

# COMMITTEE REPORT

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## MADAM PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 62, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 business and other associations.
- 4 Delete everything after the enacting clause and insert the
- 5 following:
- 6 SECTION 1. IC 23-1-44-8, AS AMENDED BY P.L.133-2009,
- 7 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 8 JULY 1, 2012]: Sec. 8. (a) A shareholder is entitled to dissent from,
- 9 and obtain payment of the fair value of the shareholder's shares in the
- 10 event of, any of the following corporate actions:
- 11 (1) Consummation of a plan of merger to which the corporation
- 12 is a party if:
- 13 (A) shareholder approval is required for the merger by
- 14 IC 23-1-40-3 or the articles of incorporation; and
- 15 (B) the shareholder is entitled to vote on the merger.
- 16 (2) Consummation of a plan of share exchange to which the
- 17 corporation is a party as the corporation whose shares will be
- 18 acquired, if the shareholder is entitled to vote on the plan.
- 19 (3) Consummation of a sale or exchange of all, or substantially
- 20 all, of the property of the corporation other than in the usual and
- 21 regular course of business, if the shareholder is entitled to vote
- 22 on the sale or exchange, including a sale in dissolution, but not
- 23 including a sale pursuant to court order or a sale for cash
- 24 pursuant to a plan by which all or substantially all of the net
- 25 proceeds of the sale will be distributed to the shareholders within
- 26 one (1) year after the date of sale.

- 1 (4) The approval of a control share acquisition under IC 23-1-42.
- 2 (5) Any corporate action taken pursuant to a shareholder vote to
- 3 the extent the articles of incorporation, bylaws, or a resolution of
- 4 the board of directors provides that voting or nonvoting
- 5 shareholders are entitled to dissent and obtain payment for their
- 6 shares.
- 7 **(6) The adoption of an amendment to the articles of**
- 8 **incorporation of:**
- 9 **(A) a corporation that is not a flexible purpose**
- 10 **corporation to convert the corporation into a flexible**
- 11 **purpose corporation under IC 23-21-4; or**
- 12 **(B) a flexible purpose corporation to terminate the**
- 13 **corporation's status as a flexible purpose corporation**
- 14 **under IC 23-31-5.**
- 15 (b) This section does not apply to the holders of shares of any class
- 16 or series if, on the date fixed to determine the shareholders entitled to
- 17 receive notice of and vote at the meeting of shareholders at which the
- 18 merger, plan of share exchange, or sale or exchange of property is to be
- 19 acted on, the shares of that class or series were a covered security under
- 20 Section 18(b)(1)(A) or 18(b)(1)(B) of the Securities Act of 1933, as
- 21 amended.
- 22 (c) The articles of incorporation as originally filed or any
- 23 amendment to the articles of incorporation may limit or eliminate the
- 24 right to dissent and obtain payment for any class or series of preferred
- 25 shares. However, any limitation or elimination contained in an
- 26 amendment to the articles of incorporation that limits or eliminates the
- 27 right to dissent and obtain payment for any shares:
- 28 (1) that are outstanding immediately before the effective date of
- 29 the amendment; or
- 30 (2) that the corporation is or may be required to issue or sell after
- 31 the effective date of the amendment under any exchange or other
- 32 right existing immediately before the effective date of the
- 33 amendment;
- 34 does not apply to any corporate action that becomes effective within
- 35 one (1) year of the effective date of the amendment if the action would
- 36 otherwise afford the right to dissent and obtain payment.
- 37 (d) A shareholder:
- 38 (1) who is entitled to dissent and obtain payment for the
- 39 shareholder's shares under this chapter; or
- 40 (2) who would be so entitled to dissent and obtain payment but
- 41 for the provisions of subsection (b);
- 42 may not challenge the corporate action creating (or that, but for the
- 43 provisions of subsection (b), would have created) the shareholder's
- 44 entitlement.
- 45 (e) Subsection (d) does not apply to a corporate action that was
- 46 approved by less than unanimous consent of the voting shareholders
- 47 under IC 23-1-29-4.5(b) if both of the following apply:
- 48 (1) The challenge to the corporate action is brought by a
- 49 shareholder who did not consent and as to whom notice of the
- 50 approval of the corporate action was not effective at least ten

- 1 (10) days before the corporate action was effected.  
 2 (2) The proceeding challenging the corporate action is  
 3 commenced not later than ten (10) days after notice of the  
 4 approval of the corporate action is effective as to the shareholder  
 5 bringing the proceeding.

