of shares must not sign a consent
5 in favor of the proposed action with respect to that class or series
6 of shares.

7 (c) A shareholder who fails to satisfy the requirements
8 of subsection (a) or (b) of this section is not entitled to payment
9 under sections 171 to 183 of this act.

10 Sec. 176. (MBCA 13.22) (a) If a corporate action
11 requiring appraisal rights under subsection (a) of section 172 of
12 this act becomes effective, the corporation must send a written
13 appraisal notice and form required by subdivision (b)(1) of this
14 section to all shareholders who satisfy the requirements of
15 subsection (a) or (b) of section 175 of this act. In the case of a
16 merger under section 165 of this act, the parent must deliver an
17 appraisal notice and form to all record shareholders who may be
18 entitled to assert appraisal rights.

19 (b) The appraisal notice must be delivered no earlier
20 than the date the corporate action specified in subsection (a) of
21 section 172 of this act became effective, and no later than ten days
22 after such date, and must:

23 (1) Supply a form that (i) specifies the first date of
24 any announcement to shareholders made prior to the date the corporate
25 action became effective of the principal terms of the proposed

1 corporate action, (ii) if such announcement was made, requires the
2 shareholder asserting appraisal rights to certify whether beneficial
3 ownership of those shares for which appraisal rights are asserted was
4 acquired before that date, and (iii) requires the shareholder
5 asserting appraisal rights to certify that such shareholder did not
6 vote for or consent to the transaction;

7 (2) State:

8 (i) Where the form must be sent and where certificates
9 for certificated shares must be deposited and the date by which those
10 certificates must be deposited, which date may not be earlier than
11 the date for receiving the required form under subdivision (2)(ii) of
12 this subsection;

13 (ii) A date by which the corporation must receive the
14 form, which date may not be fewer than forty nor more than sixty days
15 after the date the appraisal notice under subsection (a) of this
16 section is sent, and state that the shareholder shall have waived the
17 right to demand appraisal with respect to the shares unless the form
18 is received by the corporation by such specified date;

19 (iii) The corporation's estimate of the fair value of the
20 shares;

21 (iv) That, if requested in writing, the corporation will
22 provide, to the shareholder so requesting within ten days after the
23 date specified in subdivision (2)(ii) of this subsection, the number
24 of shareholders who return the forms by the specified date and the
25 total number of shares owned by them; and

1 (v) The date by which the notice to withdraw under
2 section 177 of this act must be received, which date must be within
3 twenty days after the date specified in subdivision (2)(ii) of this
4 subsection; and

5 (3) Be accompanied by a copy of sections 171 to 183 of
6 this act.

7 Sec. 177. (MBCA 13.23) (a) A shareholder who receives
8 notice pursuant to section 176 of this act and who wishes to exercise
9 appraisal rights must sign and return the form sent by the
10 corporation and, in the case of certificated shares, deposit the
11 shareholder's certificates in accordance with the terms of the notice
12 by the date referred to in the notice pursuant to subdivision (b)(2)
13 (ii) of section 176 of this act. In addition, if applicable, the
14 shareholder must certify on the form whether the beneficial owner of
15 such shares acquired beneficial ownership of the shares before the
16 date required to be set forth in the notice pursuant to subdivision
17 (b)(1) of section 176 of this act. If a shareholder fails to make
18 this certification, the corporation may elect to treat the
19 shareholder's shares as after-acquired shares under section 179 of
20 this act. Once a shareholder deposits that shareholder's certificates
21 or, in the case of uncertificated shares, returns the signed forms,
22 that shareholder loses all rights as a shareholder unless the
23 shareholder withdraws pursuant to subsection (b) of this section.

24 (b) A shareholder who has complied with subsection (a) of
25 this section may nevertheless decline to exercise appraisal rights

1 and withdraw from the appraisal process by so notifying the
2 corporation in writing by the date set forth in the appraisal notice
3 pursuant to subdivision (b)(2)(v) of section 176 of this act. A
4 shareholder who fails to so withdraw from the appraisal process may
5 not thereafter withdraw without the corporation's written consent.

6 (c) A shareholder who does not sign and return the form
7 and, in the case of certificated shares, deposit that shareholder's
8 share certificates where required, each by the date set forth in the
9 notice described in subsection (b) of section 176 of this act, shall
10 not be entitled to payment under sections 171 to 183 of this act.

11 Sec. 178. (MBCA 13.24) (a) Except as provided in section
12 179 of this act, within thirty days after the form required by
13 subdivision (b)(2)(ii) of section 176 of this act is due, the
14 corporation shall pay in cash to those shareholders who complied with
15 subsection (a) of section 177 of this act the amount the corporation
16 estimates to be the fair value of their shares, plus interest.

17 (b) The payment to each shareholder pursuant to
18 subsection (a) of this section must be accompanied by:

19 (1)(i) The annual financial statements specified in
20 subsection (a) of section 227 of this act of the corporation that
21 issued the shares to be appraised, which shall be of a date ending
22 not more than sixteen months before the date of payment and shall
23 comply with subsection (b) of section 227 of this act, except that if
24 such annual financial statements are not reasonably available, the
25 corporation shall provide reasonably equivalent financial

1 information, and (ii) the latest available quarterly financial
2 statements of such corporation, if any;

3 (2) A statement of the corporation's estimate of the fair
4 value of the shares, which estimate must equal or exceed the
5 corporation's estimate given pursuant to subdivision (b)(2)(iii) of
6 section 176 of this act; and

7 (3) A statement that shareholders described in subsection
8 (a) of this section have the right to demand further payment under
9 section 180 of this act and that if any such shareholder does not do
10 so within the time period specified therein, such shareholder shall
11 be deemed to have accepted such payment in full satisfaction of the
12 corporation's obligations under sections 171 to 183 of this act.

13 Sec. 179. (MBCA 13.25) (a) A corporation may elect to
14 withhold payment required by section 178 of this act from any
15 shareholder who was required to, but did not, certify that beneficial
16 ownership of all the shareholder's shares for which appraisal rights
17 are asserted was acquired before the date set forth in the appraisal
18 notice sent pursuant to subdivision (b)(1) of section 176 of this
19 act.

20 (b) If the corporation elected to withhold payment under
21 subsection (a) of this section, it must, within thirty days after the
22 form required by subdivision (b)(2)(ii) of section 176 of this act is
23 due, notify all shareholders who are described in subsection (a) of
24 this section:

25 (1) Of the information required by subdivision (b)(1) of

1 section 178 of this act;

2 (2) Of the corporation's estimate of fair value pursuant
3 to subdivision (b)(2) of section 178 of this act;

4 (3) That they may accept the corporation's estimate of
5 fair value, plus interest, in full satisfaction of their demands or
6 demand appraisal under section 180 of this act;

7 (4) That those shareholders who wish to accept such offer
8 must so notify the corporation of their acceptance of the
9 corporation's offer within thirty days after receiving the offer; and

10 (5) That those shareholders who do not satisfy the
11 requirements for demanding appraisal under section 180 of this act
12 shall be deemed to have accepted the corporation's offer.

13 (c) Within ten days after receiving the shareholder's
14 acceptance pursuant to subsection (b) of this section, the
15 corporation must pay in cash the amount it offered under subdivision
16 (b)(2) of this section to each shareholder who agreed to accept the
17 corporation's offer in full satisfaction of the shareholder's demand.

18 (d) Within forty days after sending the notice described
19 in subsection (b) of this section, the corporation must pay in cash
20 the amount it offered to pay under subdivision (b)(2) of this section
21 to each shareholder described in subdivision (b)(5) of this section.

22 Sec. 180. (MBCA 13.26) (a) A shareholder paid pursuant to
23 section 178 of this act who is dissatisfied with the amount of the
24 payment must notify the corporation in writing of that shareholder's
25 estimate of the fair value of the shares and demand payment of that

1 estimate plus interest, less any payment under section 178 of this
2 act. A shareholder offered payment under section 179 of this act who
3 is dissatisfied with that offer must reject the offer and demand
4 payment of the shareholder's stated estimate of the fair value of the
5 shares plus interest.

6 (b) A shareholder who fails to notify the corporation in
7 writing of that shareholder's demand to be paid the shareholder's
8 stated estimate of the fair value plus interest under subsection (a)
9 of this section within thirty days after receiving the corporation's
10 payment or offer of payment under section 178 or 179 of this act,
11 respectively, waives the right to demand payment under this section
12 and shall be entitled only to the payment made or offered pursuant to
13 those respective sections.

14 Sec. 181. (MBCA 13.30) (a) If a shareholder makes demand
15 for payment under section 180 of this act which remains unsettled,
16 the corporation shall commence a proceeding within sixty days after
17 receiving the payment demand and petition the court to determine the
18 fair value of the shares and accrued interest. If the corporation
19 does not commence the proceeding within the sixty-day period, it
20 shall pay in cash to each shareholder the amount the shareholder
21 demanded pursuant to section 180 of this act plus interest.

22 (b) The corporation shall commence the proceeding in the
23 district court of the county where the corporation's principal
24 office, or, if none in this state, its registered office, is located.
25 If the corporation is a foreign corporation without a registered

1 office in this state, it shall commence the proceeding in the county
2 in this state where the principal office or registered office of the
3 domestic corporation merged with the foreign corporation was located
4 at the time of the transaction.

5 (c) The corporation shall make all shareholders, whether
6 or not residents of this state, whose demands remain unsettled
7 parties to the proceeding as in an action against their shares, and
8 all parties must be served with a copy of the petition. Nonresidents
9 may be served by registered or certified mail or by publication as
10 provided by law.

11 (d) The jurisdiction of the court in which the proceeding
12 is commenced under subsection (b) of this section is plenary and
13 exclusive. The court may appoint one or more persons as appraisers to
14 receive evidence and recommend a decision on the question of fair
15 value. The appraisers shall have the powers described in the order
16 appointing them or in any amendment to it. The shareholders demanding
17 appraisal rights are entitled to the same discovery rights as parties
18 in other civil proceedings. There shall be no right to a jury trial.

19 (e) Each shareholder made a party to the proceeding is
20 entitled to judgment (1) for the amount, if any, by which the court
21 finds the fair value of the shareholder's shares, plus interest,
22 exceeds the amount paid by the corporation to the shareholder for
23 such shares or (2) for the fair value, plus interest, of the
24 shareholder's shares for which the corporation elected to withhold
25 payment under section 179 of this act.

1 Sec. 182. (MBCA 13.31) (a) The court in an appraisal
2 proceeding commenced under section 181 of this act shall determine
3 all court costs of the proceeding, including the reasonable
4 compensation and expenses of appraisers appointed by the court. The
5 court shall assess the court costs against the corporation, except
6 that the court may assess court costs against all or some of the
7 shareholders demanding appraisal, in amounts which the court finds
8 equitable, to the extent the court finds such shareholders acted
9 arbitrarily, vexatiously, or not in good faith with respect to the
10 rights provided by sections 171 to 183 of this act.

11 (b) The court in an appraisal proceeding may also assess
12 the expenses of the respective parties in amounts the court finds
13 equitable:

14 (1) Against the corporation and in favor of any or all
15 shareholders demanding appraisal if the court finds the corporation
16 did not substantially comply with the requirements of section 174,
17 176, 178, or 179 of this act; or

18 (2) Against either the corporation or a shareholder
19 demanding appraisal, in favor of any other party, if the court finds
20 the party against whom expenses are assessed acted arbitrarily,
21 vexatiously, or not in good faith with respect to the rights provided
22 by sections 171 to 183 of this act.

23 (c) If the court in an appraisal proceeding finds that
24 the expenses incurred by any shareholder were of substantial benefit
25 to other shareholders similarly situated and that such expenses

1 should not be assessed against the corporation, the court may direct
2 that such expenses be paid out of the amounts awarded the
3 shareholders who were benefited.

4 (d) To the extent the corporation fails to make a
5 required payment pursuant to section 178, 179, or 180 of this act,
6 the shareholder may sue directly for the amount owed and, to the
7 extent successful, shall be entitled to recover from the corporation
8 all expenses of the suit.

9 Sec. 183. (MBCA 13.40) (a) The legality of a proposed or
10 completed corporate action described in subsection (a) of section 172
11 of this act may not be contested, nor may the corporate action be
12 enjoined, set aside, or rescinded, in a legal or equitable proceeding
13 by a shareholder after the shareholders have approved the corporate
14 action.

15 (b) Subsection (a) of this section does not apply to a
16 corporate action that:

17 (1) Was not authorized and approved in accordance with
18 the applicable provisions of:

19 (i) Sections 125 to 170 of this act;

20 (ii) The articles of incorporation or bylaws; or

21 (iii) The resolution of the board of directors
22 authorizing the corporate action;

23 (2) Was procured as a result of fraud, a material
24 misrepresentation, or an omission of a material fact necessary to
25 make statements made, in light of the circumstances in which they

1 were made, not misleading;

2 (3) Is an interested transaction, unless it has been
3 recommended by the board of directors in the same manner as is
4 provided in section 122 of this act and has been approved by the
5 shareholders in the same manner as is provided in section 123 of this
6 act as if the interested transaction were a director's conflicting
7 interest transaction; or

8 (4) Is approved by less than unanimous consent of the
9 voting shareholders pursuant to section 56 of this act if:

10 (i) The challenge to the corporate action is brought by a
11 shareholder who did not consent and as to whom notice of the approval
12 of the corporate action was not effective at least ten days before
13 the corporate action was effected; and

14 (ii) The proceeding challenging the corporate action is
15 commenced within ten days after notice of the approval of the
16 corporate action is effective as to the shareholder bringing the
17 proceeding.

18 Sec. 184. (MBCA 14.01) A majority of the incorporators or
19 initial directors of a corporation that has not issued shares or has
20 not commenced business may dissolve the corporation by delivering to
21 the Secretary of State for filing articles of dissolution that set
22 forth:

23 (1) The name of the corporation;

24 (2) The date of its incorporation;

25 (3) Either (i) that none of the corporation's shares has

- 1 been issued or (ii) that the corporation has not commenced business;
2 (4) That no debt of the corporation remains unpaid;
3 (5) That the net assets of the corporation remaining
4 after winding up have been distributed to the shareholders, if shares
5 were issued; and
6 (6) That a majority of the incorporators or initial
7 directors authorized the dissolution.
- 8 Sec. 185. (MBCA 14.02) (a) A corporation's board of
9 directors may propose dissolution for submission to the shareholders.
- 10 (b) For a proposal to dissolve to be adopted:
11 (1) The board of directors must recommend dissolution to
12 the shareholders unless (i) the board of directors determines that
13 because of conflict of interest or other special circumstances it
14 should make no recommendation or (ii) section 101 of this act
15 applies. If either subdivision (1)(i) or (ii) of this subsection
16 applies, it must communicate the basis for so proceeding; and
17 (2) The shareholders entitled to vote must approve the
18 proposal to dissolve as provided in subsection (e) of this section.
- 19 (c) The board of directors may condition its submission
20 of the proposal for dissolution on any basis.
- 21 (d) The corporation shall notify each shareholder,
22 whether or not entitled to vote, of the proposed shareholders'
23 meeting. The notice must also state that the purpose, or one of the
24 purposes, of the meeting is to consider dissolving the corporation.
- 25 (e) Unless the articles of incorporation or the board of

1 directors acting pursuant to subsection (c) of this section require a
2 greater vote, a greater number of shares to be present, or a vote by
3 voting groups, adoption of the proposal to dissolve shall require the
4 approval of the shareholders at a meeting at which a quorum
5 consisting of at least a majority of the votes entitled to be cast
6 exists.

7 Sec. 186. (MBCA 14.03) (a) At any time after dissolution
8 is authorized, the corporation may dissolve by delivering to the
9 Secretary of State for filing articles of dissolution setting forth:

10 (1) The name of the corporation;

11 (2) The date dissolution was authorized; and

12 (3) If dissolution was approved by the shareholders, a
13 statement that the proposal to dissolve was duly approved by the
14 shareholders in the manner required by the Nebraska Model Business
15 Corporation Act and by the articles of incorporation.

16 (b) A corporation is dissolved upon the effective date of
17 its articles of dissolution.

18 (c) For purposes of sections 184 to 192 of this act,
19 dissolved corporation means a corporation whose articles of
20 dissolution have become effective and includes a successor entity to
21 which the remaining assets of the corporation are transferred subject
22 to its liabilities for purposes of liquidation.

23 Sec. 187. (MBCA 14.04) (a) A corporation may revoke its
24 dissolution within one hundred twenty days of its effective date.

25 (b) Revocation of dissolution must be authorized in the

1 same manner as the dissolution was authorized unless that
2 authorization permitted revocation by action of the board of
3 directors alone, in which event the board of directors may revoke the
4 dissolution without shareholder action.

5 (c) After the revocation of dissolution is authorized,
6 the corporation may revoke the dissolution by delivering to the
7 Secretary of State for filing articles of revocation of dissolution,
8 together with a copy of its articles of dissolution, that set forth:

9 (1) The name of the corporation;

10 (2) The effective date of the dissolution that was
11 revoked;

12 (3) The date that the revocation of dissolution was
13 authorized;

14 (4) If the corporation's board of directors, or
15 incorporators, revoked the dissolution, a statement to that effect;

16 (5) If the corporation's board of directors revoked a
17 dissolution authorized by the shareholders, a statement that
18 revocation was permitted by action by the board of directors alone
19 pursuant to that authorization; and

20 (6) If shareholder action was required to revoke the
21 dissolution, the information required by subdivision (a)(3) of
22 section 186 of this act.

23 (d) Revocation of dissolution is effective upon the
24 effective date of the articles of revocation of dissolution.

25 (e) When the revocation of dissolution is effective, it

1 relates back to and takes effect as of the effective date of the
2 dissolution and the corporation resumes carrying on its business as
3 if dissolution had never occurred.

4 Sec. 188. (MBCA 14.05) (a) A dissolved corporation
5 continues its corporate existence but may not carry on any business
6 except that appropriate to wind up and liquidate its business and
7 affairs, including:

8 (1) Collecting its assets;

9 (2) Disposing of its properties that will not be
10 distributed in kind to its shareholders;

11 (3) Discharging or making provision for discharging its
12 liabilities;

13 (4) Distributing its remaining property among its
14 shareholders according to their interests; and

15 (5) Doing every other act necessary to wind up and
16 liquidate its business and affairs.

17 (b) Dissolution of a corporation does not:

18 (1) Transfer title to the corporation's property;

19 (2) Prevent transfer of its shares or securities,
20 although the authorization to dissolve may provide for closing the
21 corporation's share transfer records;

22 (3) Subject its directors or officers to standards of
23 conduct different from those prescribed in sections 84 to 124 of this
24 act;

25 (4) Change quorum or voting requirements for its board of

1 directors or shareholders; change provisions for selection,
2 resignation, or removal of its directors or officers or both; or
3 change provisions for amending its bylaws;

4 (5) Prevent commencement of a proceeding by or against
5 the corporation in its corporate name;

6 (6) Abate or suspend a proceeding pending by or against
7 the corporation on the effective date of dissolution; or

8 (7) Terminate the authority of the registered agent of
9 the corporation.

10 Sec. 189. (MBCA 14.06) (a) A dissolved corporation may
11 dispose of the known claims against it by notifying its known
12 claimants in writing of the dissolution at any time after its
13 effective date.

14 (b) The written notice must:

15 (1) Describe information that must be included in a
16 claim;

17 (2) Provide a mailing address where a claim may be sent;

18 (3) State the deadline, which may not be fewer than one
19 hundred twenty days after the effective date of the written notice,
20 by which the dissolved corporation must receive the claim; and

21 (4) State that the claim will be barred if not received
22 by the deadline.

23 (c) A claim against the dissolved corporation is barred:

24 (1) If a claimant who was given written notice under
25 subsection (b) of this section does not deliver the claim to the

1 dissolved corporation by the deadline; or

2 (2) If a claimant whose claim was rejected by the
3 dissolved corporation does not commence a proceeding to enforce the
4 claim within ninety days after the effective date of the rejection
5 notice.

6 (d) For purposes of this section, claim does not include
7 a contingent liability or a claim based on an event occurring after
8 the effective date of dissolution.

9 Sec. 190. (MBCA 14.07) (a) A dissolved corporation may
10 also publish notice of its dissolution and request that persons with
11 claims against the dissolved corporation present them in accordance
12 with the notice.

13 (b) The notice must:

14 (1) Be published one time in a newspaper of general
15 circulation in the county where the dissolved corporation's principal
16 office, or, if none in this state, its registered office, is or was
17 last located;

18 (2) Describe the information that must be included in a
19 claim and provide a mailing address where the claim may be sent; and

20 (3) State that a claim against the dissolved corporation
21 will be barred unless a proceeding to enforce the claim is commenced
22 within three years after the publication of the notice.

