

HOUSE BILL 272

By Goins

AN ACT to amend Tennessee Code Annotated, Title 4 and Title 48, relative to corporations.

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

SECTION 1. Tennessee Code Annotated, Section 48-26-102(c), is amended by redesignating the existing language in the subsection as a new subdivision (c)(1) and by adding the following language as new subdivisions:

(c)

(2) In addition to the requirements of subdivision (c)(1), in order to inspect the record of shareholders as described in subdivision (b)(3), a shareholder shall:

(A) Be a shareholder of the corporation for at least six (6) months immediately preceding the demand;

(B) Hold at least five percent (5%) of all outstanding shares; or

(C) Be authorized to make the demand, in writing, by the holders of at least five percent (5%) of all outstanding shares.

(3) Subdivision (c)(2) does not apply to shareholders of a corporation with an existing charter containing language conflicting with this subsection (c) as of the effective date of this act, unless a charter amendment is filed to remove the inconsistency.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.