6 SECTION 2. IC 23-19-2-2.5 IS ADDED TO THE INDIANA  
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 8 [EFFECTIVE JULY 1, 2012]: **Sec. 2.5. (a) The offer or sale of a  
 9 security by an issuer is exempt from IC 23-19-3-1 through  
 10 IC 23-19-3-6 and IC 23-19-5-4 if the offer or sale is conducted in  
 11 accordance with each of the following requirements:**

- 12 (1) The aggregate amount sold within the previous twelve  
 13 (12) month period in reliance upon this exemption is not  
 14 more than one million dollars (\$1,000,000).  
 15 (2) The aggregate amount sold to any investor in reliance  
 16 upon this exemption within the previous twelve (12) month  
 17 period does not exceed ten thousand dollars (\$10,000).  
 18 (3) In the case of a transaction involving an intermediary  
 19 between the issuer and the investor, the intermediary  
 20 complies with subsection (b).  
 21 (4) In the case of a transaction not involving an intermediary  
 22 between the issuer and the investor, the issuer complies with  
 23 subsection (c).

24 **(b) If the issuer uses an intermediary, the intermediary shall:**  
 25 (1) warn investors, including on the intermediary's Internet  
 26 web site used for the offer and sale of a security that is  
 27 exempt under subsection (a), of the speculative nature  
 28 generally applicable to investments in startups, emerging  
 29 businesses, and small issuers, including risks in the  
 30 secondary market related to illiquidity;  
 31 (2) warn investors that they are subject to the restriction on  
 32 sales requirement described under subsection (d);  
 33 (3) take reasonable measures to reduce the risk of fraud with  
 34 respect to an offer or sale that is exempt under subsection  
 35 (a);  
 36 (4) ensure that the issuer is organized in Indiana and is  
 37 subject to the laws of Indiana;  
 38 (5) provide the commissioner with the intermediary's  
 39 physical address, the intermediary's Internet web site  
 40 address, and the names of the intermediary and employees  
 41 of the intermediary, and keep this information up to date;  
 42 (6) provide the commissioner with continuous investor level  
 43 access to the intermediary's Internet web site;  
 44 (7) require each potential investor to answer questions  
 45 demonstrating:

- 46 (A) an understanding of the level of risk generally  
 47 applicable to investments in startups, emerging  
 48 businesses, and small issuers;  
 49 (B) an understanding of the risk of illiquidity; and  
 50 (C) an understanding of other areas as the commissioner

- 1 determines by rule;
- 2 (8) carry out a background check on the issuer's principals;
- 3 (9) provide the commissioner and potential investors with
- 4 notice of the offering, not later than the first day securities
- 5 are offered to potential investors, including:
- 6 (A) the issuer's name, legal status, physical address, and
- 7 Internet web site address;
- 8 (B) the names of the issuer's principals;
- 9 (C) the stated purpose and intended use of the proceeds
- 10 of the offering sought by the issuer; and
- 11 (D) the target offering amount and the deadline to reach
- 12 the target offering amount;
- 13 (10) outsource cash management functions to a qualified
- 14 third party custodian, such as a broker-dealer registered
- 15 under IC 23-19-4-1 or an insured depository institution;
- 16 (11) maintain such books and records as the commissioner
- 17 determines appropriate;
- 18 (12) make available on the intermediary's Internet web site
- 19 a method of communication that permits the issuer and
- 20 investors to communicate with each other;
- 21 (13) provide the commissioner with a notice upon completion
- 22 of the offering, which shall include the aggregate offering
- 23 amount and the number of purchasers; and
- 24 (14) not offer investment advice.
- 25 (c) If an issuer does not use an intermediary, the issuer shall:
- 26 (1) warn investors, including on the issuer's Internet web site
- 27 used for the offer and sale of such securities, of the
- 28 speculative nature generally applicable to investments in
- 29 startups, emerging businesses, and small issuers, including
- 30 risks in the secondary market related to illiquidity;
- 31 (2) warn investors that they are subject to the restriction on
- 32 sales requirement described under subsection (d);
- 33 (3) take reasonable measures to reduce the risk of fraud with
- 34 respect to such transaction;
- 35 (4) be organized in Indiana and subject to the laws of
- 36 Indiana;
- 37 (5) provide the commissioner with the issuer's physical
- 38 address, the issuer's Internet web site address, and the names
- 39 of the principals and employees of the issuer, and keep such
- 40 information up to date;
- 41 (6) provide the commissioner with continuous investor level
- 42 access to the issuer's Internet web site;
- 43 (7) require each potential investor to answer questions
- 44 demonstrating:
- 45 (A) an understanding of the level of risk generally
- 46 applicable to investments in startups, emerging
- 47 businesses, and small issuers;
- 48 (B) an understanding of the risk of illiquidity; and
- 49 (C) an understanding of other areas the commissioner
- 50 determines appropriate by rule;