23 (c) If the dissolved corporation publishes a newspaper
24 notice in accordance with subsection (b) of this section, the claim
25 of each of the following claimants is barred unless the claimant

1 commences a proceeding to enforce the claim against the dissolved
2 corporation within three years after the publication date of the
3 newspaper notice:

4 (1) A claimant who was not given written notice under
5 section 189 of this act;

6 (2) A claimant whose claim was timely sent to the
7 dissolved corporation but not acted on; or

8 (3) A claimant whose claim is contingent or based on an
9 event occurring after the effective date of dissolution.

10 (d) A claim that is not barred by subsection (b) of
11 section 189 of this act or subsection (c) of this section may be
12 enforced:

13 (1) Against the dissolved corporation to the extent of
14 its undistributed assets; or

15 (2) Except as provided in subsection (d) of section 191
16 of this act, if the assets have been distributed in liquidation,
17 against a shareholder of the dissolved corporation to the extent of
18 the shareholder's pro rata share of the claim or the corporate assets
19 distributed to the shareholder in liquidation, whichever is less, but
20 a shareholder's total liability for all claims under this section may
21 not exceed the total amount of assets distributed to the shareholder.

22 Sec. 191. (MBCA 14.08) (a) A dissolved corporation that
23 has published a notice under section 190 of this act may file an
24 application with the district court of the county where the dissolved
25 corporation's principal office, or, if none in this state, its

1 registered office, is located for a determination of the amount and
2 form of security to be provided for payment of claims that are
3 contingent or have not been made known to the dissolved corporation
4 or that are based on an event occurring after the effective date of
5 dissolution but that, based on the facts known to the dissolved
6 corporation, are reasonably estimated to arise after the effective
7 date of dissolution. Provision need not be made for any claim that is
8 or is reasonably anticipated to be barred under subsection (c) of
9 section 190 of this act.

10 (b) Within ten days after the filing of the application,
11 notice of the proceeding shall be given by the dissolved corporation
12 to each claimant holding a contingent claim whose contingent claim is
13 shown on the records of the dissolved corporation.

14 (c) The court may appoint a guardian ad litem to
15 represent all claimants whose identities are unknown in any
16 proceeding brought under this section. The reasonable fees and
17 expenses of such guardian, including all reasonable expert witness
18 fees, shall be paid by the dissolved corporation.

19 (d) Provision by the dissolved corporation for security
20 in the amount and the form ordered by the court under subsection (a)
21 of this section shall satisfy the dissolved corporation's obligations
22 with respect to claims that are contingent, have not been made known
23 to the dissolved corporation, or are based on an event occurring
24 after the effective date of dissolution, and such claims may not be
25 enforced against a shareholder who received assets in liquidation.

1 Sec. 192. (MBCA 14.09) (a) Directors shall cause the
2 dissolved corporation to discharge or make reasonable provision for
3 the payment of claims and make distributions of assets to
4 shareholders after payment or provision for claims.

5 (b) Directors of a dissolved corporation which has
6 disposed of claims under section 189, 190, or 191 of this act shall
7 not be liable for breach of subsection (a) of this section with
8 respect to claims against the dissolved corporation that are barred
9 or satisfied under section 189, 190, or 191 of this act.

10 Sec. 193. (MBCA 14.20) The Secretary of State may
11 commence a proceeding under section 194 of this act to
12 administratively dissolve a corporation if:

13 (1) The corporation is without a registered agent or
14 registered office in this state for sixty days or more;

15 (2) The corporation does not notify the Secretary of
16 State within sixty days that its registered agent or registered
17 office has been changed, that its registered agent has resigned, or
18 that its registered office has been discontinued; or

19 (3) The corporation's period of duration stated in its
20 articles of incorporation expires.

21 Sec. 194. (MBCA 14.21) (a) If the Secretary of State
22 determines that one or more grounds exist under section 193 of this
23 act for dissolving a corporation, the Secretary of State shall serve
24 the corporation with written notice of such determination under
25 section 36 of this act.

1 (b) If the corporation does not correct each ground for
2 dissolution or demonstrate to the reasonable satisfaction of the
3 Secretary of State that each ground determined by the Secretary of
4 State does not exist within sixty days after service of the notice is
5 perfected under section 36 of this act, the Secretary of State shall
6 administratively dissolve the corporation by signing a certificate of
7 dissolution that recites the ground or grounds for dissolution and
8 its effective date. The Secretary of State shall file the original of
9 the certificate and serve a copy on the corporation under section 36
10 of this act.

11 (c) A corporation administratively dissolved continues
12 its corporate existence but may not carry on any business except that
13 necessary to wind up and liquidate its business and affairs under
14 section 188 of this act and notify claimants under sections 189 and
15 190 of this act.

16 (d) The administrative dissolution of a corporation does
17 not terminate the authority of its registered agent.

18 Sec. 195. (MBCA 14.22) (a) A corporation administratively
19 dissolved under section 194 of this act may apply to the Secretary of
20 State for reinstatement within five years after the effective date of
21 dissolution. The application must:

22 (1) Recite the name of the corporation and the effective
23 date of its administrative dissolution;

24 (2) State that the ground or grounds for dissolution
25 either did not exist or have been eliminated; and

1 (3) State that the corporation's name satisfies the
2 requirements of section 30 of this act.

3 (b) If the Secretary of State determines (1) that the
4 application contains the information required by subsection (a) of
5 this section and that the information is correct and (2) that the
6 corporation has paid to the Secretary of State all delinquent fees
7 and has delivered to the Secretary of State a properly executed and
8 signed biennial report, the Secretary of State shall cancel the
9 certificate of dissolution and prepare a certificate of reinstatement
10 that recites such determination and the effective date of
11 reinstatement, file the original of the certificate, and serve a copy
12 on the corporation under section 36 of this act.

13 (c) When the reinstatement is effective, it relates back
14 to and takes effect as of the effective date of the administrative
15 dissolution and the corporation resumes carrying on its business as
16 if the administrative dissolution had never occurred.

17 Sec. 196. (MBCA 14.23) (a) If the Secretary of State
18 denies a corporation's application for reinstatement following
19 administrative dissolution, the Secretary of State shall serve the
20 corporation under section 36 of this act with a written notice that
21 explains the reason or reasons for denial.

22 (b) The corporation may appeal the denial of
23 reinstatement to the district court of Lancaster County within thirty
24 days after service of the notice of denial is perfected. The
25 corporation appeals by petitioning the court to set aside the

1 dissolution and attaching to the petition copies of the Secretary of
2 State's certificate of dissolution, the corporation's application for
3 reinstatement, and the Secretary of State's notice of denial.

4 (c) The court may summarily order the Secretary of State
5 to reinstate the dissolved corporation or may take other action the
6 court considers appropriate.

7 (d) The court's final decision may be appealed as in
8 other civil proceedings.

9 Sec. 197. (MBCA 14.30) (a) Except as provided in
10 subdivision (2)(ii) of this subsection, the court may dissolve a
11 corporation:

12 (1) In a proceeding by the Attorney General if it is
13 established that:

14 (i) The corporation obtained its articles of
15 incorporation through fraud; or

16 (ii) The corporation has continued to exceed or abuse the
17 authority conferred upon it by law;

18 (2)(i) In a proceeding by a shareholder if it is
19 established that:

20 (A) The directors are deadlocked in the management of the
21 corporate affairs, the shareholders are unable to break the deadlock,
22 and irreparable injury to the corporation is threatened or being
23 suffered or the business and affairs of the corporation can no longer
24 be conducted to the advantage of the shareholders generally because
25 of the deadlock;

1 (B) The directors or those in control of the corporation
2 have acted, are acting, or will act in a manner that is illegal,
3 oppressive, or fraudulent;

4 (C) The shareholders are deadlocked in voting power and
5 have failed, for a period that includes at least two consecutive
6 annual meeting dates, to elect successors to directors whose terms
7 have expired; or

8 (D) The corporate assets are being misapplied or wasted;
9 and

10 (ii) The right to bring a proceeding under this
11 subdivision does not apply to shareholders of a bank, trust company,
12 or stock-owned savings and loan associations;

13 (3) In a proceeding by a creditor if it is established
14 that:

15 (i) The creditor's claim has been reduced to judgment,
16 the execution on the judgment returned unsatisfied, and the
17 corporation is insolvent; or

18 (ii) The corporation has admitted in writing that the
19 creditor's claim is due and owing and the corporation is insolvent;

20 (4) In a proceeding by the corporation to have its
21 voluntary dissolution continued under court supervision; or

22 (5) In a proceeding by a shareholder if the corporation
23 has abandoned its business and has failed within a reasonable time to
24 liquidate and distribute its assets and dissolve.

25 (b) Subdivision (a)(2) of this section shall not apply in

1 the case of a corporation that, on the date of the filing of the
2 proceeding, has shares which are:

3 (1) Listed on the New York Stock Exchange, the American
4 Stock Exchange, or on any exchange owned or operated by the NASDAQ
5 Stock Market LLC, or listed or quoted on a system owned or operated
6 by the National Association of Securities Dealers, Inc.; or

7 (2) Not so listed or quoted, but are held by at least
8 three hundred shareholders and the shares outstanding have a market
9 value of at least twenty million dollars, exclusive of the value of
10 such shares held by the corporation's subsidiaries, senior
11 executives, directors, and beneficial shareholders owning more than
12 ten percent of such shares.

13 (c) In this section, beneficial shareholder has the
14 meaning specified in subdivision (2) of section 171 of this act.

15 Sec. 198. (MBCA 14.31) (a) Venue for a proceeding by the
16 Attorney General to dissolve a corporation lies in the district court
17 of Lancaster County. Venue for a proceeding brought by any other
18 party named in subsection (a) of section 197 of this act lies in the
19 district court of the county where a corporation's principal office,
20 or, if none in this state, its registered office, is or was last
21 located.

22 (b) It is not necessary to make shareholders parties to a
23 proceeding to dissolve a corporation unless relief is sought against
24 them individually.

25 (c) A court in a proceeding brought to dissolve a

1 corporation may issue injunctions, appoint a receiver or custodian
2 pendente lite with all powers and duties the court directs, take
3 other action required to preserve the corporate assets wherever
4 located, and carry on the business of the corporation until a full
5 hearing can be held.

6 (d) Within ten days of the commencement of a proceeding
7 to dissolve a corporation under subdivision (a)(2) of section 197 of
8 this act, the corporation must send to all shareholders, other than
9 the petitioner, a notice stating that the shareholders are entitled
10 to avoid the dissolution of the corporation by electing to purchase
11 the petitioner's shares under section 201 of this act and accompanied
12 by a copy of section 201 of this act.

13 Sec. 199. (MBCA 14.32) (a) Unless an election to purchase
14 has been filed under section 201 of this act, a court in a judicial
15 proceeding brought to dissolve a corporation may appoint one or more
16 receivers to wind up and liquidate, or one or more custodians to
17 manage, the business and affairs of the corporation. The court shall
18 hold a hearing, after notifying all parties to the proceeding and any
19 interested persons designated by the court, before appointing a
20 receiver or custodian. The court appointing a receiver or custodian
21 has jurisdiction over the corporation and all of its property
22 wherever located.

23 (b) The court may appoint an individual or a domestic or
24 foreign corporation, authorized to transact business in this state,
25 as a receiver or custodian. The court may require the receiver or

1 custodian to post bond, with or without sureties, in an amount the
2 court directs.

3 (c) The court shall describe the powers and duties of the
4 receiver or custodian in its appointing order, which may be amended
5 from time to time. Among other powers:

6 (1) The receiver (i) may dispose of all or any part of
7 the assets of the corporation wherever located, at a public or
8 private sale, if authorized by the court, and (ii) may sue and defend
9 in his or her own name as receiver of the corporation in all courts
10 of this state; and

11 (2) The custodian may exercise all of the powers of the
12 corporation, through or in place of its board of directors, to the
13 extent necessary to manage the affairs of the corporation in the best
14 interests of its shareholders and creditors.

15 (d) The court during a receivership may redesignate the
16 receiver a custodian, and during a custodianship may redesignate the
17 custodian a receiver, if doing so is in the best interests of the
18 corporation, its shareholders, and creditors.

19 (e) The court from time to time during the receivership
20 or custodianship may order compensation paid and expenses paid or
21 reimbursed to the receiver or custodian from the assets of the
22 corporation or proceeds from the sale of the assets.

23 Sec. 200. (MBCA 14.33) (a) If after a hearing the court
24 determines that one or more grounds for judicial dissolution
25 described in section 197 of this act exist, it may enter a decree

1 dissolving the corporation and specifying the effective date of the
2 dissolution, and the clerk of the court shall deliver a certified
3 copy of the decree to the Secretary of State who shall file it.

4 (b) After entering the decree of dissolution, the court
5 shall direct the winding-up and liquidation of the corporation's
6 business and affairs in accordance with section 188 of this act and
7 the notification of claimants in accordance with sections 189 and 190
8 of this act.

9 Sec. 201. (MBCA 14.34) (a) In a proceeding under
10 subdivision (a)(2) of section 197 of this act to dissolve a
11 corporation, the corporation may elect or, if it fails to elect, one
12 or more shareholders may elect to purchase all shares owned by the
13 petitioning shareholder at the fair value of the shares. An election
14 pursuant to this section shall be irrevocable unless the court
15 determines that it is equitable to set aside or modify the election.

16 (b) An election to purchase pursuant to this section may
17 be filed with the court at any time within ninety days after the
18 filing of the petition under subdivision (a)(2) of section 197 of
19 this act or at such later time as the court in its discretion may
20 allow. If the election to purchase is filed by one or more
21 shareholders, the corporation shall, within ten days thereafter, give
22 written notice to all shareholders, other than the petitioner. The
23 notice must state the name and number of shares owned by the
24 petitioner and the name and number of shares owned by each electing
25 shareholder and must advise the recipients of their right to join in

1 the election to purchase shares in accordance with this section.
2 Shareholders who wish to participate must file notice of their
3 intention to join in the purchase no later than thirty days after the
4 effective date of the notice to them. All shareholders who have filed
5 an election or notice of their intention to participate in the
6 election to purchase thereby become parties to the proceeding and
7 shall participate in the purchase in proportion to their ownership of
8 shares as of the date the first election was filed, unless they
9 otherwise agree or the court otherwise directs. After an election has
10 been filed by the corporation or one or more shareholders, the
11 proceeding under subdivision (a)(2) of section 197 of this act may
12 not be discontinued or settled, nor may the petitioning shareholder
13 sell or otherwise dispose of his or her shares, unless the court
14 determines that it would be equitable to the corporation and the
15 shareholders, other than the petitioner, to permit such
16 discontinuance, settlement, sale, or other disposition.

17 (c) If, within sixty days of the filing of the first
18 election, the parties reach agreement as to the fair value and terms
19 of purchase of the petitioner's shares, the court shall enter an
20 order directing the purchase of petitioner's shares upon the terms
21 and conditions agreed to by the parties.

22 (d) If the parties are unable to reach an agreement as
23 provided for in subsection (c) of this section, the court, upon
24 application of any party, shall stay the proceedings under
25 subdivision (a)(2) of section 197 of this act and determine the fair

1 value of the petitioner's shares as of the day before the date on
2 which the petition under subdivision (a)(2) of section 197 of this
3 act was filed or as of such other date as the court deems appropriate
4 under the circumstances.

5 (e) Upon determining the fair value of the shares, the
6 court shall enter an order directing the purchase upon such terms and
7 conditions as the court deems appropriate, which may include payment
8 of the purchase price in installments, where necessary in the
9 interests of equity, provision for security to assure payment of the
10 purchase price and any additional expenses as may have been awarded,
11 and, if the shares are to be purchased by shareholders, the
12 allocation of shares among them. In allocating petitioner's shares
13 among holders of different classes of shares, the court should
14 attempt to preserve the existing distribution of voting rights among
15 holders of different classes insofar as practicable and may direct
16 that holders of a specific class or classes shall not participate in
17 the purchase. Interest may be allowed at the rate specified in
18 section 45-104, as such rate may from time to time be adjusted by the
19 Legislature, and from the date determined by the court to be
20 equitable, but if the court finds that the refusal of the petitioning
21 shareholder to accept an offer of payment was arbitrary or otherwise
22 not in good faith, no interest shall be allowed. If the court finds
23 that the petitioning shareholder had probable grounds for relief
24 under subdivision (a)(2)(i)(B) or (D) of section 197 of this act, it
25 may award expenses to the petitioning shareholder.

1 (f) Upon entry of an order under subsection (c) or (e) of
2 this section, the court shall dismiss the petition to dissolve the
3 corporation under subdivision (a)(2) of section 197 of this act, and
4 the petitioning shareholder shall no longer have any rights or status
5 as a shareholder of the corporation, except the right to receive the
6 amounts awarded by the order of the court which shall be enforceable
7 in the same manner as any other judgment.

8 (g) The purchase ordered pursuant to subsection (e) of
9 this section shall be made within ten days after the date the order
10 becomes final unless before that time the corporation files with the
11 court a notice of its intention to adopt articles of dissolution
12 pursuant to sections 185 and 186 of this act, which articles must
13 then be adopted and filed within fifty days thereafter. Upon filing
14 of such articles of dissolution, the corporation shall be dissolved
15 in accordance with the provisions of sections 188 to 190 of this act,
16 and the order entered pursuant to subsection (e) of this section
17 shall no longer be of any force or effect, except that the court may
18 award the petitioning shareholder expenses in accordance with the
19 provisions of the last sentence of subsection (e) of this section and
20 the petitioner may continue to pursue any claims previously asserted
21 on behalf of the corporation.

22 (h) Any payment by the corporation pursuant to an order
23 under subsection (c) or (e) of this section, other than an award of
24 expenses pursuant to subsection (e) of this section, is subject to
25 the provisions of section 52 of this act.

1 Sec. 202. (MBCA 14.40) Assets of a dissolved corporation
2 that should be transferred to a creditor, claimant, or shareholder of
3 the corporation who cannot be found or who is not competent to
4 receive them shall be reduced to cash and deposited with the State
5 Treasurer in accordance with the Uniform Disposition of Unclaimed
6 Property Act. When the creditor, claimant, or shareholder furnishes
7 satisfactory proof of entitlement to the amount deposited, the State
8 Treasurer shall pay such person or his or her representative that
9 amount in accordance with the act.

10 Sec. 203. (MBCA 15.01) (a) A foreign corporation may not
11 transact business in this state until it obtains a certificate of
12 authority from the Secretary of State.

13 (b) The following activities, among others, do not
14 constitute transacting business within the meaning of subsection (a)
15 of this section:

16 (1) Maintaining, defending, or settling any proceeding;

17 (2) Holding meetings of the board of directors or
18 shareholders or carrying on other activities concerning internal
19 corporate affairs;

20 (3) Maintaining bank accounts;

21 (4) Maintaining offices or agencies for the transfer,
22 exchange, and registration of the corporation's own securities or
23 maintaining trustees or depositaries with respect to those
24 securities;

25 (5) Selling through independent contractors;

1 (6) Soliciting or obtaining orders, whether by mail or
2 through employees or agents or otherwise, if the orders require
3 acceptance outside this state before they become contracts;

4 (7) Creating or acquiring indebtedness, mortgages, and
5 security interests in real or personal property;

6 (8) Securing or collecting debts or enforcing mortgages
7 and security interests in property securing the debts;

8 (9) Owning, without more, real or personal property;

9 (10) Conducting an isolated transaction that is completed
10 within thirty days and that is not one in the course of repeated
11 transactions of a like nature;

12 (11) Transacting business in interstate commerce; or

13 (12) Acting as a foreign corporate trustee to the extent
14 authorized under section 30-3820.

15 (c) The list of activities in subsection (b) of this
16 section is not exhaustive.

17 (d) The requirements of the Nebraska Model Business
18 Corporation Act are not applicable to foreign or alien insurers which
19 are subject to the requirements of Chapter 44.

20 Sec. 204. (MBCA 15.02) (a) A foreign corporation
21 transacting business in this state without a certificate of authority
22 may not maintain a proceeding in any court in this state until it
23 obtains a certificate of authority.

24 (b) The successor to a foreign corporation that
25 transacted business in this state without a certificate of authority

1 and the assignee of a cause of action arising out of that business
2 may not maintain a proceeding based on that cause of action in any
3 court in this state until the foreign corporation or its successor
4 obtains a certificate of authority.

5 (c) A court may stay a proceeding commenced by a foreign
6 corporation, its successor, or assignee until it determines whether
7 the foreign corporation or its successor requires a certificate of
8 authority. If it so determines, the court may further stay the
9 proceeding until the foreign corporation or its successor obtains the
10 certificate.

