

As Introduced

124th General Assembly
Regular Session
2001-2002

S. B. No. 110

SENATOR Johnson

A B I L L

To amend sections 1701.15, 1701.16, 1701.17, 1701.35,
1701.59, 1701.70, and 1701.75 of the Revised Code
relative to the authority of a corporation to issue
option rights or securities having conversion or
option rights with respect to shares, the acts of a
director of a corporation relating to an
acquisition or potential or proposed acquisition of
control of the corporation, and the general duties
of a director of a corporation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 1701.15, 1701.16, 1701.17, 1701.35,
1701.59, 1701.70, and 1701.75 of the Revised Code be amended to
read as follows:

Sec. 1701.15. (A) The shareholders of a corporation do not
have a pre-emptive right to acquire the corporation's unissued
shares except to the extent the articles so provide. If the
articles provide that the holders of the shares of any class,
other than shares that are limited as to dividend or distribution
rate and liquidation price, have pre-emptive rights, those
holders, upon the offering or sale for cash of shares of the same

class, shall have the right, during a reasonable time and on 21
reasonable terms fixed by the directors, to purchase the shares in 22
proportion to their respective holdings of shares of such class, 23
at a price fixed as provided in this chapter, unless the shares 24
offered or sold are in any of the following categories: 25

(1) Treasury shares; 26

(2) Issued as a share dividend or distribution; 27

(3) Issued or agreed to be issued for considerations other 28
than money; 29

(4) Issued or agreed to be issued upon exercise of ~~options~~ 30
~~granted~~ option rights or conversion rights issued and authorized 31
in accordance with section 1701.16 of the Revised Code; 32

(5) Issued or agreed to be issued upon conversion of 33
convertible shares authorized in the articles, or upon exercise of 34
conversion rights conferred and authorized in accordance with 35
section 1701.22 of the Revised Code; 36

(6) Offered to shareholders in satisfaction of their 37
pre-emptive rights and not purchased by ~~such~~ those shareholders, 38
and thereupon issued or agreed to be issued for a consideration 39
not less than that at which the shares were so offered to ~~such~~ 40
those shareholders, less reasonable expenses, compensation, or 41
discount paid or allowed for the sale, underwriting, or purchase 42
of the shares, unless by the affirmative vote or written order of 43
the holders of two-thirds of the shares otherwise entitled to the 44
pre-emptive rights, the pre-emptive rights are restored as to any 45
of the shares not previously issued or agreed to be issued; 46

(7) Released from pre-emptive rights by the affirmative vote 47
or written consent of the holders of two-thirds of the shares 48
entitled to the pre-emptive rights. Any such vote or consent shall 49
be entered in the records of the corporation and shall be binding 50
on all shareholders and their transferees for the time specified 51

in the vote or consent up to but not exceeding one year, and shall
protect all persons who within that time acquire the shares or
options on or conversion or other rights with respect to the
shares so released;

(8) Released from pre-emptive rights by the affirmative vote
or written consent of the holders of a majority of the shares
entitled to the pre-emptive rights, for offering and sale, or the
~~grant of options~~ issuance of option rights or securities having
conversion or option rights with respect ~~thereto~~ to those shares,
to any or all employees of the corporation or of subsidiary
corporations or to a trustee on their behalf, under a plan adopted
or to be adopted by the directors for that purpose.

(B) No action shall be brought upon any cause of action
arising under division (A) of this section at any time after two
years from the day on which a written notice or other
communication is given or mailed to each shareholder having the
cause of action informing the shareholder of the transaction
giving rise to the cause of action, and no action shall in any
event be brought upon any cause of action of that nature at any
time after four years from the day on which the cause of action
arose, or from the effective date of this provision, whichever is
the later.

