

NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS

30<sup>TH</sup> CONSTITUTIONAL REGULAR SESSION, 2009

BILL NO: 31

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P.L. 2009-15

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1 AN ACT  
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3 to amend Section 100 of the Marshall Islands Business Corporation Act, in order to create an  
4 exception to the appraisal rights of dissenting shareholders of publicly traded companies in a  
5 merger.  
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7 ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS  
8

9 Section 1. Short Title.

10 This Act may be cited as the Business Corporations (Amendment) Act, 2009.

11 Section 2. Amendments.

12 (1) Section 100 is hereby amended to insert a new Subsection (c) to read as follows:

13 § 100. Right of dissenting shareholder to receive payment for shares.

14 Any shareholder of a corporation shall have the right to dissent from any of the following  
15 corporate actions and receive payment of the fair value of his or her shares:

16 (a) any plan of merger or consolidation to which the corporation is a party; or

17 (b) any sale or exchange of all or substantially all of the property and assets of the  
18 corporation not made in the usual and regular course of its business, including a sale  
19 in dissolution, but not including a sale pursuant to an order of a court having  
20 jurisdiction in the premises or a sale for cash on terms requiring that all or  
21 substantially all the net proceeds of sales be distributed to the shareholders in  
22 accordance with their respective interests within one year after the date of sale;  
23 provided however,

1 (c) that the right of a dissenting shareholder to receive payment of the fair value of  
2 his shares shall not be available under this section if for the shares of any class or  
3 series of stock, which shares or depository receipts in respect thereof, at the record  
4 date fixed to determine the shareholders entitled to receive notice of and to vote at  
5 the meeting of shareholders to act upon the agreement of merger or consolidation,  
6 were either (i) listed on a securities exchange or admitted for trading on an interdealer  
7 quotation system or (ii) held of record by more than 2,000 holders. The right of a  
8 dissenting shareholder to receive payment of the fair value of his or her shares shall  
9 not be available under this section for any shares of stock of the constituent  
10 corporation surviving a merger if the merger did not require for its approval the vote  
11 of the shareholders of the surviving corporation as provided in Sections 96 and 98 (4)  
12 of this Division.

13 Section 3. **Effective Date.**

14 This Act shall take effect in accordance with the Constitution and the Rules of Procedures of  
15 the Nitijela.

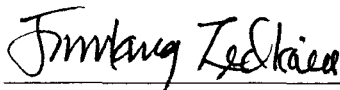
CERTIFICATE

I hereby certify:

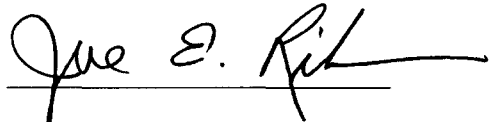
- (1) That Nitijela Bill No: 31 was passed by the Nitijela of the Republic of the Marshall Islands on the 13<sup>th</sup> day of May, 2009; and
- (2) That I am satisfied that Nitijela Bill No.: 31 was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

I hereby place my signature before the Clerk this 5<sup>th</sup> day of June, 2009.

Attest:



Hon. Jurelang Zedkaia  
Speaker  
Nitijela of the Marshall Islands



Joe E. Riklon  
Clerk  
Nitijela of the Marshall Islands