11 (d) A foreign corporation is liable for a civil penalty
12 of five hundred dollars for each day, but not to exceed a total of
13 ten thousand dollars for each year, it transacts business in this
14 state without a certificate of authority. The Attorney General may
15 collect all penalties due under this subsection and shall remit them
16 to the State Treasurer for distribution in accordance with Article
17 VII, section 5, of the Constitution of Nebraska.

18 (e) Notwithstanding subsections (a) and (b) of this
19 section, the failure of a foreign corporation to obtain a certificate
20 of authority does not impair the validity of its corporate acts or
21 prevent it from defending any proceeding in this state.

22 Sec. 205. (MBCA 15.03) (a) A foreign corporation may
23 apply for a certificate of authority to transact business in this
24 state by delivering an application to the Secretary of State for
25 filing. The application must set forth:

1 (1) The name of the foreign corporation or, if its name
2 is unavailable for use in this state, a corporate name that satisfies
3 the requirements of section 208 of this act;

4 (2) The name of the state or country under whose law it
5 is incorporated;

6 (3) Its date of incorporation and period of duration;

7 (4) The street address of its principal office;

8 (5) The street address of its registered office in this
9 state and the name of its current registered agent at that office. A
10 post office box number may be provided in addition to the street
11 address; and

12 (6) The names and street addresses of its current
13 directors and officers.

14 (b) The foreign corporation shall deliver with the
15 completed application a certificate of existence, or a document of
16 similar import, duly authenticated by the secretary of state or other
17 official having custody of corporate records in the state or country
18 under whose law it is incorporated. Such certificate or document
19 shall not bear a date of more than sixty days prior to the date the
20 application is delivered.

21 Sec. 206. (MBCA 15.04) (a) A foreign corporation
22 authorized to transact business in this state must obtain an amended
23 certificate of authority from the Secretary of State if it changes:

24 (1) Its corporate name;

25 (2) The period of its duration; or

1 (3) The state or country of its incorporation.

2 (b) The requirements of section 205 of this act for
3 obtaining an original certificate of authority apply to obtaining an
4 amended certificate under this section.

5 Sec. 207. (MBCA 15.05) (a) A certificate of authority
6 authorizes the foreign corporation to which it is issued to transact
7 business in this state subject, however, to the right of the state to
8 revoke the certificate as provided in the Nebraska Model Business
9 Corporation Act.

10 (b) A foreign corporation with a valid certificate of
11 authority has the same but no greater rights and has the same but no
12 greater privileges as and, except as otherwise provided by the
13 Nebraska Model Business Corporation Act, is subject to the same
14 duties, restrictions, penalties, and liabilities now or later imposed
15 on a domestic corporation of like character.

16 (c) The Nebraska Model Business Corporation Act does not
17 authorize this state to regulate the organization or internal affairs
18 of a foreign corporation authorized to transact business in this
19 state.

20 Sec. 208. (MBCA 15.06) (a) If the corporate name of a
21 foreign corporation does not satisfy the requirements of section 30
22 of this act, the foreign corporation to obtain or maintain a
23 certificate of authority to transact business in this state:

24 (1) May add to its corporate name for use in this state
25 the word corporation, incorporated, company, or limited, or the

1 abbreviation corp., inc., co., or ltd.; or

2 (2) May use a fictitious name to transact business in
3 this state if its real name is unavailable and it delivers to the
4 Secretary of State for filing a copy of the resolution of its board
5 of directors, certified by its secretary, adopting the fictitious
6 name.

7 (b) Except as authorized by subsections (c) and (d) of
8 this section, the corporate name, including a fictitious name, of a
9 foreign corporation must not be deceptively similar to, upon the
10 records of the Secretary of State:

11 (1) The corporate name of a corporation incorporated or
12 authorized to transact business in this state;

13 (2) A corporate name reserved or registered under section
14 31 or 32 of this act;

15 (3) The fictitious name of another foreign corporation
16 authorized to transact business in this state;

17 (4) The corporate name of a not-for-profit corporation
18 incorporated or authorized to transact business in this state;

19 (5) A trade name registered in this state pursuant to
20 sections 87-208 to 87-219.01; and

21 (6) Any other business entity name registered or filed
22 with the Secretary of State pursuant to the law of this state.

23 (c) A foreign corporation may apply to the Secretary of
24 State for authorization to use in this state the name of another
25 corporation or business entity, incorporated or authorized to

1 transact business in this state, that is deceptively similar to, upon
2 the records of the Secretary of State, the name applied for. The
3 Secretary of State shall authorize use of the name applied for if:

4 (1) The other corporation or business entity consents to
5 the use in writing; or

6 (2) The applicant delivers to the Secretary of State a
7 certified copy of a final judgment of a court of competent
8 jurisdiction establishing the applicant's right to use the name
9 applied for in this state.

10 (d) A foreign corporation may use in this state the name,
11 including the fictitious name, of another domestic or foreign
12 corporation or business entity that is used in this state if the
13 other corporation or business entity is incorporated or authorized to
14 transact business in this state and the foreign corporation:

15 (1) Has merged with the other corporation or business
16 entity;

17 (2) Has been formed by reorganization of the other
18 corporation or business entity; or

19 (3) Has acquired all or substantially all of the assets,
20 including the corporate name, of the other corporation or business
21 entity.

22 (e) If a foreign corporation authorized to transact
23 business in this state changes its corporate name to one that does
24 not satisfy the requirements of section 30 of this act, it may not
25 transact business in this state under the changed name until it

1 adopts a name satisfying the requirements of section 30 of this act
2 and obtains an amended certificate of authority under section 206 of
3 this act.

4 Sec. 209. (MBCA 15.07) Each foreign corporation
5 authorized to transact business in this state must continuously
6 maintain in this state:

7 (1) A registered office that may be the same as any of
8 its places of business; and

9 (2) A registered agent, who may be:

10 (i) An individual who resides in this state and whose
11 business office is identical with the registered office;

12 (ii) A domestic corporation or not-for-profit domestic
13 corporation whose business office is identical with the registered
14 office; or

15 (iii) A foreign corporation or foreign not-for-profit
16 corporation authorized to transact business in this state whose
17 business office is identical with the registered office.

18 Sec. 210. (MBCA 15.08) (a) A foreign corporation
19 authorized to transact business in this state may change its
20 registered office or registered agent by delivering to the Secretary
21 of State for filing a statement of change that sets forth:

22 (1) Its name;

23 (2) The street address of its current registered office;

24 (3) If the current registered office is to be changed,
25 the street address of its new registered office;

1 (4) The name and street address of its current registered
2 agent. A post office box number may be provided in addition to the
3 street address;

4 (5) If the current registered agent is to be changed, the
5 name of its new registered agent and the new agent's written consent,
6 either on the statement or attached to it, to the appointment; and

7 (6) That after the change or changes are made, the street
8 addresses of its registered office and the business office of its
9 registered agent will be identical.

10 (b) If the street address or post office box number of a
11 registered agent's business office changes, the agent may change the
12 street address or post office box number of the registered office of
13 any foreign corporation for which the person is the registered agent
14 by notifying the corporation in writing of the change, and signing
15 and delivering to the Secretary of State for filing a statement of
16 change that complies with the requirements of subsection (a) of this
17 section and recites that the corporation has been notified of the
18 change.

19 Sec. 211. (MBCA 15.09) (a) The registered agent of a
20 foreign corporation may resign the agency appointment by signing and
21 delivering to the Secretary of State for filing the signed original
22 and two exact or conformed copies of a statement of resignation. The
23 statement of resignation may include a statement that the registered
24 office is also discontinued.

25 (b) After filing the statement, the Secretary of State

1 shall attach the filing receipt to one copy and mail the copy and
2 receipt to the registered office if not discontinued. The Secretary
3 of State shall mail the other copy to the foreign corporation at its
4 principal office address shown in its most recent biennial report.

5 (c) The agency appointment is terminated, and the
6 registered office discontinued if so provided, on the thirty-first
7 day after the date on which the statement was filed.

8 Sec. 212. (MBCA 15.10) (a) The registered agent of a
9 foreign corporation authorized to transact business in this state is
10 the corporation's agent for service of process, notice, or demand
11 required or permitted by law to be served on the foreign corporation.
12 By being authorized to transact business in this state, the foreign
13 corporation's agent for service of process also consents to service
14 of process directed to the foreign corporation's agent in this state
15 for a search warrant issued pursuant to sections 28-807 to 28-829, or
16 for any other validly issued and properly served subpoena, including
17 those authorized under section 86-2,112, for records or documents
18 that are in the possession of the foreign corporation and are located
19 inside or outside of this state. The consent to service of a subpoena
20 or search warrant applies to a foreign corporation that is a party or
21 nonparty to the matter for which the search warrant is sought.

22 (b) A foreign corporation may be served by registered or
23 certified mail, return receipt requested, addressed to the secretary
24 of the foreign corporation or the designated custodian of records at
25 its principal office shown in its application for a certificate of

1 authority or in its most recent biennial report if the foreign
2 corporation:

3 (1) Has no registered agent or its registered agent
4 cannot with reasonable diligence be served;

5 (2) Has withdrawn from transacting business in this state
6 under section 213 of this act; or

7 (3) Has had its certificate of authority revoked under
8 section 218 of this act.

9 (c) Service is perfected under subsection (b) of this
10 section at the earliest of:

11 (1) The date the foreign corporation receives the mail;

12 (2) The date shown on the return receipt, if signed on
13 behalf of the foreign corporation; or

14 (3) Five days after its deposit in the United States
15 mail, as evidenced by the postmark, if mailed postpaid and correctly
16 addressed.

17 (d) This section does not prescribe the only means, or
18 necessarily the required means, of serving a foreign corporation.

19 Sec. 213. (MBCA 15.20) (a) A foreign corporation
20 authorized to transact business in this state may not withdraw from
21 this state until it obtains a certificate of withdrawal from the
22 Secretary of State.

23 (b) A foreign corporation authorized to transact business
24 in this state may apply for a certificate of withdrawal by delivering
25 an application to the Secretary of State for filing. The application

1 must set forth:

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

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

6 (3) That it revokes the authority of its registered agent
7 to accept service on its behalf and consents that service of process
8 in any proceeding based on a cause of action arising during the time
9 it was authorized to transact business in this state may thereafter
10 be made on such corporation outside this state; and

11 (4) A mailing address at which process against the
12 corporation may be served.

13 Sec. 214. (MBCA 15.21) A foreign corporation authorized
14 to transact business in this state that converts to a domestic
15 nonprofit corporation or any form of domestic filing entity shall be
16 deemed to have withdrawn on the effective date of the conversion.

17 Sec. 215. (MBCA 15.22) (a) A foreign corporation
18 authorized to transact business in this state that converts to a
19 domestic or foreign nonfiling entity shall apply for a certificate of
20 withdrawal by delivering an application to the Secretary of State for
21 filing. The application must set forth:

22 (1) The name of the foreign corporation and the name of
23 the state or country under whose law it was incorporated before the
24 conversion;

25 (2) That it surrenders its authority to transact business

1 in this state as a foreign corporation;

2 (3) The type of unincorporated entity to which it has
3 been converted and the jurisdiction whose laws govern its internal
4 affairs; and

5 (4) If it has been converted to a foreign unincorporated
6 entity:

7 (i) That it revokes the authority of its registered agent
8 to accept service on its behalf and consents that service of process
9 in any proceeding based on a cause of action arising during the time
10 it was authorized to transact business in this state may thereafter
11 be made on such foreign unincorporated entity outside this state; and

12 (ii) A mailing address at which process against the
13 foreign unincorporated entity may be served.

14 (b) After the withdrawal under this section of a
15 corporation that has converted to a domestic unincorporated entity is
16 effective, service of process shall be made on the unincorporated
17 entity in accordance with the regular procedures for service of
18 process on the form of unincorporated entity to which the corporation
19 was converted.

20 Sec. 216. (MBCA 15.23) (a) A foreign business corporation
21 authorized to transact business in this state that converts to a
22 foreign nonprofit corporation or to any form of foreign
23 unincorporated entity that is required to obtain a certificate of
24 authority or make a similar type of filing with the Secretary of
25 State if it transacts business in this state shall file with the

1 Secretary of State an application for transfer of authority signed by
2 any officer or other duly authorized representative. The application
3 shall set forth:

4 (1) The name of the corporation;

5 (2) The type of unincorporated entity to which it has
6 been converted and the jurisdiction whose laws govern its internal
7 affairs; and

8 (3) Any other information that would be required in a
9 filing under the laws of this state by an unincorporated entity of
10 the type the corporation has become seeking authority to transact
11 business in this state.

12 (b) The application for transfer of authority shall be
13 delivered to the Secretary of State for filing and shall take effect
14 at the effective time provided in section 6 of this act.

15 (c) Upon the effectiveness of the application for
16 transfer of authority, the authority of the corporation under
17 sections 203 to 220 of this act to transact business in this state
18 shall be transferred without interruption to the converted entity
19 which shall thereafter hold such authority subject to the provisions
20 of the laws of this state applicable to that type of unincorporated
21 entity.

22 Sec. 217. (MBCA 15.30) The Secretary of State may
23 commence a proceeding under section 218 of this act to
24 administratively revoke the certificate of authority of a foreign
25 corporation authorized to transact business in this state if:

1 (1) The foreign corporation is without a registered agent
2 or registered office in this state for sixty days or more;

3 (2) The foreign corporation does not inform the Secretary
4 of State under section 210 or 211 of this act that its registered
5 agent or registered office has changed, that its registered agent has
6 resigned, or that its registered office has been discontinued within
7 sixty days of the change, resignation, or discontinuance;

8 (3) An incorporator, director, officer, or agent of the
9 foreign corporation signed a document knowing it was false in any
10 material respect with intent that the document be delivered to the
11 Secretary of State for filing;

12 (4) The foreign corporation or its agent for service of
13 process does not comply with section 212 of this act; or

14 (5) The Secretary of State receives a duly authenticated
15 certificate from the secretary of state or other official having
16 custody of corporate records in the state or country under whose law
17 the foreign corporation is incorporated stating that it has been
18 dissolved or disappeared as the result of a merger.

19 Sec. 218. (MBCA 15.31) (a) If the Secretary of State
20 determines that one or more grounds exist under section 217 of this
21 act for revocation of a certificate of authority, the Secretary of
22 State shall serve the foreign corporation with written notice of such
23 determination under section 212 of this act.

24 (b) If the foreign corporation does not correct each
25 ground for revocation or demonstrate to the reasonable satisfaction

1 of the Secretary of State that each ground determined by the
2 Secretary of State does not exist within sixty days after service of
3 the notice is perfected under section 212 of this act, the Secretary
4 of State shall administratively revoke the foreign corporation's
5 certificate of authority by signing a certificate of revocation that
6 recites the ground or grounds for revocation and its effective date.
7 The Secretary of State shall file the original of the certificate and
8 serve a copy on the foreign corporation under section 212 of this
9 act.

10 (c) The authority of a foreign corporation to transact
11 business in this state ceases on the date shown on the certificate
12 revoking its certificate of authority.

13 (d) Revocation of a foreign corporation's certificate of
14 authority does not terminate the authority of the registered agent of
15 the corporation.

16 Sec. 219. (a) A foreign corporation, the certificate of
17 authority of which has been administratively revoked under section
18 218 of this act, may apply to the Secretary of State for
19 reinstatement within five years after the effective date of the
20 revocation. The application must:

21 (1) Recite the name of the foreign corporation and the
22 effective date of the revocation;

23 (2) State that the ground or grounds for revocation
24 either did not exist or have been eliminated; and

25 (3) State that the foreign corporation's name satisfies

1 the requirements of section 208 of this act.

2 (b) If the Secretary of State determines (1) that the
3 application contains the information required by subsection (a) of
4 this section and that the information is correct and (2) that the
5 foreign corporation has paid to the Secretary of State all delinquent
6 fees and has delivered to the Secretary of State a properly executed
7 and signed biennial report, he or she shall cancel the certificate of
8 revocation, prepare a certificate of reinstatement that recites his
9 or her determination and the effective date of reinstatement, file
10 the original of the certificate, and serve a copy on the foreign
11 corporation under section 212 of this act.

12 (c) When the reinstatement is effective, it relates back
13 to and takes effect as of the effective date of the revocation and
14 the foreign corporation shall resume carrying on its business as if
15 the revocation had never occurred.

16 Sec. 220. (MBCA 15.32) (a) If the Secretary of State
17 denies a foreign corporation's application for reinstatement
18 following administrative revocation of its certificate of authority
19 under section 218 of this act, he or she shall serve the foreign
20 corporation under section 212 of this act with a written notice that
21 explains the reason or reasons for denial.

22 (b) A foreign corporation may appeal the denial of
23 reinstatement to the district court of Lancaster County within thirty
24 days after service of the notice of denial is perfected under section
25 212 of this act. The foreign corporation appeals by petitioning the

1 court to set aside the revocation and attaching to the petition
2 copies of the Secretary of State's certificate of revocation, the
3 foreign corporation's application for reinstatement, and the
4 Secretary of State's notice of denial.

5 (c) The court may summarily order the Secretary of State
6 to reinstate the certificate of authority or may take any other
7 action the court considers appropriate.

8 (d) The court's final decision may be appealed as in
9 other civil proceedings.

10 Sec. 221. (MBCA 16.01) (a) A corporation shall keep as
11 permanent records minutes of all meetings of its shareholders and
12 board of directors, a record of all actions taken by the shareholders
13 or board of directors without a meeting, and a record of all actions
14 taken by a committee of the board of directors in place of the board
15 of directors on behalf of the corporation.

16 (b) A corporation shall maintain appropriate accounting
17 records.

18 (c) A corporation or its agent shall maintain a record of
19 its shareholders, in a form that permits preparation of a list of the
20 names and addresses of all shareholders, in alphabetical order by
21 class of shares showing the number and class of shares held by each.

22 (d) A corporation shall maintain its records in the form
23 of a document, including an electronic record or in another form
24 capable of conversion into paper form within a reasonable time.

25 (e) A corporation shall keep a copy of the following

1 records at its principal office:

2 (1) Its articles or restated articles of incorporation,
3 all amendments to them currently in effect, and any notices to
4 shareholders referred to in subdivision (k)(5) of section 3 of this
5 act regarding facts on which a filed document is dependent;

6 (2) Its bylaws or restated bylaws and all amendments to
7 them currently in effect;

8 (3) Resolutions adopted by its board of directors
9 creating one or more classes or series of shares and fixing their
10 relative rights, preferences, and limitations if shares issued
11 pursuant to those resolutions are outstanding;

12 (4) The minutes of all shareholders' meetings and records
13 of all action taken by shareholders without a meeting for the past
14 three years;

15 (5) All written communications to shareholders generally
16 within the past three years, including the financial statements
17 furnished for the past three years under section 227 of this act;

18 (6) A list of the names and business addresses of its
19 current directors and officers; and

20 (7) Its most recent biennial report delivered to the
21 Secretary of State under section 228 of this act.

22 Sec. 222. (MBCA 16.02) (a) A shareholder of a corporation
23 is entitled to inspect and copy, during regular business hours at the
24 corporation's principal office, any of the records of the corporation
25 described in subsection (e) of section 221 of this act if the

1 shareholder gives the corporation a signed written notice of the
2 shareholder's demand at least five business days before the date on
3 which the shareholder wishes to inspect and copy.

4 (b) For any meeting of shareholders for which the record
5 date for determining shareholders entitled to vote at the meeting is
6 different than the record date for notice of the meeting, any person
7 who becomes a shareholder subsequent to the record date for notice of
8 the meeting and is entitled to vote at the meeting is entitled to
9 obtain from the corporation upon request the notice and any other
10 information provided by the corporation to shareholders in connection
11 with the meeting unless the corporation has made such information
12 generally available to shareholders by posting it on its web site or
13 by other generally recognized means. Failure of a corporation to
14 provide such information does not affect the validity of action taken
15 at the meeting.

16 (c) A shareholder of a corporation is entitled to inspect
17 and copy, during regular business hours at a reasonable location
18 specified by the corporation, any of the following records of the
19 corporation if the shareholder meets the requirements of subsection
20 (d) of this section and gives the corporation a signed written notice
21 of the shareholder's demand at least five business days before the
22 date on which the shareholder wishes to inspect and copy:

23 (1) Excerpts from minutes of any meeting of the board of
24 directors or a committee of the board of directors while acting in
25 place of the board of directors on behalf of the corporation, minutes

1 of any meeting of the shareholders, and records of action taken by
2 the shareholders, board of directors, or a committee of the board
3 without a meeting, to the extent not subject to inspection under
4 subsection (a) of this section;

5 (2) Accounting records of the corporation; and

6 (3) The record of shareholders.