(C) The provisions of division (A) of this section as they
existed prior to ~~the effective date of this amendment~~ March 17,
2000, shall continue to apply to any corporation incorporated
prior to ~~the effective date of this amendment~~ March 17, 2000,
until the shareholders of the corporation adopt an amendment to
its articles expressly providing that the provisions of division
(A) of this section that take effect on ~~the effective date of this~~
~~amendment~~ March 17, 2000, apply to the corporation or amended
articles of incorporation.

Sec. 1701.16. (A) Unless the articles otherwise provide, a corporation by its directors may ~~grant options to subscribe for or create and issue option rights or securities having conversion or option rights that entitle the holders of the securities to purchase or acquire shares of any authorized class, option rights, securities having conversion or option rights, or obligations, of any class or series, or assets of the corporation, or to purchase or acquire from the corporation shares, option rights, securities having conversion or option rights, or obligations, of any class or series, owned by the corporation and issued by any other person,~~ at the times and on the terms that are set forth in the securities, or in the contracts, warrants, or other instruments ~~that evidence the options, which evidencing those option rights, securities having conversion or option rights, or obligations.~~ Those contracts, warrants, or other instruments may be transferable or nontransferable and may be separable or inseparable from securities, upon the following conditions:

(1) If the shares are subject to ~~preemptive pre-emptive~~ rights and if the ~~options~~ option rights or securities having conversion or option rights are not ~~granted~~ issued to shareholders in satisfaction of their ~~preemptive pre-emptive~~ rights, the ~~granting~~ issuance of the ~~options~~ must option rights or securities having conversion or option rights shall be authorized by the vote or consent of the shareholders or holders of shares of particular classes that then would be required to waive or release ~~such preemptive~~ those pre-emptive rights. The vote or consent shall release the ~~preemptive pre-emptive~~ rights to the shares required to satisfy the ~~options~~ option or conversion rights if and when exercised.

(2) If, at the time of ~~granting~~ issuing the ~~options~~ option rights or securities having conversion or option rights, the corporation does not have authorized and unissued shares

sufficient to satisfy the ~~options~~ option or conversion rights if 115
and when exercised, the ~~granting issuance~~ of the ~~options must~~ 116
option rights or securities having conversion or option rights 117
shall be authorized by the vote of the shareholders or holders of 118
shares of particular classes that then would be required to adopt 119
an amendment to the articles for the purpose of increasing the 120
authorized number of ~~such those~~ shares, ~~and the~~. The shares 121
required to be issued upon the exercise of the ~~options~~ option or 122
conversion rights shall be provided by an amendment concurrently 123
or thereafter adopted by the shareholders or the directors. 124

(B)(1) The securities, contracts, warrants, or other 125
instruments ~~that evidence the options~~ evidencing any option 126
rights, securities having conversion or option rights, or 127
obligations of a corporation may contain any terms not repugnant 128
to law that are fixed by the board of directors for the protection 129
of the holders of the ~~options~~ option rights, securities having 130
conversion or option rights, or obligations of the corporation, 131
including, but not limited to, the following: 132

(a) Restrictions upon the authorization or issuance of 133
additional shares, option rights, securities having conversion or 134
option rights, or obligations; 135

(b) Provisions for the adjustment of the conversion or option 136
rights price; 137

(c) Provisions concerning rights or adjustments in the event 138
of reorganization, merger, consolidation, ~~or~~ sale of the entire 139
assets of the corporation, exchange of shares, or other 140
fundamental changes; 141

(d) Provisions for the reservation of authorized but unissued 142
shares or other securities to satisfy the ~~options~~ option or 143
conversion rights; 144

(e) Restrictions upon the declaration or payment of dividends 145

or distributions or related party transactions;

(f) Conditions ~~on the exercise of the options~~, including, but not limited to, subject to the limitation specified in division (B)(2) of this section, conditions that preclude ~~the holder or holders of at least~~ or limit any person or persons owning or offering to acquire a specified number or percentage of the outstanding common shares, other shares, option rights, securities having conversion or option rights, or obligations of a the corporation or any transferee or transferees of the person or persons from exercising ~~the options, converting, transferring, or receiving the shares, option rights, securities having conversion or option rights, or obligations of the corporation, including conditions that limit or condition the right of directors who are not disinterested directors, as defined in division (C)(2)(c) of section 1701.59 of the Revised Code, to modify or redeem the shares, option rights, securities having conversion or option rights, or obligations.~~

