490.1701 Application of subchapter — definitions.

1. If a corporation elects to become a benefit corporation under this subchapter in the manner prescribed in this subchapter, it is subject in all respects to the provisions of this chapter, except to the extent this subchapter imposes additional or different requirements, in which case such requirements apply. The inclusion of a provision in this subchapter does not imply that a contrary or different rule of law applies to a corporation that is not a benefit corporation. This subchapter does not affect a statute or rule of law that applies to a corporation that is not a benefit corporation.

2. As used in this subchapter:

a. *"Benefit corporation"* means a corporation that includes in its articles of incorporation a statement that the corporation is subject to this subchapter.

b. *"Public benefit"* means a positive effect, or reduction of negative effects, on one or more communities or categories of persons or entities, other than shareholders solely in their capacity as shareholders, or on the environment, including effects of an artistic, charitable, economic, educational, cultural, literary, medical, religious, social, ecological, or scientific nature.

c. *"Public benefit provision"* means a provision in the articles of incorporation which states that the corporation shall pursue one or more identified public benefits.

d. *"Responsible and sustainable manner"* means a manner that does all of the following:

(1) Pursues through the business of the corporation the creation of a positive effect on society and the environment, taken as a whole, that is material taking into consideration the corporation's size and the nature of its business.

(2) Considers, in addition to the interests of shareholders, the interests of stakeholders known to be affected by the conduct of the business of the corporation.

2021 Acts, ch 165, §206, 230
Former section 490.1701 stricken effective January 1, 2022, by 2021 Acts, ch 165, §206, 230