7 (d) A shareholder may inspect and copy the records
8 described in subsection (c) of this section only if:

9 (1) The shareholder's demand is made in good faith and
10 for a proper purpose;

11 (2) The shareholder describes with reasonable
12 particularity the shareholder's purpose and the records the
13 shareholder desires to inspect; and

14 (3) The records are directly connected with the
15 shareholder's purpose.

16 (e) The right of inspection granted by this section may
17 not be abolished or limited by a corporation's articles of
18 incorporation or bylaws.

19 (f) This section does not affect:

20 (1) The right of a shareholder to inspect records under
21 section 62 of this act or, if the shareholder is in litigation with
22 the corporation, to the same extent as any other litigant; or

23 (2) The power of a court, independently of the Nebraska
24 Model Business Corporation Act, to compel the production of corporate
25 records for examination.

1 (g) For purposes of this section, shareholder includes a
2 beneficial owner whose shares are held in a voting trust or by a
3 nominee on the shareholder's behalf.

4 Sec. 223. (MBCA 16.03) (a) A shareholder's agent or
5 attorney has the same inspection and copying rights as the
6 shareholder represented.

7 (b) The right to copy records under section 222 of this
8 act includes, if reasonable, the right to receive copies by
9 xerographic or other means, including copies through an electronic
10 transmission if available and so requested by the shareholder.

11 (c) The corporation may comply at its expense with a
12 shareholder's demand to inspect the record of shareholders under
13 subdivision (c)(3) of section 222 of this act by providing the
14 shareholder with a list of shareholders that was compiled no earlier
15 than the date of the shareholder's demand.

16 (d) The corporation may impose a reasonable charge,
17 covering the costs of labor and material, for copies of any documents
18 provided to the shareholder. The charge may not exceed the estimated
19 cost of production, reproduction, or transmission of the records.

20 Sec. 224. (MBCA 16.04) (a) If a corporation does not
21 allow a shareholder who complies with subsection (a) of section 222
22 of this act to inspect and copy any records required by that
23 subsection to be available for inspection, the district court of the
24 county where the corporation's principal office, or, if none in this
25 state, its registered office, is located may summarily order

1 inspection and copying of the records demanded at the corporation's
2 expense upon application of the shareholder.

3 (b) If a corporation does not within a reasonable time
4 allow a shareholder to inspect and copy any other record, the
5 shareholder who complies with subsections (c) and (d) of section 222
6 of this act may apply to the district court of the county where the
7 corporation's principal office, or, if none in this state, its
8 registered office, is located for an order to permit inspection and
9 copying of the records demanded. The court shall dispose of an
10 application under this subsection on an expedited basis.

11 Sec. 225. (MBCA 16.05) (a) A director of a corporation is
12 entitled to inspect and copy the books, records, and documents of the
13 corporation at any reasonable time to the extent reasonably related
14 to the performance of the director's duties as a director, including
15 duties as a member of a committee, but not for any other purpose or
16 in any manner that would violate any duty to the corporation.

17 (b) The district court of the county where the
18 corporation's principal office, or, if none in this state, its
19 registered office, is located may order inspection and copying of the
20 books, records, and documents at the corporation's expense upon
21 application of a director who has been refused such inspection
22 rights, unless the corporation establishes that the director is not
23 entitled to such inspection rights. The court shall dispose of an
24 application under this subsection on an expedited basis.

25 (c) If an order is issued, the court may include

1 provisions protecting the corporation from undue burden or expense
2 and provisions prohibiting the director from using information
3 obtained upon exercise of the inspection rights in a manner that
4 would violate a duty to the corporation, and the court may also order
5 the corporation to reimburse the director for the director's expenses
6 incurred in connection with the application.

7 Sec. 226. (MBCA 16.06) (a) Whenever notice would
8 otherwise be required to be given under any provision of the Nebraska
9 Model Business Corporation Act to a shareholder, such notice need not
10 be given if:

11 (1) Notices to shareholders of two consecutive annual
12 meetings and all notices of meetings during the period between such
13 two consecutive annual meetings have been sent to such shareholder at
14 such shareholder's address as shown on the records of the corporation
15 and have been returned undeliverable or could not be delivered; or

16 (2) All, but not less than two, payments of dividends on
17 securities during a twelve-month period, or two consecutive payments
18 of dividends on securities during a period of more than twelve
19 months, have been sent to such shareholder at such shareholder's
20 address as shown on the records of the corporation and have been
21 returned undeliverable or could not be delivered.

22 (b) If any such shareholder shall deliver to the
23 corporation a written notice setting forth such shareholder's then-
24 current address, the requirement that notice be given to such
25 shareholder shall be reinstated.

1 Sec. 227. (MBCA 16.20) (a) A corporation shall deliver to
2 its shareholders annual financial statements, which may be
3 consolidated or combined statements of the corporation and one or
4 more of its subsidiaries, as appropriate, that include a balance
5 sheet as of the end of the fiscal year, an income statement for that
6 year, and a statement of changes in shareholders' equity for the year
7 unless that information appears elsewhere in the financial
8 statements. If financial statements are prepared for the corporation
9 on the basis of generally accepted accounting principles, the annual
10 financial statements must also be prepared on that basis.

11 (b) If the annual financial statements are reported upon
12 by a public accountant, the report must accompany them. If not, the
13 statements must be accompanied by a statement of the president or the
14 person responsible for the corporation's accounting records:

15 (1) Stating such person's reasonable belief whether the
16 statements were prepared on the basis of generally accepted
17 accounting principles and, if not, describing the basis of
18 preparation; and

19 (2) Describing any respects in which the statements were
20 not prepared on a basis of accounting consistent with the statements
21 prepared for the preceding year.

22 (c) Within one hundred twenty days after the close of
23 each fiscal year, the corporation shall send the annual financial
24 statements to each shareholder. Thereafter, on written request from a
25 shareholder to whom the statements were not sent, the corporation

1 shall send the shareholder the latest financial statements. A public
2 corporation may fulfill its responsibilities under this section by
3 delivering the specified financial statements or otherwise making
4 them available in any manner permitted by the applicable rules and
5 regulations of the United States Securities and Exchange Commission.

6 Sec. 228. (MBCA 16.21) Each domestic corporation and each
7 foreign corporation authorized to transact business in this state
8 shall deliver to the Secretary of State for filing a biennial report
9 as required under section 21-301 or 21-304.

10 Sec. 229. (a) Notice of incorporation, amendment, merger,
11 or share exchange of a domestic corporation shall be published for
12 three successive weeks in some legal newspaper of general circulation
13 in the county where the corporation's principal office, or, if none
14 in this state, its registered office, is located.

15 A notice of incorporation shall show (1) the corporate
16 name for the corporation, (2) the number of shares the corporation is
17 authorized to issue, (3) the street address of the corporation's
18 initial registered office and the name of its initial registered
19 agent at that office, and (4) the name and street address of each
20 incorporator.

21 A brief resume of any amendment, merger, or share
22 exchange of the corporation shall be published in the same manner and
23 for the same period of time as a notice of incorporation is required
24 to be published.

25 (b) Notice of the dissolution of a domestic corporation

1 and the terms and conditions of such dissolution and the names of the
2 persons who are to wind up and liquidate its business and affairs and
3 their official titles with a statement of assets and liabilities of
4 the corporation shall be published for three successive weeks in some
5 legal newspaper of general circulation in the county where the
6 corporation's principal office, or, if none in this state, its
7 registered office, is located.

8 (c) Proof of publication of any of the notices required
9 to be published under this section shall be filed in the office of
10 the Secretary of State. In the event any notice required to be given
11 pursuant to this section is not given but is subsequently published
12 for the required time and proof of the publication thereof is filed
13 in the office of the Secretary of State, the acts of such corporation
14 prior to, as well as after, such publication shall be valid.

15 Sec. 230. (MBCA 17.01) The Nebraska Model Business
16 Corporation Act applies to all domestic corporations in existence on
17 the operative date of this act that were incorporated under any
18 general statute of this state providing for incorporation of
19 corporations for profit if power to amend or repeal the statute under
20 which the corporation was incorporated was reserved.

21 Sec. 231. (MBCA 17.02) A foreign corporation authorized
22 to transact business in this state on the operative date of this act
23 is subject to the Nebraska Model Business Corporation Act but is not
24 required to obtain a new certificate of authority to transact
25 business under the act.

1 Sec. 232. (MBCA 17.03) (a) Except as provided in
2 subsection (b) of this section, the repeal of a statute by this
3 legislative bill does not affect:

4 (1) The operation of the statute or any action taken
5 under it before its repeal;

6 (2) Any ratification, right, remedy, privilege,
7 obligation, or liability acquired, accrued, or incurred under the
8 statute before its repeal;

9 (3) Any violation of the statute, or any penalty,
10 forfeiture, or punishment incurred because of the violation, before
11 its repeal; or

12 (4) Any proceeding, reorganization, or dissolution
13 commenced under the statute before its repeal, and the proceeding,
14 reorganization, or dissolution may be completed in accordance with
15 the statute as if it had not been repealed.

16 (b) If a penalty or punishment imposed for violation of a
17 statute repealed by this legislative bill is reduced by this
18 legislative bill, the penalty or punishment if not already imposed
19 shall be imposed in accordance with this legislative bill.

20 (c) In the event that any provisions of the Nebraska
21 Model Business Corporation Act are deemed to modify, limit, or
22 supersede the federal Electronic Signatures in Global and National
23 Commerce Act, 15 U.S.C. 7001 et seq., as the act existed on January
24 1, 2014, the provisions of the Nebraska Model Business Corporation
25 Act shall control to the maximum extent permitted by section 102(a)

1 (2) of that federal act, 15 U.S.C. 7002 (a)(2).

2 Sec. 233. Section 8-1401, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 8-1401 (1) No person organized under ~~the Business~~
5 ~~Corporation Act,~~ the Credit Union Act, the Nebraska Banking Act, the
6 Nebraska Industrial Development Corporation Act, the Nebraska Model
7 Business Corporation Act, the Nebraska Nonprofit Corporation Act, the
8 Nebraska Professional Corporation Act, the Nebraska Trust Company
9 Act, or Chapter 8, article 3, or otherwise authorized to conduct
10 business in Nebraska or organized under the laws of the United
11 States, shall be required to disclose any records or information,
12 financial or otherwise, that it deems confidential concerning its
13 affairs or the affairs of any person with which it is doing business
14 to any person, party, agency, or organization, unless:

15 (a) The disclosure relates to a lawyers trust account and
16 is required to be made to the Counsel for Discipline of the Nebraska
17 Supreme Court pursuant to a rule adopted by the Nebraska Supreme
18 Court;

19 (b) The disclosure is governed by rules for discovery
20 promulgated pursuant to section 25-1273.01;

21 (c) The request for disclosure is made by a law
22 enforcement agency regarding a crime, a fraud, or any other unlawful
23 activity in which the person to whom the request for disclosure is
24 made is or may be a victim of such crime, fraud, or unlawful
25 activity;

1 (d) The request for disclosure is made by a governmental
2 agency which is a duly constituted supervisory regulatory agency of
3 the person to whom the request for disclosure is made and the
4 disclosure relates to examinations, audits, investigations, or
5 inquiries of such persons;

6 (e) The request for disclosure is made pursuant to
7 subpoena issued under the laws of this state by a governmental agency
8 exercising investigatory or adjudicative functions with respect to a
9 matter within the agency's jurisdiction;

10 (f) The production of records is pursuant to a written
11 demand of the Tax Commissioner under section 77-375;

12 (g) There is first presented to such person a subpoena,
13 summons, or warrant issued by a court of competent jurisdiction;

14 (h) A statute by its terms or rules and regulations
15 adopted and promulgated thereunder requires the disclosure, other
16 than by subpoena, summons, warrant, or court order;

17 (i) There is presented to such person an order of a court
18 of competent jurisdiction setting forth the exact nature and limits
19 of such required disclosure and a showing that all persons to be
20 affected by such order have had reasonable notice and an opportunity
21 to be heard upon the merits of such order;

22 (j) The request for disclosure relates to information or
23 records regarding the balance due, monthly payments due, payoff
24 amounts, payment history, interest rates, due dates, or similar
25 information for indebtedness owed by a deceased person when the

1 request is made by a person having an ownership interest in real
2 estate or personal property which secures such indebtedness owed to
3 the person to whom the request for disclosure is made; or

4 (k) There is first presented to such person the written
5 permission of the person about whom records or information is being
6 sought authorizing the release of the requested records or
7 information.

8 (2) Any person who makes a disclosure of records or
9 information as required by this section shall not be held civilly or
10 criminally liable for such disclosure in the absence of malice, bad
11 faith, intent to deceive, or gross negligence.

12 Sec. 234. Section 8-2104, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 8-2104 (1) An out-of-state bank may establish and
15 maintain a branch or acquire a branch in this state upon compliance
16 with any applicable requirements of the ~~Business Corporation Act~~
17 Nebraska Model Business Corporation Act for registration or
18 qualification to do business in this state.

19 (2) An out-of-state bank may engage in an interstate
20 merger transaction in this state in which it is the resulting bank
21 and establish one or more branches in this state. The out-of-state
22 bank shall notify the department of the proposed interstate merger
23 transaction involving a Nebraska state chartered bank within fifteen
24 days after the date it files an application for an interstate merger
25 transaction with its primary regulator.

1 (3) An out-of-state bank may conduct only those
2 activities at its branch or branches in this state that are
3 permissible under the laws of Nebraska or of the United States,
4 except that an out-of-state bank with trust powers may exercise all
5 trust powers in this state as a Nebraska bank with trust powers
6 subject to the requirements of section 8-209.

7 (4) All branches of an out-of-state bank shall comply
8 with all applicable Nebraska laws and regulations in the conduct of
9 their business in this state to the maximum extent authorized by
10 federal law.

11 Sec. 235. Section 8-2306, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 8-2306 (1) An out-of-state trust company, in order to
14 establish and maintain branch trust offices in Nebraska pursuant to
15 section 8-2305, shall file written notice of the proposed transaction
16 with the director on a form prescribed by the director on or after
17 the date on which the out-of-state trust company applies to its home
18 state regulator for approval to establish and maintain the branch
19 trust office in this state. The notice shall include a copy of the
20 application made to its home state regulator, a copy of a resolution
21 of its board of directors authorizing the branch trust office, and
22 the filing fee prescribed by section 8-602.

23 (2) An out-of-state trust company shall provide with the
24 notice satisfactory evidence to the director of compliance with (a)
25 any applicable requirements of the ~~Business Corporation Act~~ Nebraska

1 Model Business Corporation Act and (b) the applicable requirements of
2 its home state regulator for establishing and maintaining a branch
3 trust office.

4 (3) An out-of-state trust company shall provide with the
5 notice an affidavit from its president stating that for as long as it
6 maintains a branch trust office in this state the trust company will
7 comply with Nebraska law.

8 (4) An out-of-state trust company shall obtain a fidelity
9 bond in accordance with section 8-205.01. Submission of a rider to an
10 existing bond indicating that the required coverage is outstanding
11 and evidencing the beneficiaries described in section 8-205.01 shall
12 satisfy the requirements of this subsection. The bond or a substitute
13 bond shall remain in effect during all periods in which the trust
14 company conducts business in Nebraska.

15 Sec. 236. Section 8-2311, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 8-2311 (1) An out-of-state trust company, in order to
18 establish and maintain representative trust offices in Nebraska
19 pursuant to section 8-2310, shall file written notice of the proposed
20 transaction with the director on a form prescribed by the director.
21 The notice shall include, in addition to the information and fee
22 prescribed in subsection (1) of section 8-2309:

23 (a) Satisfactory evidence that the out-of-state trust
24 company is a trust company;

25 (b) Satisfactory evidence of compliance with any

1 applicable requirements of the ~~Business Corporation Act~~; Nebraska
2 Model Business Corporation Act;

3 (c) An affidavit from its president stating that for as
4 long as it maintains a representative trust office in this state the
5 trust company will comply with Nebraska law; and

6 (d) Submission of a fidelity bond in accordance with
7 section 8-205.01. Submission of a rider to an existing bond
8 indicating that the required coverage is outstanding and evidencing
9 the beneficiaries described in section 8-205.01 shall satisfy the
10 requirements of this subdivision. The bond or a substitute bond shall
11 remain in effect during all periods in which the trust company
12 conducts business in Nebraska.

13 (2) The director shall act within ninety days after
14 receipt of notice under subsection (1) of this section. The director
15 may extend the ninety-day period if he or she determines that the
16 notice raises issues that require additional information or
17 additional time for analysis. If the ninety-day period is extended,
18 the out-of-state trust company may establish representative trust
19 offices only on prior written approval of the director.

20 (3) The director may deny approval of the proposed
21 representative trust office if he or she finds that the trust company
22 lacks sufficient financial resources to establish the representative
23 trust office without adversely affecting its safety or soundness,
24 that the trust company does not have adequate fidelity bond coverage,
25 or that the proposed representative trust office would not be in the

1 public interest.

2 (4) If the director does not extend the ninety-day period
3 pursuant to subsection (2) of this section and does not act within
4 ninety days, the out-of-state trust company may, upon compliance with
5 sections 8-209 and 8-210, establish representative trust offices on
6 the ninety-first day following the director's receipt of notice.

7 Sec. 237. Section 9-614, Revised Statutes Supplement,
8 2013, is amended to read:

9 9-614 Lottery operator shall mean any individual, sole
10 proprietorship, partnership, limited liability company, or
11 corporation which operates a lottery on behalf of a county, city, or
12 village.

13 A lottery operator shall be a resident of Nebraska or, if
14 a partnership, limited liability company, or corporation, shall be
15 organized under the laws of this state as a partnership, formed under
16 the Nebraska Uniform Limited Liability Company Act, or incorporated
17 under the ~~Business Corporation Act.~~ Nebraska Model Business
18 Corporation Act.

19 Sec. 238. Section 21-301, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 21-301 (1) Each domestic corporation ~~organized under the~~
22 ~~laws of this state, for profit, shall make a report in writing to the~~
23 ~~Secretary of State,~~ subject to the Nebraska Model Business
24 Corporation Act shall deliver a biennial report to the Secretary of
25 State, as of January 1~~7~~, of each even-numbered year, in such form as

1 the Secretary of State may prescribe. The report shall be signed by
2 one of the following: The president, a vice president, a secretary,
3 or a treasurer of the corporation. The signature may be digital or
4 electronic if it conforms to section 86-611. The report and ~~biennial~~
5 ~~fee shall be submitted~~ occupation tax shall be delivered to the
6 Secretary of State. The report and ~~fee~~ occupation tax shall be due on
7 March 1 of each even-numbered year and shall become delinquent if not
8 filed and paid by April 15 of each even-numbered year. If the
9 Secretary of State finds that such report and ~~biennial fee~~ occupation
10 tax conform to the requirements of the law, the Secretary of State
11 shall file the report. If the Secretary of State finds that the
12 report or ~~fee~~ occupation tax does not conform, the Secretary of State
13 shall not file the report or accept the ~~fee~~ occupation tax but shall
14 return the report and ~~fee~~ occupation tax to the corporation for any
15 necessary corrections. A correction or amendment to the ~~biennial~~
16 report may be filed at any time.

17 (2) In each even-numbered year, the Secretary of State
18 shall cause a notice to be sent either by United States mail or
19 electronically transmitted to each corporation for which a report and
20 ~~fee~~ occupation tax as described in this section ~~has~~ have not been
21 received as of March 1. The notice shall state that the report has
22 not been received, that the report and ~~fee~~ occupation tax are due on
23 March 1, and that the corporation will be administratively dissolved
24 if the report and proper ~~fee~~ occupation tax are not received by April
25 15.

1 Sec. 239. Section 21-302, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 21-302 The biennial report required under section 21-301
4 from a domestic corporation ~~subject to the Business Corporation Act~~
5 shall show:

6 (1) The exact corporate name of the corporation;

7 (2) The street address of the corporation's registered
8 office and the name of its current registered agent at that office in
9 this state. A post office box number may be provided in addition to
10 the street address;

11 (3) The street address of the corporation's principal
12 office;

13 (4) The names and street addresses of the corporation's
14 directors and principal officers, which shall include the president,
15 secretary, and treasurer;

16 (5) A brief description of the nature of the
17 corporation's business;

18 (6) The amount of paid-up capital stock; and

19 (7) The change or changes, if any, in the above
20 particulars made since the last biennial report.