(2) The express or implied authority conferred by division (B)(1) of this section or any other section of this chapter for securities, contracts, warrants, or other instruments that evidence options evidencing option rights, securities having conversion or option rights, or obligations of a corporation to contain a condition on the exercise of options that precludes the holder or holders of at least a specified number or percentage of the outstanding common shares of a corporation from exercising options as described in division (B)(1)(f) of this section shall apply only to the following:

(a) A corporation that has issued and outstanding shares listed on a national securities exchange or regularly quoted in an over-the-counter market by one or more members of a national or affiliated securities association;

(b) A corporation that has adopted a close corporation

agreement pursuant to which ~~options~~ option rights or securities 178
having conversion or option rights are ~~granted~~ issued, if the 179
securities, contracts, warrants, or other instruments ~~that~~ 180
~~evidence the options~~ evidencing the option rights, securities 181
having conversion or option rights, or obligations of the 182
corporation contain a condition ~~that precludes the holder or~~ 183
~~holders of at least a specified number or percentage of the~~ 184
~~outstanding common shares of that corporation from exercising the~~ 185
~~options as described in division (B)(1)(f) of this section.~~ 186

(C) As used in this section, "securities" includes 187
obligations and shares of the corporation. 188

Sec. 1701.17. A corporation by its directors, upon ~~such~~ any 189
terms ~~as~~ that it may impose, may provide and carry out plans for 190
the offering or sale, or the ~~grant of options~~ issuance of option 191
rights or securities having conversion or option rights, to 192
employees of the corporation or of subsidiary corporations, or to 193
a trustee on their behalf, during the period of their employment 194
or other period, of, or with respect to, any unissued shares, 195
treasury shares, or shares to be purchased, ~~which.~~ Those plans may 196
provide for the payment for such shares at one time or in 197
installments, or for the establishment of special funds in which 198
employees may participate. Shares otherwise subject to pre-emptive 199
rights may be offered or sold under ~~such~~ those plans only when 200
released from pre-emptive rights. 201

Sec. 1701.35. (A) A corporation by its directors may purchase 202
shares of any class issued by it, in any of the following 203
instances: 204

(1) When the articles authorize the redemption of ~~such~~ those 205
shares and do not prohibit such purchase; 206

(2) To collect or compromise a debt, claim, or controversy in 207

good faith;	208
(3) From a subscriber whose shares have not been paid for in full, or in settlement or compromise of a subscription;	209 210
(4) For offering and sale, or the grant of options <u>issuance of option rights or securities having conversion or option rights</u> with respect thereto <u>to those shares</u> , to any or all of the employees of the corporation or of subsidiary corporations or to a trustee on their behalf, under any plan adopted or to be adopted by the directors for that purpose;	211 212 213 214 215 216
(5) From a person who has purchased such <u>those</u> shares from the corporation under an agreement reserving to the corporation the right to repurchase or obligating it to repurchase;	217 218 219
(6) To avoid the issuance of or to eliminate fractional shares;	220 221
(7) When the articles in substance provide that the corporation shall have a right to repurchase if and when any shareholder desires to, or on the happening of any event is required to, sell such <u>those</u> shares;	222 223 224 225
(8) From a shareholder who by reason of dissent is entitled to be paid the fair cash value of his <u>the shareholder's</u> shares;	226 227
(9) When authorized by the shareholders at a meeting called for such purpose, by the affirmative vote of the holders of two-thirds of the shares of each class, regardless of limitations or restrictions in the articles on the voting rights of the shares of any such class, or if the articles so provide or permit, a greater or lesser proportion, but not less than a majority, of the shares of any class;	228 229 230 231 232 233 234
(10) When authorized by the articles or by such vote or consent of holders of such proportion of shares, though less than a majority, of any one or more classes as is provided in the	235 236 237

articles. 238

(B) A corporation shall not purchase its own shares except as 239
provided in this section, nor shall a corporation purchase or 240
redeem its own shares if immediately thereafter its assets would 241
be less than its liabilities plus its stated capital, if any, ~~or~~ 242
if the corporation is insolvent, or if there is reasonable ground 243
to believe that by such purchase or redemption it would be 244
rendered insolvent. 245