1           **(8) provide the commissioner with notice of the offering, not**  
 2 **later than the first day securities are offered to potential**  
 3 **investors, including:**

4               **(A) the stated purpose and intended use of the proceeds**  
 5 **of the offering sought by the issuer; and**

6               **(B) the target offering amount and the deadline to reach**  
 7 **the target offering amount;**

8           **(9) outsource cash management functions to a qualified third**  
 9 **party custodian, such as a broker-dealer registered under**  
 10 **IC 23-19-4-1 or an insured depository institution;**

11           **(10) maintain books and records as the commissioner**  
 12 **determines appropriate;**

13           **(11) make available on the issuer's Internet web site a**  
 14 **method of communication that permits the issuer and**  
 15 **investors to communicate with each other;**

16           **(12) not offer investment advice;**

17           **(13) provide the commissioner with a notice upon completion**  
 18 **of the offering, which must include the aggregate offering**  
 19 **amount and the number of purchasers; and**

20           **(14) disclose to potential investors, on the issuer's Internet**  
 21 **web site, that the issuer has an interest in the issuance.**

22           **(d) With respect to a transaction involving the issuance of**  
 23 **securities described under this section, a purchaser may not**  
 24 **transfer the securities during the one (1) year period beginning on**  
 25 **the date of purchase, unless the securities are sold to:**

26               **(1) the issuer; or**

27               **(2) an accredited investor.**

28           **(e) With respect to a transaction described under this section**  
 29 **involving an intermediary, the intermediary may not be required**  
 30 **to register as a broker-dealer under IC 23-19-4-1 solely because of**  
 31 **participation in the transaction.**

32           **(f) This section may not be construed as preventing an issuer**  
 33 **from raising capital through methods not described under this**  
 34 **section.**

35           **(g) The commissioner may by rule establish disqualification**  
 36 **provisions under which an issuer is not eligible to use the**  
 37 **exemption under this section based on the disciplinary history of**  
 38 **the issuer or the issuer's predecessors, affiliates, officers, directors,**  
 39 **or persons fulfilling similar roles. The commissioner may also**  
 40 **establish disqualification provisions under which an intermediary**  
 41 **is not eligible to act as an intermediary in connection with an**  
 42 **offering using the exemption under this section based on the**  
 43 **disciplinary history of the intermediary or the intermediary's**  
 44 **predecessors, affiliates, officers, directors, or persons fulfilling**  
 45 **similar roles.**

46           SECTION 3. IC 23-21 IS ADDED TO THE INDIANA CODE AS  
 47 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 48 2012]:

49           **ARTICLE 21. FLEXIBLE PURPOSE CORPORATIONS**  
 50           **Chapter 1. Definitions**

1           **Sec. 1. (a) The definitions set forth in this chapter apply**  
 2 **throughout this article.**

3           **(b) The definitions set forth in IC 23-1-20 apply throughout**  
 4 **this article unless the context clearly denotes otherwise.**

5           **Sec. 2. "Benefit enforcement proceeding" means a claim or an**  
 6 **action brought directly by a flexible purpose corporation, or**  
 7 **derivatively on behalf of a flexible purpose corporation, against a**  
 8 **director or officer for:**

- 9                   **(1) failure to pursue the general public benefit purpose of the**  
 10 **flexible purpose corporation or any specific public benefit**  
 11 **purpose set forth in the articles of incorporation or bylaws**  
 12 **of the flexible purpose corporation or otherwise adopted by**  
 13 **the board of directors of the flexible purpose corporation; or**  
 14 **(2) a violation of a duty or standard of conduct under this**  
 15 **article.**

16           **Sec. 3. "Flexible purpose corporation" means a corporation**  
 17 **organized under this article that:**