21 Sec. 240. Section 21-303, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 21-303 (1) ~~At the time of filing the report under section~~
24 ~~21-301 each even numbered year, Upon the delivery of the biennial~~
25 report required under section 21-301 to the Secretary of State, it

1 shall be the duty of every domestic corporation ~~for profit, and~~
2 registered in the office of the Secretary of State on January 1,
3 whether incorporated under the laws of this state or incorporated
4 under the laws of any other state when such corporations have
5 domesticated in this state, to pay to the Secretary of State a
6 ~~biennial fee for an~~ occupation tax in each even-numbered calendar
7 year beginning January 1, which ~~fee~~ occupation tax shall be due and
8 assessable on such date and delinquent if not paid on or before April
9 15 of each even-numbered year.

10 (2) The ~~biennial fee~~ occupation tax shall be as follows:
11 When the paid-up capital stock of a corporation does not exceed ten
12 thousand dollars, ~~a fee~~ an occupation tax of twenty-six dollars; when
13 such paid-up capital stock exceeds ten thousand dollars but does not
14 exceed twenty thousand dollars, ~~a fee~~ an occupation tax of forty
15 dollars; when such paid-up capital stock exceeds twenty thousand
16 dollars but does not exceed thirty thousand dollars, ~~a fee~~ an
17 occupation tax of sixty dollars; when such paid-up capital stock
18 exceeds thirty thousand dollars but does not exceed forty thousand
19 dollars, ~~a fee~~ an occupation tax of eighty dollars; when such paid-up
20 capital stock exceeds forty thousand dollars but does not exceed
21 fifty thousand dollars, ~~a fee~~ an occupation tax of one hundred
22 dollars; when such paid-up capital stock exceeds fifty thousand
23 dollars but does not exceed sixty thousand dollars, ~~a fee~~ an
24 occupation tax of one hundred twenty dollars; when such paid-up
25 capital stock exceeds sixty thousand dollars but does not exceed

1 seventy thousand dollars, ~~a fee~~ an occupation tax of one hundred
2 forty dollars; when such paid-up capital stock exceeds seventy
3 thousand dollars but does not exceed eighty thousand dollars, ~~a fee~~
4 an occupation tax of one hundred sixty dollars; when such paid-up
5 capital stock exceeds eighty thousand dollars but does not exceed
6 ninety thousand dollars, ~~a fee~~ an occupation tax of one hundred
7 eighty dollars; when such paid-up capital stock exceeds ninety
8 thousand dollars but does not exceed one hundred thousand dollars, a
9 ~~fee~~ an occupation tax of two hundred dollars; when such paid-up
10 capital stock exceeds one hundred thousand dollars but does not
11 exceed one hundred twenty-five thousand dollars, ~~a fee~~ an occupation
12 tax of two hundred forty dollars; when such paid-up capital stock
13 exceeds one hundred twenty-five thousand dollars but does not exceed
14 one hundred fifty thousand dollars, ~~a fee~~ an occupation tax of two
15 hundred eighty dollars; when such paid-up capital stock exceeds one
16 hundred fifty thousand dollars but does not exceed one hundred
17 seventy-five thousand dollars, ~~a fee~~ an occupation tax of three
18 hundred twenty dollars; when such paid-up capital stock exceeds one
19 hundred seventy-five thousand dollars but does not exceed two hundred
20 thousand dollars, ~~a fee~~ an occupation tax of three hundred sixty
21 dollars; when such paid-up capital stock exceeds two hundred thousand
22 dollars but does not exceed two hundred twenty-five thousand dollars,
23 ~~a fee~~ an occupation tax of four hundred dollars; when such paid-up
24 capital stock exceeds two hundred twenty-five thousand dollars but
25 does not exceed two hundred fifty thousand dollars, ~~a fee~~ an

1 occupation tax of four hundred forty dollars; when such paid-up
2 capital stock exceeds two hundred fifty thousand dollars but does not
3 exceed two hundred seventy-five thousand dollars, ~~a fee~~ an occupation
4 tax of four hundred eighty dollars; when such paid-up capital stock
5 exceeds two hundred seventy-five thousand dollars but does not exceed
6 three hundred thousand dollars, ~~a fee~~ an occupation tax of five
7 hundred twenty dollars; when such paid-up capital stock exceeds three
8 hundred thousand dollars but does not exceed three hundred twenty-
9 five thousand dollars, ~~a fee~~ an occupation tax of five hundred sixty
10 dollars; when such paid-up capital stock exceeds three hundred
11 twenty-five thousand dollars but does not exceed three hundred fifty
12 thousand dollars, ~~a fee~~ an occupation tax of six hundred dollars;
13 when such paid-up capital stock exceeds three hundred fifty thousand
14 dollars but does not exceed four hundred thousand dollars, ~~a fee~~ an
15 occupation tax of six hundred sixty-six dollars; when such paid-up
16 capital stock exceeds four hundred thousand dollars but does not
17 exceed four hundred fifty thousand dollars, ~~a fee~~ an occupation tax
18 of seven hundred thirty dollars; when such paid-up capital stock
19 exceeds four hundred fifty thousand dollars but does not exceed five
20 hundred thousand dollars, ~~a fee~~ an occupation tax of eight hundred
21 dollars; when such paid-up capital stock exceeds five hundred
22 thousand dollars but does not exceed six hundred thousand dollars, ~~a~~
23 ~~fee~~ an occupation tax of nine hundred ten dollars; when such paid-up
24 capital stock exceeds six hundred thousand dollars but does not
25 exceed seven hundred thousand dollars, ~~a fee~~ an occupation tax of one

1 thousand ten dollars; when such paid-up capital stock exceeds seven
2 hundred thousand dollars but does not exceed eight hundred thousand
3 dollars, ~~a fee~~ an occupation tax of one thousand one hundred twenty
4 dollars; when such paid-up capital stock exceeds eight hundred
5 thousand dollars but does not exceed nine hundred thousand dollars, a
6 ~~fee~~ an occupation tax of one thousand two hundred thirty dollars;
7 when such paid-up capital stock exceeds nine hundred thousand dollars
8 but does not exceed one million dollars, ~~a fee~~ an occupation tax of
9 one thousand three hundred thirty dollars; when such paid-up capital
10 stock exceeds one million dollars but does not exceed ten million
11 dollars, ~~a fee~~ an occupation tax of one thousand three hundred thirty
12 dollars, and eight hundred dollars additional for each million or
13 fraction thereof over and above one million dollars; when such paid-
14 up capital stock exceeds ten million dollars but does not exceed
15 fifteen million dollars, ~~a fee~~ an occupation tax of twelve thousand
16 dollars; when such paid-up capital stock exceeds fifteen million
17 dollars but does not exceed twenty million dollars, ~~a fee~~ an
18 occupation tax of fourteen thousand six hundred sixty dollars; when
19 such paid-up capital stock exceeds twenty million dollars but does
20 not exceed twenty-five million dollars, ~~a fee~~ an occupation tax of
21 seventeen thousand three hundred thirty dollars; when such paid-up
22 capital stock exceeds twenty-five million dollars but does not exceed
23 fifty million dollars, ~~a fee~~ an occupation tax of twenty thousand six
24 hundred sixty dollars; when such paid-up capital stock exceeds fifty
25 million dollars but does not exceed one hundred million dollars, a

1 ~~fee~~an occupation tax of twenty-one thousand three hundred thirty
2 dollars; and when such paid-up capital stock exceeds one hundred
3 million dollars, a ~~fee~~an occupation tax of twenty-three thousand
4 nine hundred ninety dollars. The minimum ~~biennial fee~~occupation tax
5 for filing such report shall be twenty-six dollars. For purposes of
6 determining the ~~fee~~occupation tax, the stock of corporations
7 incorporated under the laws of any other state, which corporations
8 have domesticated in this state and which stock is without par value,
9 shall be deemed to have a par value of an amount equal to the amount
10 paid in as capital for such shares at the time of the issuance
11 thereof.

12 Sec. 241. Section 21-304, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 21-304 (1) Each foreign corporation ~~for profit~~, subject
15 to the Nebraska Model Business Corporation Act, doing business in
16 this state, owning or using a part or all of its capital or plant in
17 this state, and subject to compliance with all other provisions of
18 law shall, in addition to all other statements required by law, ~~make~~
19 deliver a biennial report to the Secretary of State, as of January 1
20 of each even-numbered year, in such form as the Secretary of State
21 may prescribe. The report shall be signed by one of the following:
22 The president, a vice president, a secretary, or a treasurer of the
23 corporation. The signature may be digital or electronic if it
24 conforms to section 86-611. The report and ~~biennial fee~~occupation
25 tax shall be ~~submitted~~delivered to the Secretary of State. The

1 report and ~~fee-occupation tax~~ shall be due on March 1 of each even-
2 numbered year and shall become delinquent if not filed and paid by
3 April 15 of each even-numbered year. If the Secretary of State finds
4 that such report and ~~biennial-fee-occupation tax~~ conform to the
5 requirements of the law, the Secretary of State shall file the
6 report. If the Secretary of State finds that the report ~~and fee do or~~
7 occupation tax does not conform, the Secretary of State shall not
8 file the report or accept the ~~fee-occupation tax~~ but shall return the
9 report and ~~fee-occupation tax~~ to the corporation for any necessary
10 corrections. A correction or amendment to the ~~biennial-report~~ may be
11 filed at any time.

12 (2) In each even-numbered year, the Secretary of State
13 shall cause a notice to be sent either by United States mail or
14 electronically transmitted to each corporation for which a report and
15 ~~fee-occupation tax~~ as described in this section ~~has~~ have not been
16 received as of March 1. The notice shall state that the report has
17 not been received, that the report and ~~fee-occupation tax~~ are due on
18 March 1, and that the ~~corporation will be dissolved~~ authority of the
19 corporation to transact business in this state will be
20 administratively revoked if the report and proper ~~fee-occupation tax~~
21 are not received by April 15 of each even-numbered year.

22 Sec. 242. Section 21-305, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 21-305 The biennial report required under section 21-304
25 from a foreign corporation ~~subject to the Business Corporation Act~~

1 shall show:

2 (1) The exact corporate name of the foreign corporation
3 and the name of the state or country under whose law it is
4 incorporated;

5 (2) The street address of the foreign corporation's
6 registered office and the name of its current registered agent at
7 that office in this state. A post office box number may be provided
8 in addition to the street address;

9 (3) The street address of the foreign corporation's
10 principal office;

11 (4) The names and street addresses of the foreign
12 corporation's directors and principal officers which shall include
13 the president, secretary, and treasurer;

14 (5) A brief description of the nature of the foreign
15 corporation's business;

16 (6) The value of the property owned and used by the
17 foreign corporation in ~~Nebraska~~ this state and where such property is
18 situated; and

19 (7) The change or changes, if any, in the above
20 particulars made since the last ~~annual~~ biennial report.

21 Sec. 243. Section 21-306, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 21-306 Upon the ~~filing~~ delivery of the biennial report
24 required under section 21-304 ~~with~~ to the Secretary of State, it
25 shall be the duty of every foreign corporation ~~for profit,~~ doing

1 business in this state, to pay to the Secretary of State a ~~biennial~~
2 ~~fee which shall be for an occupation tax~~ each even-numbered calendar
3 year beginning January 1 and become due and assessable on March 1 of
4 that year and become delinquent if not paid by April 15 of each even-
5 numbered year. The ~~fee~~ occupation tax shall be measured by the
6 property employed by the foreign corporation in the conduct of its
7 business in the ~~State of Nebraska.~~ this state. For such purpose the
8 property shall consist of the sum total of the actual value of all
9 real estate and personal property employed in ~~Nebraska~~ this state by
10 such foreign corporation in the transaction of its business. The
11 ~~biennial fee~~ occupation tax to be paid by such foreign corporation
12 shall be based upon the sum so determined, and shall be considered
13 the capital stock of such foreign corporation in this state for the
14 purpose of the ~~biennial fee.~~ occupation tax. The schedule of payment
15 shall be double the ~~fees~~ occupation tax set forth in section 21-303,
16 or any amendments thereto, except that the ~~fee~~ occupation tax shall
17 not exceed thirty thousand dollars, and the Secretary of State, or
18 any person deputized by the Secretary of State, shall have authority
19 to investigate and obtain information from such corporation or any
20 state, county, or city official. Such officers are authorized by this
21 section to furnish such information to the Secretary of State, or
22 anyone deputized by the Secretary of State, in order to determine all
23 facts and give effect to the collection of the ~~biennial fee.~~
24 occupation tax.

25 Sec. 244. Section 21-311, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 21-311 The Secretary of State shall make a report monthly
3 to the Tax Commissioner of the ~~biennial fees~~ occupation taxes
4 collected under sections 21-301 to ~~21-325~~ and shall pay the same into
5 ~~the state treasury to the credit of~~ 21-330 and remit them to the
6 State Treasurer for credit to the General Fund. The report shall
7 include the amount of any refunds paid out under section 21-328.

8 Sec. 245. Section 21-312, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 21-312 The ~~fees~~ occupation taxes required to be paid by
11 sections 21-301 to ~~21-325~~ 21-330 shall be the first and best lien on
12 all property of the corporation whether such real or personal
13 property is employed by the corporation in the prosecution of its
14 business or is in the hands of an assignee, trustee, or receiver for
15 the benefit of the creditors and stockholders thereof. The Secretary
16 of State may file notice of such lien in the office of the county
17 clerk of the county wherein the personal property sought to be
18 charged with such lien is situated and with the county clerk or
19 register of deeds of the county wherein the real estate sought to be
20 charged with such lien is situated. The lien provided for in this
21 section shall be invalid as to any mortgagee or pledgee whose lien is
22 filed, as against any judgment lien which attached, or as against any
23 purchaser whose rights accrued, prior to the filing of such notice.

24 Sec. 246. Section 21-313, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 21-313 ~~If a~~ (1) If a domestic corporation required to
2 file deliver the biennial report and pay the fee occupation tax
3 prescribed in sections 21-301 to 21-325-21-330 fails or neglects to
4 make deliver such report or pay such fee occupation tax by April 15
5 of each even-numbered year, such corporation shall be automatically
6 administratively dissolved on April 16 of such year.

7 (2) If a foreign corporation required to deliver the
8 biennial report and pay the occupation tax prescribed in sections
9 21-301 to 21-330 fails or neglects to deliver such report or pay such
10 occupation tax by April 15 of each even-numbered year, the authority
11 of such corporation to transact business in this state shall be
12 administratively revoked on April 16 of such year.

13 Sec. 247. Section 21-314, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 21-314 ~~Such biennial fee or fees Occupation tax or taxes~~
16 to be paid as provided in sections 21-301 to 21-325-21-330 may be
17 recovered by an action in the name of the state and on collection
18 shall be paid into the treasury to the credit of remitted to the
19 State Treasurer for credit to the General Fund.

20 Sec. 248. Section 21-315, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 21-315 The Attorney General, on request of the Secretary
23 of State, shall institute such action to recover occupation taxes in
24 the district court of Lancaster County, or any other county in the
25 state in which such corporation has an office or place of business.

1 Sec. 249. Section 21-318, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 21-318 It shall be the duty of the Secretary of State to
4 prepare and keep a correct list of all corporations subject to
5 sections 21-301 to ~~21-325~~21-330 and engaged in business within ~~the~~
6 ~~State of Nebraska.~~this state. For the purpose of obtaining the
7 necessary information, the Secretary of State, or other person
8 deputized by him or her, shall have access to the records of the
9 offices of the county clerks of the state.

10 Sec. 250. Section 21-319, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 21-319 Any county clerk shall, upon request of the
13 Secretary of State, furnish him or her with such information as is
14 shown by the records of his or her office concerning corporations
15 located within his or her county and subject to sections 21-301 to
16 ~~21-325.~~21-330. The Secretary of State, or any person deputized by
17 him or her for the purpose of determining the amount of ~~fees~~the
18 occupation tax due from such corporation, shall have authority to
19 investigate and determine the facts showing the proportion of the
20 paid-up capital stock of the company represented by its property and
21 business in ~~Nebraska.~~this state.

22 Sec. 251. Section 21-321, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 21-321 All banking, insurance, and building and loan
25 association corporations paying fees and making reports to the

1 ~~Auditor of Public Accounts~~ Director of Insurance or the Director of
2 Banking and Finance and all other corporations paying an occupation
3 tax to the state under any other statutory provisions than those of
4 sections 21-301 to ~~21-325~~ 21-330 shall be exempt from the provisions
5 of such sections.

6 Sec. 252. Section 21-322, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 21-322 In case of dissolution ~~or revocation of charter of~~
9 a corporation by action of a competent court, or the winding up of a
10 corporation, either foreign or domestic, by proceedings in assignment
11 or bankruptcy, a certificate shall be signed by the clerk of the
12 court in which such proceedings were had and filed in the office of
13 the Secretary of State. The fees for making and filing such
14 certificate shall be taxed as costs in the proceedings and paid out
15 of the funds of the corporation, and shall have the same priority as
16 other costs.

17 Sec. 253. Section 21-323, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 21-323 (1) Prior to January 1 of each even-numbered year,
20 the Secretary of State shall cause to be mailed by first-class mail
21 to the last-named and appointed registered agent at the last-named
22 street address of the registered office of each domestic corporation
23 subject to sections 21-301 to ~~21-325~~ 21-330 a notice stating that on
24 or before March 1 of each even-numbered year occupation taxes are due
25 to be paid and a properly executed and signed biennial report is due

1 to be filed. If such occupation taxes are not paid and the report is
2 not filed by April 15 of each even-numbered year, (a) such taxes and
3 report shall become delinquent, (b) the delinquent corporation shall
4 be ~~automatically~~administratively dissolved on April 16 of such year
5 for nonpayment of occupation taxes and failure to file the report,
6 and (c) the delinquent occupation tax shall be a lien upon the assets
7 of the corporation subsequent only to state, county, and municipal
8 taxes.

9 (2) Upon the failure of any domestic corporation to pay
10 its occupation tax and ~~file~~deliver the biennial report within the
11 time limited by sections 21-301 to ~~21-325, 21-330,~~ the Secretary of
12 State shall on April 16 of such year ~~automatically~~administratively
13 dissolve the corporation for nonpayment of taxes and make such entry
14 and showing upon the records of his or her office.

15 (3)(a) The Secretary of State shall ~~automatically~~
16 administratively dissolve a corporation ~~subject to the Business~~
17 ~~Corporation Act~~ by signing a certificate of dissolution that recites
18 the ground or grounds for dissolution and its effective date. The
19 Secretary of State shall file the original of the certificate and
20 serve a copy on the corporation under section ~~21-2034.~~ 36 of this
21 act.

22 (b) A corporation ~~automatically~~administratively
23 dissolved continues its corporate existence but may not carry on any
24 business, except that business necessary to wind up and liquidate its
25 business and affairs under section ~~21-20,155-188~~ of this act and

1 notify claimants under sections ~~21-20,156 and 21-20,157~~. 189 and 190
2 of this act.

3 (c) The ~~automatic~~administrative dissolution of a
4 corporation shall not terminate the authority of its registered
5 agent.

6 (4) All delinquent occupation taxes of the corporation
7 shall be a lien upon the assets of the corporation, subsequent only
8 to state, county, and municipal taxes.

9 (5) No domestic corporation shall be voluntarily
10 dissolved until all occupation taxes and fees due to or assessable by
11 the state have been paid and the biennial report filed by such
12 corporation.

13 Sec. 254. Section 21-323.01, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 21-323.01 (1) A corporation ~~automatically~~
16 administratively dissolved under section 21-323 may apply to the
17 Secretary of State for reinstatement within five years after the
18 effective date of its ~~automatic~~administrative dissolution. The
19 application shall:

20 (a) Recite the name of the corporation and the effective
21 date of its ~~automatic~~administrative dissolution;

22 (b) State that the ground or grounds for dissolution
23 either did not exist or have been eliminated;

24 (c) State that the corporation's name satisfies the
25 requirements of section ~~21-2028~~; 30 of this act; and

1 (d) Be accompanied by a fee in the amount prescribed in
2 section ~~21-2005, 5~~ of this act, as such section may from time to time
3 be amended, for an application for reinstatement.

4 (2) If the Secretary of State determines (a) that the
5 application contains the information required by subsection (1) of
6 this section and that the information is correct and (b) that the
7 corporation has complied with subsection (4) of this section, he or
8 she shall cancel the certificate of dissolution, prepare a
9 certificate of reinstatement that recites his or her determination
10 and the effective date of reinstatement, file the original of the
11 certificate, and serve a copy on the corporation under section
12 ~~21-2034. 36~~ of this act.

13 (3) When the reinstatement is effective, it shall relate
14 back to and take effect as of the effective date of the ~~automatic~~
15 administrative dissolution and the corporation shall resume carrying
16 on its business as if the ~~automatic-administrative~~ dissolution had
17 never occurred.