(C) Shares issued by a corporation ~~which~~ that owns or 246
controls shares entitling it to elect a majority of the directors 247
of another corporation may be purchased by such last mentioned 248
corporation only when and if ~~such~~ those shares could be purchased 249
by the issuing corporation pursuant to division (A)(9) or (10) of 250
this section. 251

Sec. 1701.59. (A) Except where the law, the articles, or the 252
regulations require action to be authorized or taken by 253
shareholders, all of the authority of a corporation shall be 254
exercised by or under the direction of its directors. For their 255
own government, the directors may adopt bylaws that are not 256
inconsistent with the articles or the regulations. The selection 257
of a time frame for the achievement of corporate goals shall be 258
the responsibility of the directors. 259

(B) A director shall perform the director's duties as a 260
director, including the duties as a member of any committee of the 261
directors upon which the director may serve, in good faith, in a 262
manner the director reasonably believes to be in or not opposed to 263
the best interests of the corporation, and with the care that an 264
ordinarily prudent person in a like position would use under 265
similar circumstances. In performing a director's duties, a 266
director is entitled to rely on information, opinions, reports, or 267
statements, including financial statements and other financial 268

data, that are prepared or presented by any of the following:

(1) One or more directors, officers, or employees of the corporation who the director reasonably believes are reliable and competent in the matters prepared or presented;

(2) Counsel, public accountants, or other persons as to matters that the director reasonably believes are within the person's professional or expert competence;

(3) A committee of the directors upon which the director does not serve, duly established in accordance with a provision of the articles or the regulations, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

(C) For purposes of division (B) of this section, the following apply:

(1) A director shall not be found to have violated the director's duties under division (B) of this section unless it is proved by clear and convincing evidence that the director has not acted in good faith, in a manner the director reasonably believes to be in or not opposed to the best interests of the corporation, or with the care that an ordinarily prudent person in a like position would use under similar circumstances, in any action brought against a director, including actions involving or affecting any of the following:

(a) A change or potential change in control of the corporation, including a determination to resist a change or potential change in control made pursuant to division (F)(7) of section 1701.13 of the Revised Code or a decision not to redeem any rights under, or to modify or render inapplicable, any shareholder rights plan, including, but not limited to, a plan adopted with the conditions described in division (B)(1)(f) of section 1701.16 of the Revised Code;

(b) A termination or potential termination of the director's service to the corporation as a director;

(c) The director's service in any other position or relationship with the corporation;

(d) A decision not to render inapplicable, or to make determinations under, the provisions of Chapter 1704. or section 1701.831 of the Revised Code or any other provisions in Title XVII of the Revised Code that relate to or affect acquisitions of control or potential or proposed acquisitions of control of the corporation;

(e) A decision not to act as a director solely because of the effect that action may have on an acquisition of control or potential or proposed acquisition of control of the corporation or on the consideration that may be offered or paid to shareholders in that acquisition or potential or proposed acquisition.

(2)(a) In the absence of a breach of fiduciary duty, lack of good faith, or self-dealing, any act of a director is presumed to be in the best interests of the corporation. In assessing whether the standards set forth in division (B) of this section have been satisfied, there shall not be any greater obligation to justify, or higher burden of proof with respect to, any act as a director relating to or affecting an acquisition of control or potential or proposed acquisition of control of the corporation than is applied to any other act as a director.