- 18                   **(1) has elected to become subject to this article; and**  
 19                   **(2) has not terminated its status as a flexible purpose**  
 20 **corporation under IC 23-21-5.**

21           **Sec. 4. "General public benefit" means a material, positive**  
 22 **impact on society or the environment taken as a whole.**

23           **Sec. 5. "Public benefit" means a general or specific public**  
 24 **benefit.**

25           **Sec. 6. "Specific public benefit" means a benefit that serves**  
 26 **one (1) or more public welfare, religious, charitable, scientific,**  
 27 **literary, or educational purposes, or other purpose or benefit**  
 28 **beyond the strict interest of the shareholders of the flexible**  
 29 **purpose corporation, including:**

- 30                   **(1) providing low income or underserved individuals or**  
 31 **communities with beneficial products or services;**  
 32                   **(2) promoting economic opportunity for individuals or**  
 33 **communities beyond the creation of jobs in the normal**  
 34 **course of business;**  
 35                   **(3) preserving or improving the environment;**  
 36                   **(4) improving human health;**  
 37                   **(5) promoting the arts, sciences, or advancement of**  
 38 **knowledge;**  
 39                   **(6) increasing the flow of capital to entities with a public**  
 40 **benefit purpose; and**  
 41                   **(7) conferring any other particular benefit on society or the**  
 42 **environment.**

43           **Sec. 7. "Subsidiary" means, in relation to an individual, an**  
 44 **entity in which the individual either:**

- 45                   **(1) owns, directly or indirectly, equity interests that entitle**  
 46 **the individual to cast a majority of the votes entitled to be**  
 47 **cast generally in an election of directors or members of the**  
 48 **governing body of the entity; or**  
 49                   **(2) otherwise owns or controls voting or contractual power**  
 50 **to exercise effective governing control of the entity.**

1 The percentage of ownership of equity interests or ownership or  
 2 control of power to exercise control shall be calculated as if all  
 3 outstanding rights to acquire equity interests in the entity had been  
 4 exercised.

#### 5 Chapter 2. Application

6 Sec. 1. This article applies to every corporation that has  
 7 elected to become a flexible purpose corporation in accordance  
 8 with this article.

9 Sec. 2. The existence of a provision of this article does not itself  
 10 create an implication that a contrary or different rule of law  
 11 applies to a corporation that is not a flexible purpose corporation.  
 12 This article may not be construed to affect a statute or rule of law  
 13 that applies to a corporation that is not a flexible purpose  
 14 corporation.

15 Sec. 3. IC 23-1 (the Indiana business corporation law) applies  
 16 to a corporation that has elected to become a flexible purpose  
 17 corporation under this article, unless a provision of IC 23-1  
 18 conflicts with a provision of this article. In that case, the provisions  
 19 of this article control over IC 23-1.

#### 20 Chapter 3. Formation of a Flexible Purpose Corporation

21 Sec. 1. A flexible purpose corporation may be formed in  
 22 accordance with IC 23-1 and this article. The articles of  
 23 incorporation, as initially filed or as amended, must state that the  
 24 corporation is a flexible purpose corporation.

#### 25 Chapter 4. Election of Status After Formation

26 Sec. 1. (a) A corporation that was not formed as a flexible  
 27 purpose corporation may become a flexible purpose corporation by  
 28 amending the corporation's articles of incorporation so that the  
 29 articles contain, in addition to matters required by IC 23-1, a  
 30 statement that the corporation is a flexible purpose corporation.  
 31 An amendment to the articles of incorporation to create a flexible  
 32 purpose corporation shall be submitted to the shareholders in  
 33 accordance with the procedures set forth in IC 23-1-38. To be  
 34 adopted, the amendment must receive the affirmative votes of  
 35 two-thirds (2/3) of the members entitled to vote.

36 (b) A corporation's board of directors, or the incorporators if  
 37 a board of directors has not been selected, may not amend the  
 38 corporation's articles of incorporation to create a flexible purpose  
 39 corporation without shareholder action.

40 (c) Action taken under this chapter may entitle a shareholder  
 41 to dissenters' rights under IC 23-1-44.