18 (4) A corporation applying for reinstatement under this
19 section shall:

20 (a)(i) Pay to the Secretary of State a sum equal to all
21 occupation taxes delinquent at the time the corporation was
22 ~~automatically-administratively~~ dissolved, plus a sum equal to all
23 occupation taxes which would otherwise have been due for the years
24 the corporation was ~~automatically-administratively~~ dissolved; and
25 (ii) ~~forward-deliver~~ to the Secretary of State a properly executed

1 and signed biennial report for the most recent even-numbered year;
2 and

3 (b) Pay to the Secretary of State an additional amount
4 derived by multiplying the rate specified in section 45-104.02, as
5 such rate may from time to time be adjusted, times the amount of
6 occupation taxes required to be paid by it for each year that such
7 corporation was ~~automatically~~ administratively dissolved.

8 Sec. 255. Section 21-323.02, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 21-323.02 (1) If the Secretary of State denies a
11 corporation's application for reinstatement following ~~automatic~~
12 administrative dissolution under section 21-323, he or she shall
13 serve the corporation under section ~~21-2034-36~~ of this act with a
14 written notice that explains the reason or reasons for denial.

15 (2) The corporation may appeal the denial of
16 reinstatement to the district court of Lancaster County within thirty
17 days after service of the notice of denial is perfected under section
18 36 of this act. The corporation shall appeal by petitioning the court
19 to set aside the dissolution and attaching to the petition copies of
20 the Secretary of State's certificate of dissolution, the
21 corporation's application for reinstatement, and the Secretary of
22 State's notice of denial.

23 (3) The court may summarily order the Secretary of State
24 to reinstate the dissolved corporation or may take other action the
25 court considers appropriate.

1 (4) The court's final decision may be appealed as in
2 other civil proceedings.

3 Sec. 256. Section 21-325, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 21-325 (1) Prior to January 1 of each even-numbered year,
6 the Secretary of State shall cause to be mailed by first-class mail
7 to the last-known address of each foreign corporation subject to
8 sections 21-301 to ~~21-325-21-330~~ a notice stating that on or before
9 March 1 of each even-numbered year occupation taxes are due to be
10 paid and a properly executed and signed biennial report is due to be
11 filed. If such occupation taxes are not paid and ~~such the~~ report is
12 not filed by April 15 of each even-numbered year, (a) such taxes and
13 report shall become delinquent, (b) the authority of the delinquent
14 corporation shall be automatically dissolved to transact business in
15 this state shall be administratively revoked on April 16 of such year
16 for nonpayment of occupation taxes and failure to file the report,
17 and (c) the delinquent occupation tax shall be a lien upon the assets
18 of the corporation subject only to state, county, and municipal
19 taxes.

20 (2) Upon the failure of any foreign corporation to pay
21 its occupation tax and ~~file~~ deliver the biennial report within the
22 time limited by sections 21-301 to ~~21-325, 21-330,~~ the Secretary of
23 State shall on April 16 of such year ~~automatically dissolve the~~
24 corporation administratively revoke the authority of the corporation
25 to transact business in this state for nonpayment of taxes and shall

1 bar the corporation from doing business in ~~the State of Nebraska~~ this
2 state under the corporation laws of ~~the~~ this state and make such
3 entry and showing upon the records of his or her office.

4 (3)(a) The Secretary of State shall ~~automatically~~
5 ~~dissolve~~ administratively revoke the authority of a foreign
6 corporation ~~subject to the Business Corporation Act~~ by signing a
7 certificate of revocation of authority to transact business in this
8 state that recites the ground or grounds for revocation and its
9 effective date. The Secretary of State shall file the original of the
10 certificate and serve a copy on the foreign corporation under section
11 ~~21-20,177.~~ 212 of this act.

12 (b) The authority of a foreign corporation to transact
13 business in this state shall cease on the date shown on the
14 certificate revoking its certificate of authority.

15 (c) Revocation of a foreign corporation's certificate of
16 authority shall not terminate the authority of the registered agent
17 of the corporation.

18 (4) All delinquent corporation occupation taxes of the
19 foreign corporation shall be a lien upon the assets of the
20 corporation within the state, subsequent only to state, county, and
21 municipal taxes. Nothing in sections 21-322 to ~~21-325~~ 21-330 shall be
22 construed to allow a foreign corporation to do business in ~~Nebraska~~
23 this state without complying with the laws of ~~the State of Nebraska.~~
24 this state.

25 (5) No foreign corporation shall be voluntarily withdrawn

1 until all occupation taxes due to or assessable by ~~the~~this state
2 have been paid and the biennial report filed by such corporation.

3 Sec. 257. Section 21-325.01, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 21-325.01 (1) A foreign corporation, the certificate of
6 authority of which has been administratively revoked under section
7 21-325, may apply to the Secretary of State for reinstatement within
8 five years after the effective date of the revocation. The
9 application shall:

10 (a) Recite the name of the foreign corporation and the
11 effective date of the revocation;

12 (b) State that the ground or grounds for revocation
13 either did not exist or have been eliminated;

14 (c) State that the foreign corporation's name satisfies
15 the requirements of section ~~21-20,173;~~ 208 of this act; and

16 (d) Be accompanied by a fee in the amount prescribed in
17 section ~~21-2005,~~ 5 of this act, as such section may from time to time
18 be amended, for an application for reinstatement.

19 (2) If the Secretary of State determines (a) that the
20 application contains the information required by subsection (1) of
21 this section and that the information is correct and (b) that the
22 foreign corporation has complied with subsection (4) of this section,
23 he or she shall cancel the certificate of revocation, prepare a
24 certificate of reinstatement that recites his or her determination
25 and the effective date of reinstatement, file the original of the

1 certificate, and serve a copy on the foreign corporation under
2 section ~~21-20,177.~~ 212 of this act.

3 (3) When the reinstatement is effective, it shall relate
4 back to and take effect as of the effective date of the
5 administrative revocation and the foreign corporation shall resume
6 carrying on its business as if the administrative revocation had
7 never occurred.

8 (4) A foreign corporation applying for reinstatement
9 under this section shall:

10 (a)(i) Pay to the Secretary of State a sum equal to all
11 occupation taxes delinquent as of the effective date of the
12 revocation, plus a sum equal to all occupation taxes which would
13 otherwise have been due for the years the foreign corporation's
14 certificate of authority was revoked, ~~+~~ and (ii) ~~forward~~ deliver to
15 the Secretary of State a properly executed and signed biennial report
16 for the most recent even-numbered year; and

17 (b) Pay to the Secretary of State an additional amount
18 derived by multiplying the rate specified in section 45-104.02, as
19 such rate may from time to time be adjusted, times the amount of
20 occupation taxes required to be paid by it for each year that such
21 foreign corporation's certificate of authority was revoked.

22 Sec. 258. Section 21-325.02, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 21-325.02 (1) If the Secretary of State denies a foreign
25 corporation's application for reinstatement following administrative

1 revocation of its certificate of authority under section 21-325, he
2 or she shall serve the foreign corporation under section ~~21-20,177~~
3 212 of this act with a written notice that explains the reason or
4 reasons for denial.

5 (2) The foreign corporation may appeal the denial of
6 reinstatement to the district court of Lancaster County within thirty
7 days after service of the notice of denial is perfected under section
8 ~~21-20,177.~~ 212 of this act. The foreign corporation shall appeal by
9 petitioning the court to set aside the revocation and attaching to
10 the petition copies of the Secretary of State's certificate of
11 revocation, the foreign corporation's application for reinstatement,
12 and the Secretary of State's notice of denial.

13 (3) The court may summarily order the Secretary of State
14 to reinstate the certificate of authority or may take any other
15 action the court considers appropriate.

16 (4) The court's final decision may be appealed as in
17 other civil proceedings.

18 Sec. 259. Section 21-328, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 21-328 Any corporation paying the fees ~~occupation tax~~
21 imposed by section 21-303 or 21-306 may claim a refund if the payment
22 of such fee ~~occupation tax~~ was invalid for any reason. The
23 corporation shall file a written claim and any evidence supporting
24 the claim within two years after payment of such fee ~~occupation tax.~~
25 The Secretary of State shall either approve or deny the claim within

1 thirty days after such filing. Any approved claims shall be paid out
2 of the General Fund. Appeal of a decision by the Secretary of State
3 shall be in accordance with the Administrative Procedure Act.

4 Sec. 260. Section 21-329, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 21-329 For purposes of ~~Chapter 21, article 3, sections~~
7 21-301 to 21-330, the term paid-up capital stock shall mean, at any
8 particular time, the sum of the par value of all shares of capital
9 stock of the corporation issued and outstanding.

10 Sec. 261. Section 21-330, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 21-330 Any corporation which has paid occupation tax in
13 excess of the proper amount of the occupation tax imposed in sections
14 21-301 to ~~21-325~~ 21-330 shall be entitled to a refund of such excess
15 payment. Claims for refund shall be filed with the Secretary of State
16 or may be submitted by the Secretary of State based on his or her own
17 investigation. If approved or submitted by the Secretary of State,
18 the claim shall be forwarded to the State Treasurer for payment from
19 the General Fund. The Secretary of State shall not refund any excess
20 occupation tax payment if five years have passed from the date of the
21 excess payment.

22 Sec. 262. Section 21-1301, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 21-1301 Any number of persons, not less than ten, or one
25 or more cooperative companies, may form and organize a cooperative

1 corporation for the transaction of any lawful business by the
2 adoption of articles of incorporation in the same manner and with
3 like powers and duties as is required of other corporations except as
4 provided in sections 21-1301 to 21-1306. Nothing in sections 21-1301
5 and 21-1303 shall be deemed to apply to electrical cooperatives or
6 electric member associations. If the ~~Business Corporation Act~~
7 Nebraska Model Business Corporation Act requires an affirmative vote
8 of a specified percentage of stockholders before action can be taken
9 by a corporation, such percentage for a cooperative corporation shall
10 be of the votes cast on the matter at the stockholders' meeting at
11 which the same shall be voted upon.

12 Sec. 263. Section 21-1931, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 21-1931 (a) A corporate name may not contain language
15 stating or implying that the corporation is organized for a purpose
16 other than that permitted by section 21-1927 and its articles of
17 incorporation.

18 (b) Except as authorized by subsections (c) and (d) of
19 this section, a corporate name shall not be the same as or
20 deceptively similar to, upon the records of the Secretary of State,
21 any of the names referenced in subdivisions (b)(1) through (5) of
22 this section:

23 (1) The corporate name of a nonprofit or business
24 corporation incorporated or authorized to do business in this state;

25 (2) A corporate name reserved or registered under section

1 ~~21-1932, 21-1933, 21-2029, or 21-2030;~~ 21-1932 or 21-1933 or section
2 31 or 32 of this act;

3 (3) The fictitious name of a foreign business or
4 nonprofit corporation authorized to transact business in this state
5 because its real name is unavailable;

6 (4) A trade name registered in this state pursuant to
7 sections 87-208 to 87-219.01; and

8 (5) Any other business entity name registered or filed
9 with the Secretary of State pursuant to Nebraska law.

10 (c) A corporation may apply to the Secretary of State for
11 authorization to use a name that is deceptively similar to, upon the
12 Secretary of State's records, one or more of the names described in
13 subsection (b) of this section. The Secretary of State shall
14 authorize use of the name applied for if:

15 (1) The other corporation or business entity consents to
16 the use in writing; or

17 (2) The applicant delivers to the Secretary of State a
18 certified copy of a final judgment of a court of competent
19 jurisdiction establishing the applicant's right to use the name
20 applied for in this state.

21 (d) A corporation may use the name (including the
22 fictitious name) of another domestic or foreign business or nonprofit
23 corporation or business entity that is used in this state if the
24 other corporation or business entity is incorporated or authorized to
25 do business in this state and the proposed user corporation:

1 (1) Has merged with the other corporation or business
2 entity;

3 (2) Has been formed by reorganization of the other
4 corporation or business entity; or

5 (3) Has acquired all or substantially all of the assets,
6 including the name, of the other corporation or business entity.

7 (e) The Nebraska Nonprofit Corporation Act does not
8 control the use of fictitious names.

9 Sec. 264. Section 21-1933, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 21-1933 (a) A foreign corporation may register its
12 corporate name, or its corporate name with any change required by
13 section 21-19,151, if the name is not the same as or deceptively
14 similar to, upon the records of the Secretary of State:

15 (1) The corporate name of a nonprofit or business
16 corporation incorporated or authorized to do business in this state;

17 (2) A corporate name reserved under section 21-1932 or
18 ~~21-2029~~ section 31 of this act or registered under this section; and

19 (3) Any other business entity name registered or filed
20 with the Secretary of State pursuant to Nebraska law.

21 (b) A foreign corporation registers its corporate name,
22 or its corporate name with any change required by section 21-19,151,
23 by delivering to the Secretary of State an application:

24 (1) Setting forth its corporate name, or its corporate
25 name with any change required by section 21-19,151, the state or

1 country and date of its incorporation, and a brief description of the
2 nature of the activities in which it is engaged; and

3 (2) Accompanied by a certificate of existence (or a
4 document of similar import) from the state or country of
5 incorporation. Such certificate or document shall not bear a date of
6 more than sixty days prior to the date the application is filed in
7 this state.

8 (c) The corporate name is registered for the applicant's
9 exclusive use upon the effective date of the application.

10 (d) A foreign corporation whose registration is effective
11 may renew it for successive years by delivering to the Secretary of
12 State for filing a renewal application, which complies with the
13 requirements of subsection (b) of this section, between October 1 and
14 December 31 of the preceding year. The renewal application renews the
15 registration for the following calendar year.

16 (e) A foreign corporation whose registration is effective
17 may thereafter qualify as a foreign corporation under that name or
18 consent in writing to the use of that name by a corporation or other
19 business entity thereafter incorporated under the Nebraska Nonprofit
20 Corporation Act or authorized to transact business in this state or
21 by another foreign corporation or business entity thereafter
22 authorized to transact business in this state. The registration
23 terminates when the domestic corporation is incorporated or the
24 foreign corporation or business entity qualifies or consents to the
25 qualification of another foreign corporation or business entity under

1 the registered name.

2 Sec. 265. Section 21-19,151, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 21-19,151 (a) If the corporate name of a foreign
5 corporation does not satisfy the requirements of section 21-1931, the
6 foreign corporation, to obtain or maintain a certificate of authority
7 to transact business in this state, may use a fictitious name to
8 transact business in this state if its real name is unavailable and
9 it delivers to the Secretary of State for filing a copy of the
10 resolution of its board of directors, certified by its secretary,
11 adopting the fictitious name.

12 (b) Except as authorized by subsections (c) and (d) of
13 this section, the corporate name (including a fictitious name) of a
14 foreign corporation shall not be the same as or deceptively similar
15 to, upon the records of the Secretary of State, any of the names
16 referenced in subdivisions (b)(1) through (5) of this section:

17 (1) The corporate name of a nonprofit or business
18 corporation incorporated or authorized to transact business in this
19 state;

20 (2) A corporate name reserved or registered under section
21 ~~21-1932, 21-1933, 21-2029, or 21-2030;~~ 21-1932 or 21-1933 or section
22 31 or 32 of this act;

23 (3) The fictitious name of another foreign business or
24 nonprofit corporation authorized to transact business in this state;

25 (4) A trade name registered in this state pursuant to

1 sections 87-208 to 87-219.01; and

2 (5) Any other business entity name registered or filed
3 with the Secretary of State pursuant to Nebraska law.

4 (c) A foreign corporation may apply to the Secretary of
5 State for authorization to use in this state the name of another
6 corporation or business entity (incorporated or authorized to
7 transact business in this state) that is deceptively similar to, upon
8 the records of the Secretary of State, the name applied for. The
9 Secretary of State shall authorize use of the name applied for if:

10 (1) The other corporation or business entity consents in
11 writing to the use; or

12 (2) The applying corporation delivers to the Secretary of
13 State a certified copy of a final judgment of a court of competent
14 jurisdiction establishing its right to use the name applied for in
15 this state.

16 (d) A foreign corporation may use in this state the name
17 (including the fictitious name) of another domestic or foreign
18 business or nonprofit corporation or business entity that is used in
19 this state if the other corporation or business entity is
20 incorporated or authorized to transact business in this state and the
21 foreign corporation:

22 (1) Has merged with the other corporation or business
23 entity;

24 (2) Has been formed by a reorganization of the other
25 corporation or business entity; or

1 (3) Has acquired all or substantially all of the assets,
2 including the name, of the other corporation or business entity.

3 (e) If a foreign corporation authorized to transact
4 business in this state changes its corporate name to one that does
5 not satisfy the requirements of section 21-1931, it shall not
6 transact business in this state under the changed name until it
7 adopts a name satisfying the requirements of section 21-1931 and
8 obtains an amended certificate of authority under section 21-19,149.

9 Sec. 266. Section 21-2103, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 21-2103 One or more business development corporations may
12 be incorporated in this state pursuant to the ~~provisions of the~~
13 ~~Business Corporation Act~~ Nebraska Model Business Corporation Act not
14 in conflict with or inconsistent with the provisions of the Nebraska
15 Business Development Corporation Act.

16 Sec. 267. Section 21-2105, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 21-2105 (1) A development corporation shall have all the
19 powers granted to corporations organized under the ~~Business~~
20 ~~Corporation Act~~ Nebraska Model Business Corporation Act, except that
21 it shall not give security for any loan made to it by members unless
22 all loans to it by members are secured ratably in proportion to
23 unpaid balances due.

24 (2) The restriction in subsection (1) of this section
25 shall in no manner be construed so as to prohibit a development

1 corporation from making unsecured borrowings from the federal Small
2 Business Administration., ~~an agency of the United States Government.~~

3 Sec. 268. Section 21-2110, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 21-2110 (1) Each share of stock of the corporation shall
6 have a par value of not less than ten dollars per share, as fixed by
7 its articles of incorporation, and shall be issued only for lawful
8 money of the United States. At least two hundred thousand dollars
9 shall be paid into the treasury for capital stock before a
10 corporation shall be authorized to transact any business other than
11 such business as relates to its organization.

12 (2) Each shareholder shall be entitled to one vote, in
13 person or by proxy, for each share of capital stock held, and each
14 member shall be entitled to one vote, in person or by proxy, as such
15 member.

16 (3) The rights given by the ~~Business Corporation Act~~
17 Nebraska Model Business Corporation Act to shareholders to attend
18 meetings and to receive notice thereof and to exercise voting rights
19 shall apply to members as well as to shareholders of a corporation
20 created under the Nebraska Business Development Corporation Act. The
21 voting rights of the members shall be the same as if they were a
22 separate class of shareholders, and shareholders and members shall in
23 all cases vote separately by classes. A quorum at a shareholders'
24 meeting shall require the presence in person or by proxy of a
25 majority of the holders of the voting rights of each class.

1 Sec. 269. Section 21-2115, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 21-2115 A corporation shall keep, in addition to the
4 books and records required by the ~~Business Corporation Act, Nebraska~~
5 Model Business Corporation Act, a record showing the names and
6 addresses of all members of the corporation and the current status of
7 loans made by each to the corporation. Members shall have the same
8 rights with respect to all books and records as are given to
9 shareholders in the ~~Business Corporation Act. Nebraska Model Business~~
10 Corporation Act.

11 Sec. 270. Section 21-2203, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 21-2203 Except as the Nebraska Professional Corporation
14 Act shall otherwise require, professional corporations shall enjoy
15 all the powers, benefits, and privileges and be subject to all the
16 duties, restrictions, and liabilities of a business corporation under
17 the ~~Business Corporation Act Nebraska Model Business Corporation Act~~
18 and sections 21-301 to ~~21-325.~~ 21-325.02.

19 Sec. 271. Section 21-2204, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 21-2204 (1) One or more individuals residing within the
22 State of Nebraska, each of whom is licensed or otherwise legally
23 authorized to render the same professional service, may, by filing
24 articles of incorporation and a certificate of registration with the
25 Secretary of State, organize and become a shareholder in a

1 professional corporation. The articles of incorporation shall conform
2 to the requirements of section ~~21-2018~~20 of this act and the
3 certificate of registration shall conform to the requirements of
4 sections 21-2216 to 21-2218.

5 (2) In addition to the requirements of subsection (1) of
6 this section, the articles of incorporation shall contain a statement
7 of the profession to be practiced by the corporation.

8 Sec. 272. Section 21-2209, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 21-2209 (1) A professional corporation may provide
11 professional services in another jurisdiction if such corporation
12 complies with all applicable laws of such jurisdiction regulating the
13 rendering of professional services. Notwithstanding any other
14 provision of the Nebraska Professional Corporation Act, no
15 shareholder, director, officer, employee, or agent of a professional
16 corporation shall be required to be licensed to render professional
17 services in this state or to reside in this state if such
18 shareholder, director, officer, employee, or agent does not render
19 professional services in this state and is licensed in one or more
20 states, territories of the United States, or the District of Columbia
21 to render a professional service described in the professional
22 corporation's articles of incorporation.