(b) Notwithstanding division (C)(2)(a) of this section, any act of a director relating to or affecting an acquisition of control or potential or proposed acquisition of control of the corporation to which a majority of the disinterested directors of the corporation have assented is presumed to satisfy the standards set forth in division (B) of this section, unless it is proved by clear and convincing evidence that the disinterested directors did

not assent to that act in good faith after reasonable
investigation.

(c) As used in division (C)(2) of this section and for no
other purpose, subject to division (C)(2)(d) of this section,
"disinterested director" means a director of a corporation other
than any of the following:

(i) A director who has a direct or indirect financial or
other interest in the person acquiring or seeking to acquire
control of the corporation or who is an affiliate or associate of,
as defined in section 1704.01 of the Revised Code, or was
nominated or designated as a director by, a person acquiring or
seeking to acquire control of the corporation;

(ii) Depending upon the specific facts surrounding the
director and the act under consideration, an officer or employee
or a former officer or employee of the corporation.

(d) For purposes of division (C)(2)(c) of this section, a
person shall not be considered as other than a disinterested
director solely by reason of any or all of the following:

(i) The ownership by the director of shares of the
corporation;

(ii) The receipt by the director as a holder of any shares of
a class or series of any distribution made to all owners of shares
of that class or series;

(iii) The receipt by the director of director's fees or other
consideration as a director;

(iv) Any interest that the director may have in retaining the
status or position of director;

(v) The former business or employment relationship of the
director with the corporation;

(vi) The receipt of, or the right to receive, retirement or

deferred compensation from the corporation due to service as
director, officer, or employee of the corporation.

(3) A director shall not be considered to be acting in good faith if the director has knowledge concerning the matter in question that would cause reliance on information, opinions, reports, or statements that are prepared or presented by the persons described in divisions (B)(1) to (3) of this section to be unwarranted.

~~(3)~~(4) Nothing contained in ~~this~~ division (C) of this section limits relief available under section 1701.60 of the Revised Code.

(D) A director shall be liable in damages for any action that the director takes or fails to take as a director only if it is proved by clear and convincing evidence in a court of competent jurisdiction that the director's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the corporation or undertaken with reckless disregard for the best interests of the corporation. Nothing contained in this division affects the liability of directors under section 1701.95 of the Revised Code or limits relief available under section 1701.60 of the Revised Code. This division does not apply if, and only to the extent that, at the time of a director's act or omission that is the subject of complaint, the articles or the regulations of the corporation state by specific reference to this division that the provisions of this division do not apply to the corporation.

(E) For purposes of this section, a director, in determining what the director reasonably believes to be in the best interests of the corporation, shall consider the interests of the corporation's shareholders and, in the director's discretion, may consider any of the following:

(1) <u>The interests of effects of any action upon any or all</u>	392
<u>groups affected by that action, including the corporation's</u>	393
<u>employees, suppliers, creditors, and customers;</u>	394
(2) The economy of the state and nation;	395
(3) Community and societal considerations;	396
(4) The long-term as well as short-term interests of the	397
corporation and its shareholders, including <u>the benefits that may</u>	398
<u>accrue to the corporation from its long-term plans and the</u>	399
<u>possibility that these interests may be best served by the</u>	400
<u>continued independence of the corporation;</u>	401
(5) <u>The past, stated, and potential resources, intent, and</u>	402
<u>conduct of any person seeking to acquire control of the</u>	403
<u>corporation;</u>	404
(6) <u>All other pertinent factors.</u>	405
(F) <u>In determining the best interests of a corporation or the</u>	406
<u>effects of any action, a director shall not be required to regard</u>	407
<u>any corporate interest or the interests of any particular group</u>	408
<u>affected by that action as a dominant or controlling interest or</u>	409
<u>factor. The consideration of interests and factors in the manner</u>	410
<u>described in this division and division (E) of this section does</u>	411
<u>not constitute a violation of the duties of a director under</u>	412
<u>division (B) of this section.</u>	413
(G)(1) <u>The duties of a director under division (B) of this</u>	414
<u>section are solely to the corporation and may be enforced directly</u>	415
<u>by the corporation or may be enforced by a shareholder, as such,</u>	416
<u>by an action in the right of the corporation. Those duties may not</u>	417
<u>be enforced directly by a shareholder or by any other person or</u>	418
<u>group.</u>	419
(2) <u>Notwithstanding division (G)(1) of this section,</u>	420
<u>divisions (E) and (F) of this section do not impose upon a</u>	421