#### 42 Chapter 5. Termination of Status

43 Sec. 1. (a) A flexible purpose corporation may terminate its  
 44 status as a flexible purpose corporation and cease to be subject to  
 45 this article by amending the flexible purpose corporation's articles  
 46 of incorporation in accordance with IC 23-1-38. An amendment to  
 47 terminate a corporation's status as a flexible purpose corporation  
 48 must receive the affirmative votes of two-thirds (2/3) of the  
 49 members entitled to vote. A flexible purpose corporation's board  
 50 of directors, or the incorporators if a board of directors has not

1 been selected, may not amend the flexible purpose corporation's  
 2 articles of incorporation to remove its status as a flexible purpose  
 3 corporation without shareholder action.

4 (b) Action taken under this chapter may entitle a shareholder  
 5 to dissenters' rights under IC 23-1-44.

#### 6 Chapter 6. Corporate Purposes

7 Sec. 1. A flexible purpose corporation must have as one (1) of  
 8 its purposes the purpose of providing a general public benefit. The  
 9 articles of incorporation of a flexible purpose corporation may also  
 10 identify one (1) or more specific public benefits that is the purpose  
 11 of the flexible purpose corporation to provide. A public benefit  
 12 may also be set forth in the bylaws or in a resolution adopted by  
 13 the board of directors. This public purpose is in addition to the  
 14 flexible purpose corporation's public purpose under IC 23-1-22-1  
 15 and any other purpose set forth in the articles of incorporation.

16 Sec. 2. The provision of a public benefit under section 1 of this  
 17 chapter is in the best interests of the flexible purpose corporation.

18 Sec. 3. A flexible purpose corporation may amend its articles  
 19 of incorporation in accordance with IC 23-1-38 to add, amend, or  
 20 delete the identification of a specific public benefit that is the  
 21 purpose of the flexible purpose corporation to provide. An  
 22 amendment to the articles of incorporation under this section must  
 23 receive the affirmative votes of two-thirds (2/3) of the members  
 24 entitled to vote.

#### 25 Chapter 7. Standard of Conduct for Directors

26 Sec. 1. (a) Subject to IC 23-1-35, in discharging the duties of  
 27 their respective positions and in considering the best interests of  
 28 the flexible purpose corporation, the board of directors, a  
 29 committee of the board, and an individual director of a flexible  
 30 purpose corporation:

31 (1) shall consider the effects of any corporate action upon:

32 (A) the shareholders of the flexible purpose corporation;

33 (B) the:

34 (i) employees and workforce of the flexible purpose  
 35 corporation; and

36 (ii) subsidiaries and suppliers of the flexible purpose  
 37 corporation;

38 (C) the interests of customers as beneficiaries of the  
 39 general or specific public benefit purposes of the flexible  
 40 purpose corporation;

41 (D) the community, including each community in which  
 42 an office or facility of the flexible purpose corporation,  
 43 its subsidiaries, or its suppliers are located;

44 (E) the local and global environment;

45 (F) the short term and long term interests of the flexible  
 46 purpose corporation, including benefits that may accrue  
 47 to the flexible purpose corporation from the flexible  
 48 purpose corporation's long term plans, and the  
 49 possibility that these interests and the general and  
 50 specific public benefit purposes of the flexible purpose



1 corporation may be best served by the continued  
 2 independence of the flexible purpose corporation; and  
 3 (G) the ability of the flexible purpose corporation to  
 4 accomplish its general and specific public benefit  
 5 purpose;

6 (2) may consider:

7 (A) the resources, intent, and potential future conduct of  
 8 any person seeking to acquire control of the flexible  
 9 purpose corporation; and

10 (B) other pertinent factors or the interests of any other  
 11 person that they consider appropriate; and

12 (3) are not required to give priority to a particular interest  
 13 referred to in subdivisions (1) and (2) over another interest,  
 14 unless the flexible purpose corporation has stated its  
 15 intention to give priority to that interest in connection with  
 16 a specific public benefit purpose identified in the flexible  
 17 purpose corporation's articles of incorporation.

18 (b) The consideration of interests in the manner required by  
 19 subsection (a) does not constitute a violation of IC 23-1-35 and does  
 20 not create a conflict of interest.

21 (c) In any proceeding brought by or on behalf of a flexible  
 22 purpose corporation or brought by or on behalf of the  
 23 shareholders of a flexible purpose corporation, a director is not  
 24 personally liable for monetary damages for:

25 (1) any action taken as a director if the director performed  
 26 the duties of the office in compliance with IC 23-1 and this  
 27 chapter; or

28 (2) failure of the flexible purpose corporation to provide a  
 29 general public benefit or any specific public benefit specified  
 30 in the flexible purpose corporation's articles of  
 31 incorporation, bylaws, or resolution adopted by the board of  
 32 directors.