23 (2) A foreign professional corporation shall not transact
24 business in this state unless it renders one of the professional
25 services specified in subdivision (3) of section 21-2202 and complies

1 with the provisions of the act, including, without limitation,
2 registration with the appropriate regulating board in this state as
3 provided in sections 21-2216 to 21-2218. A foreign professional
4 corporation shall not transact business in this state if the laws of
5 the jurisdiction under which such foreign professional corporation is
6 incorporated do not allow for a professional corporation incorporated
7 under the laws of this state to transact business in such
8 jurisdiction.

9 (3)(a) A foreign professional corporation shall (i) apply
10 for a certificate of authority in the same manner as a foreign
11 business corporation pursuant to sections ~~21-20,168 to 21-20,181~~ 203
12 to 220 of this act and (ii) file with the Secretary of State a
13 current certificate of registration as provided in sections 21-2216
14 to 21-2218.

15 (b) Except as otherwise provided in the Nebraska
16 Professional Corporation Act, foreign professional corporations shall
17 enjoy all the powers, benefits, and privileges and shall be subject
18 to all the duties, restrictions, and liabilities of a foreign
19 business corporation under sections 21-301 to ~~21-325~~ 21-325.02 and
20 the ~~Business Corporation Act.~~ Nebraska Model Business Corporation
21 Act.

22 (c) A foreign professional corporation shall not be
23 required as a condition to obtaining a certificate of authority to
24 have all of its shareholders, directors, and officers licensed to
25 render professional services in this state if all of its

1 shareholders, directors, and officers, except the secretary and
2 assistant secretary, are licensed in one or more states or
3 territories of the United States or the District of Columbia to
4 render a professional service described in its articles of
5 incorporation and any shareholder, director, officer, employee, or
6 agent who renders professional services within this state on behalf
7 of the foreign professional corporation is licensed to render
8 professional services in this state.

9 (d) A foreign professional corporation ~~shall not be~~ is
10 not required to obtain a certificate of authority to transact
11 business in this state unless it maintains or intends to maintain an
12 office in this state for the conduct of business or professional
13 practice.

14 (4) For purposes of this section, foreign professional
15 corporation ~~shall mean~~ means a corporation which is organized under
16 the law of any other state or territory of the United States or the
17 District of Columbia for the specific purpose of rendering
18 professional services and which has as its shareholders only
19 individuals who are duly licensed or otherwise legally authorized to
20 render the same professional services as the corporation.

21 Sec. 273. Section 21-2212, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 21-2212 (1) The articles of incorporation or the bylaws
24 of the professional corporation shall provide for the purchase or
25 redemption of the shares of any shareholder upon his or her death or

1 disqualification to render the professional services of the
2 professional corporation within this state.

3 (2) Unless otherwise provided in the articles of
4 incorporation or the bylaws of the professional corporation, upon the
5 death or disqualification of the last remaining shareholder of a
6 professional corporation, a successor in interest to such deceased or
7 disqualified shareholder may dissolve the corporation and wind up and
8 liquidate its business and affairs, notwithstanding the fact that
9 such successor in interest could not have become a shareholder of the
10 professional corporation. The successor in interest may file articles
11 of dissolution with the Secretary of State in accordance with section
12 ~~21-20,153-186 of this act.~~ Thereafter, the successor in interest may
13 wind up and liquidate the corporation's business and affairs in
14 accordance with section ~~21-20,155-188 of this act~~ and notify
15 claimants in accordance with sections ~~21-20,156 and 21-20,157.~~ 189
16 and 190 of this act.

17 Sec. 274. Section 21-2439, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 21-2439 Control-share acquisition shall mean an
20 acquisition, directly or indirectly, by an acquiring person of
21 ownership of voting stock of an issuing public corporation that,
22 except for the Shareholders Protection Act, would, when added to all
23 other shares of the issuing public corporation owned by the acquiring
24 person, entitle the acquiring person, immediately after the
25 acquisition, to exercise or direct the exercise of a new range of

1 voting power within any of the following ranges of voting power: (1)
2 At least twenty percent but less than thirty-three and one-third
3 percent; (2) at least thirty-three and one-third percent but less
4 than or equal to fifty percent; or (3) over fifty percent.

5 The acquisition of any shares of an issuing public
6 corporation shall not constitute a control-share acquisition if the
7 acquisition is consummated in any of the following circumstances: (a)
8 Before April 9, 1988; (b) pursuant to a contract existing before
9 April 9, 1988; (c) pursuant to the laws of descent and distribution;
10 (d) pursuant to the satisfaction of a pledge or other security
11 interest created in good faith and not for the purpose of
12 circumventing the Shareholders Protection Act; (e) pursuant to a
13 merger or plan of share exchange effected in compliance with sections
14 ~~21-20,128 to 21-20,134~~ 161 to 168 of this act if the issuing public
15 corporation is a party to the plan of merger or plan of share
16 exchange; or (f) from a person who owns over fifty percent of the
17 shares of an issuing public corporation and who acquired the shares
18 prior to April 9, 1988.

19 All shares, the ownership of which is acquired within a
20 one-hundred-twenty-day period, and all shares, the ownership of which
21 is acquired pursuant to a plan to make a control-share acquisition,
22 shall be deemed to have been acquired in the same acquisition.

23 Sec. 275. Section 21-2971, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 21-2971 Except as otherwise provided in section 21-2970,

1 the ~~Business Corporation Act~~ Nebraska Model Business Corporation Act
2 governs conflicts of interests between a director or member of a
3 committee of the board of directors and the limited cooperative
4 association.

5 Sec. 276. Section 21-2976, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 21-2976 Indemnification of any individual who has
8 incurred liability, is a party, or is threatened to be made a party
9 because of the performance of duties to, or activity on behalf of,
10 the limited cooperative association is governed by the ~~Business~~
11 ~~Corporation Act.~~ Nebraska Model Business Corporation Act.

12 Sec. 277. Section 28-1354, Revised Statutes Supplement,
13 2013, is amended to read:

14 28-1354 For purposes of the Public Protection Act:

15 (1) Enterprise means any individual, sole proprietorship,
16 partnership, corporation, trust, association, or any legal entity,
17 union, or group of individuals associated in fact although not a
18 legal entity, and shall include illicit as well as licit enterprises
19 as well as other entities;

20 (2) Pattern of racketeering activity means a cumulative
21 loss for one or more victims or gains for the enterprise of not less
22 than one thousand five hundred dollars resulting from at least two
23 acts of racketeering activity, one of which occurred after August 30,
24 2009, and the last of which occurred within ten years, excluding any
25 period of imprisonment, after the commission of a prior act of

1 racketeering activity;

2 (3) Person means any individual or entity, as defined in
3 section ~~21-2014, 14~~ of this act, holding or capable of holding a
4 legal, equitable, or beneficial interest in property;

5 (4) Prosecutor includes the Attorney General of the State
6 of Nebraska, the deputy attorney general, assistant attorneys
7 general, a county attorney, a deputy county attorney, or any person
8 so designated by the Attorney General, a county attorney, or a court
9 of the state to carry out the powers conferred by the act;

10 (5) Racketeering activity includes the commission of,
11 criminal attempt to commit, conspiracy to commit, aiding and abetting
12 in the commission of, aiding in the consummation of, acting as an
13 accessory to the commission of, or the solicitation, coercion, or
14 intimidation of another to commit or aid in the commission of any of
15 the following:

16 (a) Offenses against the person which include: Murder in
17 the first degree under section 28-303; murder in the second degree
18 under section 28-304; manslaughter under section 28-305; assault in
19 the first degree under section 28-308; assault in the second degree
20 under section 28-309; assault in the third degree under section
21 28-310; terroristic threats under section 28-311.01; kidnapping under
22 section 28-313; false imprisonment in the first degree under section
23 28-314; false imprisonment in the second degree under section 28-315;
24 sexual assault in the first degree under section 28-319; and robbery
25 under section 28-324;

1 (b) Offenses relating to controlled substances which
2 include: To unlawfully manufacture, distribute, deliver, dispense, or
3 possess with intent to manufacture, distribute, deliver, or dispense
4 a controlled substance under subsection (1) of section 28-416;
5 possession of marijuana weighing more than one pound under subsection
6 (12) of section 28-416; possession of money used or intended to be
7 used to facilitate a violation of subsection (1) of section 28-416
8 prohibited under subsection (17) of section 28-416; any violation of
9 section 28-418; to unlawfully manufacture, distribute, deliver, or
10 possess with intent to distribute or deliver an imitation controlled
11 substance under section 28-445; possession of anhydrous ammonia with
12 the intent to manufacture methamphetamine under section 28-451; and
13 possession of ephedrine, pseudoephedrine, or phenylpropanolamine with
14 the intent to manufacture methamphetamine under section 28-452;

15 (c) Offenses against property which include: Arson in the
16 first degree under section 28-502; arson in the second degree under
17 section 28-503; arson in the third degree under section 28-504;
18 burglary under section 28-507; theft by unlawful taking or
19 disposition under section 28-511; theft by shoplifting under section
20 28-511.01; theft by deception under section 28-512; theft by
21 extortion under section 28-513; theft of services under section
22 28-515; theft by receiving stolen property under section 28-517;
23 criminal mischief under section 28-519; and unlawfully depriving or
24 obtaining property or services using a computer under section
25 28-1344;

1 (d) Offenses involving fraud which include: Burning to
2 defraud an insurer under section 28-505; forgery in the first degree
3 under section 28-602; forgery in the second degree under section
4 28-603; criminal possession of a forged instrument under section
5 28-604; criminal possession of forgery devices under section 28-605;
6 criminal impersonation under section 28-638; identity theft under
7 section 28-639; identity fraud under section 28-640; false statement
8 or book entry under section 28-612; tampering with a publicly
9 exhibited contest under section 28-614; issuing a false financial
10 statement for purposes of obtaining a financial transaction device
11 under section 28-619; unauthorized use of a financial transaction
12 device under section 28-620; criminal possession of a financial
13 transaction device under section 28-621; unlawful circulation of a
14 financial transaction device in the first degree under section
15 28-622; unlawful circulation of a financial transaction device in the
16 second degree under section 28-623; criminal possession of a blank
17 financial transaction device under section 28-624; criminal sale of a
18 blank financial transaction device under section 28-625; criminal
19 possession of a forgery device under section 28-626; unlawful
20 manufacture of a financial transaction device under section 28-627;
21 laundering of sales forms under section 28-628; unlawful acquisition
22 of sales form processing services under section 28-629; unlawful
23 factoring of a financial transaction device under section 28-630; and
24 fraudulent insurance acts under section 28-631;

25 (e) Offenses involving governmental operations which

1 include: Abuse of public records under section 28-911; perjury or
2 subornation of perjury under section 28-915; bribery under section
3 28-917; bribery of a witness under section 28-918; tampering with a
4 witness or informant or jury tampering under section 28-919; bribery
5 of a juror under section 28-920; assault on an officer in the first
6 degree under section 28-929; assault on an officer in the second
7 degree under section 28-930; assault on an officer in the third
8 degree under section 28-931; and assault on an officer using a motor
9 vehicle under section 28-931.01;

10 (f) Offenses involving gambling which include: Promoting
11 gambling in the first degree under section 28-1102; possession of
12 gambling records under section 28-1105; gambling debt collection
13 under section 28-1105.01; and possession of a gambling device under
14 section 28-1107;

15 (g) Offenses relating to firearms, weapons, and
16 explosives which include: Carrying a concealed weapon under section
17 28-1202; transportation or possession of machine guns, short rifles,
18 or short shotguns under section 28-1203; unlawful possession of a
19 handgun under section 28-1204; unlawful transfer of a firearm to a
20 juvenile under section 28-1204.01; using a deadly weapon to commit a
21 felony or possession of a deadly weapon during the commission of a
22 felony under section 28-1205; possession of a deadly weapon by a
23 prohibited person under section 28-1206; possession of a defaced
24 firearm under section 28-1207; defacing a firearm under section
25 28-1208; unlawful discharge of a firearm under section 28-1212.02;

1 possession, receipt, retention, or disposition of a stolen firearm
2 under section 28-1212.03; unlawful possession of explosive materials
3 in the first degree under section 28-1215; unlawful possession of
4 explosive materials in the second degree under section 28-1216;
5 unlawful sale of explosives under section 28-1217; use of explosives
6 without a permit under section 28-1218; obtaining an explosives
7 permit through false representations under section 28-1219;
8 possession of a destructive device under section 28-1220; threatening
9 the use of explosives or placing a false bomb under section 28-1221;
10 using explosives to commit a felony under section 28-1222; using
11 explosives to damage or destroy property under section 28-1223; and
12 using explosives to kill or injure any person under section 28-1224;

13 (h) Any violation of the Securities Act of Nebraska
14 pursuant to section 8-1117;

15 (i) Any violation of the Nebraska Revenue Act of 1967
16 pursuant to section 77-2713;

17 (j) Offenses relating to public health and morals which
18 include: Prostitution under section 28-801; pandering under section
19 28-802; keeping a place of prostitution under section 28-804; labor
20 trafficking, sex trafficking, labor trafficking of a minor, or sex
21 trafficking of a minor under section 28-831; a violation of section
22 28-1005; and any act relating to the visual depiction of sexually
23 explicit conduct prohibited in the Child Pornography Prevention Act;
24 and

25 (k) A violation of the Computer Crimes Act;

1 (6) State means the State of Nebraska or any political
2 subdivision or any department, agency, or instrumentality thereof;
3 and

4 (7) Unlawful debt means a debt of at least one thousand
5 five hundred dollars:

6 (a) Incurred or contracted in gambling activity which was
7 in violation of federal law or the law of the state or which is
8 unenforceable under state or federal law in whole or in part as to
9 principal or interest because of the laws relating to usury; or

10 (b) Which was incurred in connection with the business of
11 gambling in violation of federal law or the law of the state or the
12 business of lending money or a thing of value at a rate usurious
13 under state law if the usurious rate is at least twice the
14 enforceable rate.

15 Sec. 278. Section 30-3214, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 30-3214 A real estate investment trust shall file its
18 articles of agreement or of trust or any modifications thereof with
19 the Secretary of State and with the county clerk of the county in
20 this state in which the trust has its principal place of doing
21 business by complying with the same procedures as set forth in
22 sections ~~21-2015, 21-2017 to 21-2023, and 21-20,116 to 21-20,127.~~ 15,
23 19 to 25, and 150 to 160 of this act. Such filing shall include a
24 copy of the articles of agreement or of trust and shall name a
25 resident agent in the State of Nebraska and the principal place of

1 doing business in this state.

2 Sec. 279. Section 33-101, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 33-101 There shall be paid to the Secretary of State the
5 following fees:

6 (1) For certificate or exemplification with seal, ten
7 dollars;

8 (2) For copies of records, for each page, a fee of one
9 dollar;

10 (3) For accessing records by electronic means:

11 (a) For batch requests of business entity information,
12 fifteen dollars for up to one thousand business entities accessed and
13 an additional fifteen dollars for each additional one thousand
14 business entities accessed over one thousand;

15 (b) For information in the Secretary of State's Uniform
16 Commercial Code Division data base, including records filed pursuant
17 to the Uniform Commercial Code, Chapter 52, article 2, 5, 7, 9, 10,
18 11, 12, or 14, Chapter 54, article 2, or the Uniform State Tax Lien
19 Registration and Enforcement Act, for batch requests searched by
20 debtor location, fifteen dollars for up to one thousand records
21 accessed and an additional fifteen dollars for each additional one
22 thousand records accessed over one thousand;

23 (c) For an electronically transmitted letter indicating
24 whether a business is properly registered with the Secretary of State
25 and authorized to do business in the state, six dollars and fifty

1 cents;

2 (d) For the entire contents of the data base regarding
3 corporations and the Uniform Commercial Code, but excluding
4 electronic images, three hundred dollars weekly subscription rate,
5 one thousand dollars monthly subscription rate for a twice-monthly
6 service, and eight hundred dollars monthly subscription rate;

7 (e) For images of records accessed over the Internet or
8 by other electronic means other than facsimile machine, forty-five
9 cents for each page or image of a page, not to exceed two thousand
10 dollars per request for batch requests; and

11 (f) For the entire contents of the image data base
12 regarding corporations and the Uniform Commercial Code, eight hundred
13 dollars monthly subscription rate;

14 (4) For recording articles of association or
15 incorporation, amendments, revised or restated articles, changes of
16 registered office or registered agent, increase or decrease of
17 capital stock, merger or consolidation, statement of intent to
18 dissolve, and consent to dissolution, revocation of dissolution,
19 articles of dissolution, domestic or foreign, profit or nonprofit,
20 five dollars per page;

21 (5) For taking acknowledgment, ten dollars;

22 (6) For administering oath, ten dollars;

23 (7) For filings by for-profit corporations and
24 associations required or permitted by law to file articles of
25 incorporation or organization with the Secretary of State, the fees

1 provided in section ~~21-2005—5~~ of this act unless otherwise
2 specifically provided by law; and

3 (8) For filings by nonprofit corporations and
4 associations required or permitted by law to file articles of
5 incorporation or organization with the Secretary of State, the fees
6 provided in section 21-1905 unless otherwise specifically provided by
7 law.

8 All fees collected pursuant to subdivision (3) of this
9 section shall be deposited in the Records Management Cash Fund and
10 shall be distributed as provided in any agreements between the State
11 Records Board and the Secretary of State.

12 Sec. 280. Section 44-205.01, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 44-205.01 (1) The articles of incorporation filed
15 pursuant to section 44-205 shall state (a) the corporate name, which
16 shall not so nearly resemble the name of an existing corporation as,
17 in the opinion of the Director of Insurance, will mislead the public
18 or cause confusion, (b) the place in Nebraska where the registered
19 office and principal office will be located, (c) the purposes, which
20 shall be restricted to the kind or kinds of insurance to be
21 undertaken, such other kinds of business which it shall be empowered
22 to undertake, and the powers necessary and incidental to carrying out
23 such purposes, and (d) such other particulars as are required by the
24 ~~Business Corporation Act~~ Nebraska Model Business Corporation Act and
25 Chapter 44.

1 (2) The articles of incorporation may state such other
2 particulars as are permitted by the ~~Business Corporation Act Nebraska~~
3 Model Business Corporation Act and Chapter 44, including provisions
4 relating to the management of the business and regulation of the
5 affairs of the corporation and defining, limiting, and regulating the
6 powers of the corporation, its board of directors, and the
7 shareholders of a stock corporation or the members of a mutual or
8 assessment corporation.

9 Sec. 281. Section 44-206, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 44-206 Within the earlier of thirty days after receiving
12 the certificate of authority to transact business or four months
13 after filing its articles of incorporation, such corporation shall
14 publish a notice in some legal newspaper, which notice shall contain
15 the same information, as far as practicable, as that required under
16 the ~~Business Corporation Act. Nebraska Model Business Corporation~~
17 Act.

18 Sec. 282. Section 44-208.02, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 44-208.02 If the Director of Insurance approves the forms
21 of subscriptions for capital stock or the forms of application for
22 membership or for insurance, the corporate surety on the bond
23 required by section 44-208.01, and, in the case of stock insurers,
24 the application to solicit subscriptions for stock, he or she shall
25 deliver to the promoter or incorporators a permit in the name of the

1 corporation authorizing it to complete its organization. Upon
2 receiving such permit, the corporation shall have authority to
3 solicit subscriptions and payments for capital stock if a stock
4 insurer and applications and premiums or advance assessments for
5 insurance if other than a stock insurer and to exercise such powers,
6 subject to the limitations imposed by the ~~Business Corporation Act~~
7 Nebraska Model Business Corporation Act and Chapter 44, as may be
8 necessary and proper in completing its organization and qualifying
9 for a license to transact the kind or kinds of insurance proposed in
10 its articles of incorporation. No corporation shall issue policies or
11 enter into contracts of insurance until it receives a certificate of
12 authority permitting it to do so.

13 Sec. 283. Section 44-211, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 44-211 The business and affairs of an insurance
16 corporation shall be managed by the incorporators until the first
17 meeting of shareholders or members and then and thereafter by a board
18 of directors elected by the shareholders or members and as otherwise
19 provided by law. The board of directors shall consist of not less
20 than five persons, and one of them shall be a resident of the State
21 of Nebraska. At least one-fifth of the directors of an insurance
22 company, which is not subject to section 44-2135, shall be persons
23 who are not officers or employees of such company. A person convicted
24 of a felony may not be a director, and all directors shall be of good
25 moral character and known professional, administrative, or business

1 ability, such business ability to include a practical knowledge of
2 insurance, finance, or investment. No person shall hold the office of
3 director unless he or she is a policyholder, if the company is a
4 mutual company or assessment association. Unless otherwise provided
5 in the articles of incorporation, the board of directors shall make
6 all bylaws. A director shall discharge his or her duties as a
7 director in accordance with section ~~21-2095. 102~~ of this act.