director any legal or equitable duties, obligations, or 422
liabilities or create any right or cause of action against, or 423
basis for standing to sue, a director. 424

(H) Nothing contained in division (C) or (D) of this section 425
affects the duties of either of the following: 426

(1) A director who acts in any capacity other than the 427
director's capacity as a director; 428

(2) A director of a corporation that does not have issued and 429
outstanding shares that are listed on a national securities 430
exchange or are regularly quoted in an over-the-counter market by 431
one or more members of a national or affiliated securities 432
association, who votes for or assents to any action taken by the 433
directors of the corporation that, in connection with a change in 434
control of the corporation, directly results in the holder or 435
holders of a majority of the outstanding shares of the corporation 436
receiving a greater consideration for their shares than other 437
shareholders. 438

(I) Except as otherwise expressly provided in this section, 439
the articles and regulations may not contain any provision that 440
relaxes, restricts, is inconsistent with, or supersedes any 441
provision of this section. 442

Sec. 1701.70. (A) If initial directors are not named in the 443
articles, before subscriptions to shares have been received and 444
before the incorporators have elected directors, the incorporators 445
may adopt an amendment to the articles by a writing signed by 446
them. If initial directors are named in the articles, or if the 447
incorporators have elected directors and have not received 448
subscriptions, then before subscriptions to shares have been 449
received, the directors may adopt an amendment to the articles. 450

(B) The directors may adopt an amendment to the articles in 451

the following cases:

(1) When and to the extent authorized by the articles, the directors may adopt an amendment determining, in whole or in part, the express terms, within the limits set forth in this chapter, of any class of shares before the issuance of any shares of that class, or of one or more series within a class before the issuance of shares of that series.

(2) When the corporation has issued shares or obligations convertible into shares of the corporation or has ~~granted options~~ issued option rights or securities having conversion or option rights with respect to the purchase or acquisition of any shares, and the conversion or option rights are set forth in the articles or have been approved by the same vote of shareholders as, at the time of the approval, would have been required to amend the articles to authorize the shares required for that purpose, and the corporation does not have sufficient authorized but unissued shares to satisfy those conversion or option rights, the directors may adopt an amendment to authorize the shares.

(3) Whenever shares of any class have been redeemed, or have been surrendered to or acquired by the corporation upon conversion, exchange, purchase, or otherwise, the directors may adopt an amendment to reduce the authorized number of shares of the class by the number so redeemed, surrendered, or acquired; and when all of the authorized shares of a class have been redeemed or surrendered to or acquired by the corporation, the directors may adopt an amendment to eliminate from the articles all references to the shares of the class and to make other appropriate changes that are required by the elimination.

(4) When articles have been amended and any change of issued or unissued shares provided for in the amendment or amended articles has become effective, the directors may adopt an amendment to eliminate from the articles all references to the

change of shares and to make any other appropriate changes that
are required by the elimination; however, an amendment to the
articles that is so adopted by the directors shall contain a
statement with respect to the authorized number and the par value,
if any, of the shares of each class.

(5) After a merger or consolidation, in which the surviving
or new corporation is a domestic corporation, becomes effective,
the directors may adopt an amendment:

(a) To eliminate from the articles any statement or provision
pertaining exclusively to the merger or consolidation, or that was
required to be set forth in the agreement of merger or
consolidation and that would not be required in original articles
or amendments to articles filed at the time the statement or
provision was adopted;

(b) To make any other appropriate changes required by that
elimination.