### 33 Chapter 8. Limitation of Liability

34 Sec. 1. (a) An officer of a flexible purpose corporation is not  
 35 liable for an action taken that the officer believes, in the officer's  
 36 good faith business judgment, is consistent with:

37 (1) the public benefit specified in the articles of  
 38 incorporation, bylaws, or resolution adopted by the board of  
 39 directors; and

40 (2) the requirements of any third-party standard that are in  
 41 effect for the corporation at the time the action is taken.

42 (b) The liability provided by this chapter is in addition to any  
 43 indemnification provided under IC 23-1-37.

### 44 Chapter 9. Right of Action

45 Sec. 1. The:

46 (1) duties of a director or officer under this article;

47 (2) obligation of a flexible purpose corporation to prepare  
 48 and make available the annual benefit report required under  
 49 IC 23-21-10; and

50 (3) duty of the flexible purpose corporation to provide a

1           **public benefit;**  
 2           **may be enforced only in a benefit enforcement proceeding. A**  
 3           **person may bring an action or otherwise assert a claim only**  
 4           **against a flexible purpose corporation or its directors or officers in**  
 5           **connection with their duties under this article in a benefit**  
 6           **enforcement proceeding under section 2 of this chapter.**

7           **Sec. 2. A benefit enforcement proceeding may be commenced**  
 8           **or maintained only:**

- 9           **(1) directly by the flexible purpose corporation; or**  
 10          **(2) derivatively by:**  
 11               **(A) a shareholder of the flexible purpose corporation;**  
 12               **(B) a director of the flexible purpose corporation; or**  
 13               **(C) another person as specified in the flexible purpose**  
 14               **corporation's articles of incorporation, the flexible**  
 15               **purpose corporation's bylaws, or resolution adopted by**  
 16               **the flexible purpose corporation's board of directors.**

17           **Chapter 10. Annual Benefit Report**

18           **Sec. 1. A flexible purpose corporation shall prepare an annual**  
 19           **benefit report that includes all the following:**

- 20               **(1) A narrative description of the manner in which the**  
 21               **flexible purpose corporation provided or attempted to**  
 22               **provide the public benefit set forth in the flexible purpose**  
 23               **corporation's articles of incorporation, the flexible purpose**  
 24               **corporation's bylaws, or resolution adopted by the flexible**  
 25               **purpose corporation's board of directors.**  
 26               **(2) The extent to which the public benefit was actually**  
 27               **provided.**  
 28               **(3) Any particular circumstances that hindered the flexible**  
 29               **purpose corporation in providing the public benefit.**

30           **Sec. 2. The benefit report shall be made available annually to**  
 31           **each shareholder of the flexible purpose corporation:**

- 32               **(1) not later than one hundred twenty (120) days after the**  
 33               **end of the flexible purpose corporation's fiscal year; or**  
 34               **(2) at the same time that the flexible purpose corporation**  
 35               **delivers any other annual report to its shareholders.**

36           **Sec. 3. A flexible purpose corporation shall post its most recent**  
 37           **benefit report on a publicly accessible portion of its Internet web**  
 38           **site, if any. If a flexible purpose corporation does not have an**  
 39           **Internet web site, it shall make a written or electronic copy of its**  
 40           **most recent benefit report available upon written request from any**  
 41           **person. A flexible purpose corporation is not required to publicly**  
 42           **disclose to persons other than its shareholders any proprietary,**  
 43           **confidential, or individual compensation information contained in**  
 44           **its benefit report if any third party standard adopted by the**  
 45           **directors of the flexible purpose corporation permits the omission**  
 46           **of this information from public disclosure.**

47           **SECTION 4. IC 34-30-2-96.1 IS ADDED TO THE INDIANA**  
 48           **CODE AS A NEW SECTION TO READ AS FOLLOWS**  
 49           **[EFFECTIVE JULY 1, 2012]: Sec. 96.1. IC 23-21 (Concerning the**  
 50           **liability of an officer and director of a flexible purpose corporation**

1 **for an action taken to provide a public benefit).**  
(Reference is to SB 62 as introduced.)

**and when so amended that said bill be reassigned to the Senate Committee on Commerce and Economic Development.**

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LONG, Chairperson