

CHAPTER 211**ELECTRONIC ACCESS TO CORPORATE RECORDS
AND OTHER CORPORATION LAW CHANGES***H.F. 556*

AN ACT relating to corporation law by providing electronic access to corporate records, relating to the removal or resignation of directors, relating to certain notice requirements, and by making certain nonsubstantive corrections.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. **NEW SECTION. 9.7 ACCESS TO CORPORATION RECORDS.**

The secretary of state shall offer to county recorders electronic access to corporation records. The secretary of state shall adopt rules providing for the electronic access and for the dissemination of the information by the county recorders.

Sec. 2. Section 331.602, subsection 27, Code 1991, is amended by striking the subsection.

Sec. 3. Section 490.140, subsection 16, Code 1991, is amended to read as follows:

16. "Person" means a person as defined in section 4.1 ~~and includes an individual and an entity.~~

Sec. 4. Section 490.720, subsection 4, Code 1991, is amended to read as follows:

4. If the corporation refuses to allow a shareholder, or a shareholder's agent or attorney, to inspect the shareholders' list before or at the meeting, or copy the list as permitted by subsection 3 2, the district court of the county where a corporation's principal office or, if none in this state, its registered office, is located, on application of the shareholder, may summarily order the inspection or copying at the corporation's expense and may postpone the meeting for which the list was prepared until the inspection or copying is complete.

Sec. 5. Section 490.803, subsection 3, Code 1991, is amended to read as follows:

3. The articles of incorporation or bylaws may establish a variable range for the size of the board of directors by fixing a minimum and maximum number of directors. If a variable range is established, the number of directors may be fixed or changed from time to time, within the minimum and maximum, by the shareholders or the board of directors. After shares are issued, only the shareholders may change the range for the size of the board or change from a fixed-range fixed to a variable-range size board or vice versa.

Sec. 6. Section 490.808, subsection 4, Code 1991, is amended to read as follows:

4. A director may be removed by the shareholders only at a meeting called for the purpose of removing the director and after notice stating that the purpose, or one of the purposes, of the meeting is removal of the director. A director shall not be removed pursuant to written consents under section 490.704 unless written consents are obtained from the holders of all the outstanding shares of the corporation entitled to vote on the removal of the director.

Sec. 7. Section 490.843, subsection 1, Code 1991, is amended to read as follows:

1. An officer may resign at any time by delivering notice to the corporation. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the corporation accepts the future effective date, its board of directors may fill the pending vacancy before the effective date if the board of directors provides that the successor does not take office until the effective date. A resignation may be orally communicated provided that the resignation is effective only if written notice of the resignation is delivered within twenty-four hours of such oral communication.

Sec. 8. Section 490.1322, subsection 2, Code 1991, is amended to read as follows:

2. The dissenters' notice must be sent no later than ten days after the proposed corporate action by the shareholders was taken is authorized at a shareholders' meeting, or, if the corporate action is taken without a vote of the shareholders, no later than ten days after the corporate action is taken, and must do all of the following:

- a. State where the payment demand must be sent and where and when certificates for certificated shares must be deposited.
- b. Inform holders of uncertificated shares to what extent transfer of the shares will be restricted after the payment demand is received.
- c. Supply a form for demanding payment that includes the date of the first announcement to news media or to shareholders of the terms of the proposed corporate action and requires that the person asserting dissenters' rights certify whether or not the person acquired beneficial ownership of the shares before that date.
- d. Set a date by which the corporation must receive the payment demand, which date shall not be fewer than thirty nor more than sixty days after the date the ~~subsection 1~~ dissenters' notice is delivered.
- e. Be accompanied by a copy of this division.

Sec. 9. Section 490.1325, subsection 1, Code 1991, is amended to read as follows:

1. Except as provided in section 490.1327, as ~~soon as~~ at the time the proposed corporate action is taken, or upon receipt of a payment demand, ~~whichever occurs later~~, the corporation shall pay each dissenter who complied with section 490.1323 the amount the corporation estimates to be the fair value of the dissenter's shares, plus accrued interest.

Sec. 10. Section 490.1326, subsection 2, Code 1991, is amended to read as follows:

2. If after returning deposited certificates and releasing transfer restrictions, the corporation takes the proposed action, it must send a new dissenters' notice under section 490.1322 as if the corporate action was taken without a vote of the shareholders and repeat the payment demand procedure.

Sec. 11. Section 524.306, Code 1991, is amended to read as follows:

524.306 ISSUANCE OF CERTIFICATE OF INCORPORATION.

The receipt of the approved articles of incorporation of a state bank by the secretary of state constitutes filing with that office. The secretary of state shall record the articles of incorporation and forward a copy of them to the county recorder of the county in which the state bank is to have its principal place of business. ~~The county recorder shall record the articles, all as provided by section 490.130.~~ The secretary of state upon the filing of the articles of incorporation shall issue a certificate of incorporation and send the certificate to the incorporators.

Sec. 12. Section 558.42, Code 1991, is amended to read as follows:

558.42 ACKNOWLEDGMENT AS CONDITION PRECEDENT.

It shall not be deemed lawfully recorded, unless it has been previously acknowledged or proved in the manner prescribed in this chapter or chapter 77A, except that ~~documents filed and recorded pursuant to section 490.130~~, affidavits, and certified copies of petitions in bankruptcy with or without the schedules appended, of decrees of adjudication in bankruptcy, and of orders approving trustees' bonds in bankruptcy, and Uniform Commercial Code financing statements and financing statement changes need not be thus acknowledged.

Sec. 13. Section 490.130, Code 1991, is repealed.

Approved May 28, 1991