An amendment to the articles adopted by the directors under
division (B)(5) of this section need not contain or continue any
statement with respect to the amount of stated capital.

(C) If a vote on the adoption of an amendment is required by
division (B)(4) of section 1701.71 of the Revised Code, any
amendment to the articles adopted pursuant to division (B) of this
section that creates a class or series of shares the express terms
of which provide for the convertibility of the shares into shares
of another class shall also require the approval of the holders,
voting as a class, of any issued and outstanding shares into which
the shares may be converted.

Sec. 1701.75. (A) A corporation, a plan of reorganization of
which shall have been confirmed by the decree or order of a court
of competent jurisdiction pursuant to the provisions of any

applicable statute of the United States relating to reorganization 514
of corporations, may put into effect and carry out the plan and 515
the decrees and orders of the court relative ~~thereto~~ to the plan, 516
and may take any proceeding and do any act provided in the plan or 517
directed by such decrees and orders, without further action by its 518
directors or shareholders. ~~Such~~ That authority may be exercised, 519
and ~~such~~ those proceedings and acts may be taken or done, as 520
directed by such decrees or orders, by the trustee or trustees of 521
~~such~~ the corporation appointed in the reorganization proceedings 522
(or a majority thereof), or if none shall have been appointed, by 523
designated officers of the corporation, or by a master or other 524
representative appointed by the court, with like effect as if 525
exercised and taken by unanimous action of the directors and 526
shareholders of the corporation. 527

(B) A corporation, in the manner provided in division (A) of 528
this section, but without limiting the generality thereof, may: 529
amend its articles in any respect; amend or repeal its regulations 530
or adopt new regulations; name, constitute, reconstitute, 531
classify, or reclassify its directors and appoint directors and 532
officers in place of or in addition to some or all of the 533
directors or officers then in office; make any lawful change in 534
its stated capital; make a determination of the fair value to the 535
corporation of its assets; transfer all or a part of its assets; 536
merge; consolidate; remove or appoint a statutory agent; authorize 537
the ~~granting~~ issuance of option rights or securities having 538
conversion or option rights in respect of shares and other 539
securities; authorize the issuing of notes, bonds, and other 540
evidences of indebtedness, whether or not convertible into shares 541
or other securities; lease its property to any corporation; 542
dissolve; or effect any other change authorized by this chapter. 543

(C) If a plan of reorganization provides for or effects an 544
amendment to the articles or the merger, consolidation, or 545

dissolution of a corporation, or if a plan having such a result is
modified in respect of ~~such that~~ amendment, merger, consolidation,
or dissolution, a certificate of reorganization or an amended
certificate of reorganization, as the case may be, setting forth
such portions of the plan of reorganization or modification
~~thereof of the plan~~ as would otherwise be required to be set forth
in a certificate of amendment, an agreement of merger or
consolidation, or a certificate of dissolution (and, if desired,
any other portions thereof) shall be filed in the office of the
secretary of state and shall operate to effect ~~such that~~
amendment, merger, consolidation, or dissolution. ~~Such The~~
certificate shall be made, subscribed, and filed as may be
directed by such decrees or orders of the court, or, in the
absence of such direction, by the president or a vice-president
and the secretary or an assistant secretary. The certificate shall
contain a statement that the plan of reorganization has been
confirmed by the decree or order of the court designated in the
certificate or that the plan so confirmed has been modified by
order of such court, as the case may be.

(D) If after the filing in the office of the secretary of
state of a certificate of reorganization, or an amended
certificate, a decree or order of court is entered ~~which that~~ has
the effect of vacating ~~said that~~ plan, a certified copy of ~~said~~
the decree or order shall be filed by the corporation in the
office of the secretary of state.

(E) Nonassenting or dissenting shareholders shall have only
such rights as are provided for in the plan of reorganization.

Section 2. That existing sections 1701.15, 1701.16, 1701.17,
1701.35, 1701.59, 1701.70, and 1701.75 of the Revised Code are
hereby repealed.