8 Sec. 284. Section 44-224.01, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 44-224.01 For purposes of sections 44-224.01 to
11 44-224.10, unless the context otherwise requires:

12 (1) Director shall mean the Director of Insurance or his
13 or her authorized representative;

14 (2) Policyholders shall mean the members of mutual
15 insurance companies, the members of assessment associations, and the
16 subscribers to reciprocal insurance exchanges;

17 (3) Merger or contract of merger shall mean a merger or
18 consolidation agreement between stock insurance companies as
19 authorized by the ~~Business Corporation Act~~; Nebraska Model Business
20 Corporation Act;

21 (4) Consolidation or contract of consolidation shall mean
22 a merger or consolidation agreement between companies operating on
23 other than the stock plan of insurance; and

24 (5) Bulk reinsurance or contract of bulk reinsurance
25 shall mean an agreement whereby one company cedes by an assumption

1 reinsurance agreement fifty percent or more of its risks and business
2 to another company.

3 Sec. 285. Section 44-224.04, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 44-224.04 Any domestic stock insurance company may merge
6 with another stock insurer after the contract of merger is approved
7 by the director. The director shall not approve any such contract of
8 merger unless the interests of the policyholders or shareholders of
9 both parties thereto are properly protected. If the director does not
10 approve the contract of merger, he or she shall issue a written order
11 of disapproval setting forth his or her findings. After having
12 obtained the approval of the director, the contract of merger shall
13 be consummated in the manner set forth in the ~~Business Corporation~~
14 ~~Act~~ Nebraska Model Business Corporation Act for the merger or
15 consolidation of stock corporations.

16 Sec. 286. Section 44-301, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 44-301 The ~~Business Corporation Act,~~ Nebraska Model
19 Business Corporation Act, except as otherwise provided in Chapter 44,
20 shall apply to all domestic incorporated insurance companies so far
21 as the act is applicable or pertinent to and not in conflict with
22 other provisions of the law relating to such companies. An assessment
23 association that has accumulated and continues to maintain (1)
24 reserves and (2) surplus or contingency funds at least equal to those
25 required of a mutual insurance company shall, unless otherwise

1 provided by law, be deemed to have all the powers and privileges in
2 transacting its business and managing its affairs as those possessed
3 by a mutual insurance company qualified to transact the same line or
4 lines of insurance as the assessment association.

5 Sec. 287. Section 44-2128, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 44-2128 Section 44-2126 shall not apply to:

8 (1) Any transaction which is subject to the provisions of
9 the ~~Business Corporation Act~~ Nebraska Model Business Corporation Act
10 and sections 44-224.01 to 44-224.10, except as otherwise provided in
11 Chapter 44, dealing with the merger or consolidation of two or more
12 insurers; or

13 (2) Any offer, request, invitation, agreement, or
14 acquisition which the director by order shall exempt therefrom as (a)
15 not having been made or entered into for the purpose and not having
16 the effect of changing or influencing the control of a domestic
17 insurer or (b) otherwise not comprehended within the purposes of
18 section 44-2126.

19 Sec. 288. Section 44-2916, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 44-2916 To the extent applicable and when not in conflict
22 with the Nebraska Hospital and Physicians Mutual Insurance
23 Association Act, the provisions of the ~~Business Corporation Act~~
24 Nebraska Model Business Corporation Act and Chapters 44 and 77
25 relating to corporations and insurance shall apply to associations

1 incorporated pursuant to the Nebraska Hospital and Physicians Mutual
2 Insurance Association Act.

3 Sec. 289. Section 44-3112, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 44-3112 To the extent applicable and when not in conflict
6 with the Nebraska Professional Association Mutual Insurance Company
7 Act, the provisions of the ~~Business Corporation Act~~ Nebraska Model
8 Business Corporation Act and Chapters 44 and 77 relating to
9 corporations and insurance shall apply to companies incorporated
10 pursuant to the Nebraska Professional Association Mutual Insurance
11 Company Act.

12 Sec. 290. Section 44-32,115, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 44-32,115 Any person may apply to the director for a
15 certificate of authority to establish and operate a health
16 maintenance organization in compliance with the Health Maintenance
17 Organization Act. No person shall establish or operate a health
18 maintenance organization in this state without obtaining a
19 certificate of authority under the act. Operating a health
20 maintenance organization without a certificate of authority shall be
21 a violation of the Unauthorized Insurers Act. A foreign corporation
22 may qualify under the Health Maintenance Organization Act if it
23 registers to do business in this state as a foreign corporation under
24 the ~~Business Corporation Act~~ Nebraska Model Business Corporation Act
25 and complies with the Health Maintenance Organization Act and other

1 applicable state laws.

2 Sec. 291. Section 44-3312, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 44-3312 (1) Two or more persons may organize a legal
5 service insurance corporation under this section.

6 (2) The articles of incorporation of a not-for-profit
7 corporation shall conform to the requirements applicable to not-for-
8 profit corporations under the Nebraska Nonprofit Corporation Act and
9 the articles of incorporation of a corporation for profit shall
10 conform to the requirements applicable to corporations for profit
11 under the ~~Business Corporation Act, Nebraska Model Business~~
12 Corporation Act, except that:

13 (a) The name of the corporation shall indicate that legal
14 services or indemnity for legal services is to be provided;

15 (b) The purposes of the corporation shall be limited to
16 providing legal services or indemnity for legal expenses and business
17 reasonably related thereto;

18 (c) The articles shall state whether members or other
19 providers of services may be required to share operating deficits,
20 either through assessments or through reductions in the compensation
21 for services rendered. They shall also state the general conditions
22 and procedures for deficit sharing and any limits on the amount of
23 the deficit to be assumed by each individual member or provider;

24 (d) For corporations having members, the articles shall
25 state the conditions and procedures for acquiring membership and that

1 only members have the right to vote; and

2 (e) For corporations not having members, the articles
3 shall state how the directors are to be selected.

4 Sec. 292. Section 44-3812, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 44-3812 (1) Two or more persons may organize a prepaid
7 dental service corporation under this section.

8 (2) The articles of incorporation of the corporation
9 shall conform to the requirements of the Nebraska Nonprofit
10 Corporation Act or to the requirements of the ~~Business Corporation~~
11 ~~Act, Nebraska Model Business Corporation Act,~~ except that:

12 (a) The name of the corporation shall indicate that
13 dental services are to be provided;

14 (b) The purposes of the corporation shall be limited to
15 providing dental services and business reasonably related thereto;

16 (c) The articles shall state whether members,
17 shareholders, or providers of services may be required to share
18 operating deficits, either through assessments or through reductions
19 in compensation for services rendered, the general conditions and
20 procedures for deficit sharing, and any limits on the amount of the
21 deficit to be assumed by each individual member, shareholder, or
22 provider;

23 (d) For corporations having members, the articles shall
24 state the conditions and procedures for acquiring membership and that
25 only members have the right to vote; and

1 (e) For corporations not having members, the articles
2 shall state how the directors are to be selected.

3 Sec. 293. Section 67-248.02, Revised Statutes Supplement,
4 2013, is amended to read:

5 67-248.02 (a)(1) A domestic limited partnership may merge
6 or consolidate with one or more domestic or foreign limited
7 partnerships or other business entities pursuant to an agreement or
8 plan of merger or consolidation adopted in accordance with this
9 section setting forth:

10 (A) The name of each limited partnership or business
11 entity that is a party to the merger or consolidation;

12 (B) The name, type of business entity, and jurisdiction
13 of formation of the surviving limited partnership or business entity
14 into which the limited partnership and such other business entities
15 will merge or the name, type of business entity, and jurisdiction of
16 formation of the new business entity resulting from the consolidation
17 of the limited partnership and the other business entities that are
18 party to a plan of consolidation;

19 (C) The terms and conditions of the merger or
20 consolidation, including the manner and basis of converting the
21 interests of the partners, members, or shareholders, as the case may
22 be, of each limited partnership or business entity that is a party to
23 such merger or consolidation into interests or obligations of the
24 surviving or new limited partnership or business entity resulting
25 therefrom or into money or other property in whole or in part; and

1 (D) Such other provisions as the merging or consolidating
2 limited partnerships or business entities may desire.

3 (2) Notwithstanding the provisions of section 67-450, an
4 agreement or plan of merger or consolidation shall be approved (A) by
5 each domestic limited partnership that is a party thereto in
6 accordance with the voting provisions of its partnership agreement
7 or, if not so provided, by each general partner and by limited
8 partners who own in the aggregate more than a fifty percent interest
9 in the profits of such limited partnership owned by all of the
10 limited partners or, if there is more than one class or group of
11 limited partners, then by limited partners of each class or group of
12 limited partners, in either case, who own in the aggregate more than
13 fifty percent of the then current percentage of other interest in the
14 profits of such limited partnership owned by all of the limited
15 partners in each such class or group and (B) by each other business
16 entity that is a party thereto in accordance with the laws under
17 which such business entity was formed and in accordance with the
18 applicable requirements of its organizational documents.
19 Notwithstanding such approval, at any time before the articles of
20 merger or consolidation are filed, an agreement or plan of merger or
21 of consolidation may be terminated or amended pursuant to a provision
22 for such termination or amendment contained in such agreement or plan
23 of merger or of consolidation.

24 (b) As used in this section:

25 (1) Business entity means a domestic or foreign

1 corporation; a domestic or foreign partnership; a domestic or foreign
2 limited partnership; or a domestic or foreign limited liability
3 company; and

4 (2) Organizational documents includes:

5 (A) For a domestic or foreign corporation, its articles
6 of incorporation, bylaws, and other agreements among its shareholders
7 which are authorized by its governing statute or comparable records
8 as provided in its governing statute;

9 (B) For a domestic or foreign partnership, its
10 partnership agreement;

11 (C) For a domestic or foreign limited partnership, its
12 certificate of limited partnership and partnership agreement; and

13 (D) For a domestic or foreign limited liability company,
14 its certificate or articles of organization and operating agreement
15 or comparable records as provided in its governing statute.

16 (c) After a plan of merger or consolidation with respect
17 to a domestic limited partnership is approved in accordance with this
18 section, the surviving or resulting business entity shall deliver to
19 the Secretary of State for filing articles of merger or consolidation
20 setting forth:

21 (1) The plan of merger or consolidation;

22 (2) A statement to the effect that the requisite approval
23 was obtained by the partners, members, or shareholders, as the case
24 may be, of each business entity that is a party to such plan of
25 merger or consolidation; and

1 (3) If the surviving or resulting business entity of a
2 merger or consolidation is not a domestic business entity, an
3 agreement by the surviving or resulting business entity that it may
4 be served with process within or outside this state in any proceeding
5 in the courts of this state for the enforcement of any obligation of
6 such former domestic limited partnership.

7 (d) If the surviving or resulting business entity of a
8 merger or consolidation under this section is a domestic corporation,
9 then the merger or consolidation shall become effective and shall
10 have the effects provided in sections ~~21-20,128 to 21-20,134.~~ 161 to
11 168 of this act. If the surviving or resulting business entity of a
12 merger or consolidation under this section is a domestic limited
13 liability company, then the merger or consolidation shall become
14 effective and shall have the effects provided in sections 21-170 to
15 21-174. If the surviving or resulting business entity of a merger or
16 consolidation under this section is a domestic partnership other than
17 a limited partnership, then the merger or consolidation shall become
18 effective and shall have the effects provided in sections 67-450 to
19 67-452. If the surviving or resulting business entity of a merger or
20 consolidation is a domestic limited partnership, then:

21 (1) The merger or consolidation shall take effect on the
22 later of:

23 (A) The approval of the plan or agreement of merger or
24 consolidation as provided in this section;

25 (B) The filing of all documents required by law to be

1 filed as a condition to the effectiveness of the merger or
2 consolidation; or

3 (C) Any effective date specified in the plan or agreement
4 of merger or consolidation;

5 (2) The several limited partnerships and other business
6 entities which are parties to the plan or agreement of merger or
7 consolidation shall be a single limited partnership which, in the
8 case of a merger, shall be that limited partnership designated in the
9 merger plan or agreement as the surviving limited partnership and, in
10 the case of a consolidation, shall be the new limited partnership
11 provided for in the consolidation plan or agreement;

12 (3) The separate existence of all limited partnerships
13 and other business entities which are parties to the plan or
14 agreement of merger or consolidation, except the surviving or new
15 limited partnership, shall cease;

16 (4) The surviving or new limited partnership shall have
17 all the rights, privileges, immunities, and powers and shall be
18 subject to all the duties and liabilities of a limited partnership
19 organized under the Nebraska Uniform Limited Partnership Act;

20 (5) The surviving or new limited partnership shall
21 possess all the rights, privileges, immunities, and powers, of a
22 public as well as of a private nature, of each of the merging or
23 consolidating limited partnerships and other business entities,
24 subject to the Nebraska Uniform Limited Partnership Act. All
25 property, real, personal, and mixed, all debts due on whatever

1 account, all other things and causes of actions, and all and every
2 other interest belonging to or due to any of the limited partnerships
3 and other business entities, as merged or consolidated, shall be
4 taken and deemed to be transferred to and vested in the surviving or
5 new limited partnership without further act and deed and shall
6 thereafter be the property of the surviving or new limited
7 partnership as they were of any of such merging or consolidating
8 business entities. The title to any real property or any interest in
9 such property vested in any of such merging or consolidating business
10 entities shall not revert or be in any way impaired by reason of such
11 merger or consolidation;

12 (6) Such surviving or new limited partnership shall be
13 responsible and liable for all the liabilities and obligations of
14 each of the limited partnerships and other business entities so
15 merged or consolidated. Any claim existing or action or proceeding
16 pending by or against any of such limited partnerships or other
17 business entities may be prosecuted as if such merger or
18 consolidation had not taken place or such surviving or new limited
19 partnership may be substituted in its place. Neither the rights of
20 creditors nor any liens upon the property of any such limited
21 partnerships or other business entities shall be impaired by such
22 merger or consolidation; and

23 (7) The equity interests or securities of each limited
24 partnership or other business entity which is a party to the plan or
25 agreement of merger or consolidation that are, under the terms of the

1 merger or consolidation, to be converted or exchanged, shall cease to
2 exist, and the holders of such equity interests or securities shall
3 thereafter be entitled only to the cash, property interests, or
4 securities into which they shall have been converted in accordance
5 with the terms of the plan or agreement of merger or consolidation,
6 subject to any rights under sections ~~21-20,137 to 21-20,150-171~~ to
7 183 of this act or the Nebraska Uniform Limited Liability Company Act
8 or other applicable law.

9 Sec. 294. Section 84-511, Revised Statutes Supplement,
10 2013, is amended to read:

11 84-511 The Secretary of State may provide for the
12 electronic transmission and filing of documents delivered for filing
13 under (1) ~~the Business Corporation Act,~~ the Nebraska Limited
14 Cooperative Association Act, the Nebraska Model Business Corporation
15 Act, the Nebraska Nonprofit Corporation Act, the Nebraska
16 Professional Corporation Act, the Nebraska Uniform Limited Liability
17 Company Act, the Nebraska Uniform Limited Partnership Act, the
18 Nonstock Cooperative Marketing Act, the Trademark Registration Act,
19 and the Uniform Partnership Act of 1998, ~~and the Trademark~~
20 ~~Registration Act~~ and (2) any filing provisions of sections 21-1301 to
21 21-1306, 21-1333 to 21-1339, and 87-208 to 87-219.01. The Secretary
22 of State shall adopt and promulgate rules and regulations to
23 implement this section.

24 Sec. 295. This act becomes operative on January 1, 2016.

25 Sec. 296. If any section in this act or any part of any

1 section is declared invalid or unconstitutional, the declaration
2 shall not affect the validity or constitutionality of the remaining
3 portions.

4 Sec. 297. Original sections 8-1401, 8-2104, 8-2306,
5 8-2311, 21-301, 21-302, 21-303, 21-304, 21-305, 21-306, 21-311,
6 21-312, 21-313, 21-314, 21-315, 21-318, 21-319, 21-321, 21-322,
7 21-323, 21-323.01, 21-323.02, 21-325, 21-325.01, 21-325.02, 21-328,
8 21-329, 21-330, 21-1301, 21-1931, 21-1933, 21-19,151, 21-2103,
9 21-2105, 21-2110, 21-2115, 21-2203, 21-2204, 21-2209, 21-2212,
10 21-2439, 21-2971, 21-2976, 30-3214, 33-101, 44-205.01, 44-206,
11 44-208.02, 44-211, 44-224.01, 44-224.04, 44-301, 44-2128, 44-2916,
12 44-3112, 44-32,115, 44-3312, and 44-3812, Reissue Revised Statutes of
13 Nebraska, and sections 9-614, 28-1354, 67-248.02, and 84-511, Revised
14 Statutes Supplement, 2013, are repealed.

15 Sec. 298. The following sections are outright repealed:
16 Sections 21-317, 21-2001, 21-2002, 21-2003, 21-2004, 21-2005,
17 21-2006, 21-2007, 21-2008, 21-2009, 21-2010, 21-2011, 21-2012,
18 21-2013, 21-2014, 21-2015, 21-2016, 21-2017, 21-2018, 21-2019,
19 21-2020, 21-2021, 21-2022, 21-2023, 21-2024, 21-2025, 21-2026,
20 21-2027, 21-2028, 21-2029, 21-2030, 21-2031, 21-2032, 21-2033,
21 21-2034, 21-2035, 21-2036, 21-2037, 21-2038, 21-2039, 21-2040,
22 21-2041, 21-2042, 21-2043, 21-2044, 21-2045, 21-2046, 21-2047,
23 21-2048, 21-2049, 21-2050, 21-2051, 21-2052, 21-2053, 21-2054,
24 21-2055, 21-2056, 21-2057, 21-2058, 21-2059, 21-2060, 21-2061,
25 21-2062, 21-2063, 21-2064, 21-2065, 21-2066, 21-2067, 21-2068,

1 21-2069, 21-2070, 21-2071, 21-2072, 21-2073, 21-2074, 21-2075,
2 21-2076, 21-2077, 21-2078, 21-2079, 21-2080, 21-2081, 21-2082,
3 21-2083, 21-2084, 21-2085, 21-2086, 21-2087, 21-2088, 21-2089,
4 21-2090, 21-2091, 21-2092, 21-2093, 21-2094, 21-2095, 21-2096,
5 21-2097, 21-2098, 21-2099, 21-20,100, 21-20,101, 21-20,102,
6 21-20,103, 21-20,104, 21-20,105, 21-20,106, 21-20,107, 21-20,108,
7 21-20,109, 21-20,110, 21-20,111, 21-20,112, 21-20,113, 21-20,114,
8 21-20,115, 21-20,116, 21-20,117, 21-20,118, 21-20,119, 21-20,120,
9 21-20,121, 21-20,122, 21-20,123, 21-20,124, 21-20,125, 21-20,126,
10 21-20,127, 21-20,128, 21-20,129, 21-20,130, 21-20,131, 21-20,132,
11 21-20,133, 21-20,134, 21-20,135, 21-20,135.01, 21-20,136, 21-20,137,
12 21-20,138, 21-20,139, 21-20,140, 21-20,141, 21-20,142, 21-20,143,
13 21-20,144, 21-20,145, 21-20,146, 21-20,147, 21-20,148, 21-20,149,
14 21-20,150, 21-20,151, 21-20,152, 21-20,153, 21-20,154, 21-20,155,
15 21-20,156, 21-20,157, 21-20,158, 21-20,159, 21-20,160, 21-20,161,
16 21-20,162, 21-20,163, 21-20,164, 21-20,165, 21-20,166, 21-20,167,
17 21-20,168, 21-20,169, 21-20,170, 21-20,171, 21-20,172, 21-20,173,
18 21-20,174, 21-20,175, 21-20,176, 21-20,177, 21-20,178, 21-20,179,
19 21-20,180, 21-20,180.01, 21-20,181, 21-20,181.01, 21-20,181.02,
20 21-20,181.03, 21-20,182, 21-20,183, 21-20,184, 21-20,185, 21-20,186,
21 21-20,187, 21-20,188, 21-20,189, 21-20,190, 21-20,191, 21-20,192,
22 21-20,193, 21-20,194, 21-20,195, 21-20,196, and 21-20,197, Reissue
23 Revised Statutes of Nebraska.