



HOUSE OF REPRESENTATIVES
128TH GENERAL ASSEMBLY
SECOND SESSION - 1976

HOUSE BILL NO. _____

916 MAR 8 1976

AN ACT TO AMEND CHAPTER 1, TITLE 8, DELAWARE CODE, RELATING TO THE GENERAL CORPORATION LAW.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Two-thirds of all the members elected to each House thereof concurring therein):

Section 1. Amend Subchapter VI, Chapter 1, Title 8, Delaware Code by adding thereto a new Section to be designated as §203 to read as follows:

"§203. Tender Offers.

(a) No offeror shall make a tender offer unless:

(1) Not less than 20 nor more than 60 days before the date the tender offer is to be made, the offeror shall deliver to the corporation whose equity securities are to be subject to the tender offer, at its registered office in this State or at its principal place of business, a written statement of the offeror's intention to make the tender offer. The statement shall include the name and address of the offeror and of each director and principal officer of the offeror; a description of the equity securities to be purchased and the consideration to be offered; the duration of the offer; the date on which the offeror may first purchase tendered securities; the amount or number of equity securities to be purchased or the manner in which such number or amount will be determined; whether the offeror will unconditionally accept all or any part of the equity securities tendered and, if not, upon what conditions acceptance will be made; the number or amount of any equity securities of the corporation owned beneficially by the offeror and any associate of the offeror as of the date of the delivery of the statement; a description of any contract, agreement or understanding to which the offeror or

any associate of the offeror is a party with respect to the ownership, 1
voting rights or any other interest in any equity security of the 2
corporation; and, if the offer permits the purchase of less than all 3
the outstanding equity securities issued by the corporation, copies 4
of a balance sheet of the offeror as of the end of its last fiscal 5
year and of its income statements for the three fiscal years 6
preceding the offer: 7

(2) The tender offer shall remain open for a period of at least 8
20 days after it is first made to the holders of the equity securities, 9
during which period any stockholder may withdraw any of the equity 10
securities tendered to the offeror, and any revised or amended tender 11
offer which changes the amount or type of consideration offered or 12
the number of equity securities for which the offer is made shall 13
remain open for an additional period of at least 10 days following 14
the amendment; and 15

(3) The offeror and any associate of the offeror will not pur- 16
chase or pay for any tendered equity security for a period of at least 17
20 days after the tender offer is first made to the holders of the 18
equity securities, and no such purchase or payment shall be made 19
within 10 days after an amended or revised tender offer if the amend- 20
ment or revision changes the amount or type of consideration offered 21
or the number of equity securities for which the offer is made. If 22
during the period the tender offer must remain open pursuant to the 23
provisions of this Section, a greater number of equity securities is 24
tendered than the offeror is bound or willing to purchase, the equity 25
securities shall be purchased pro rata, as nearly as may be, according 26
to the number of shares tendered during such period by each equity 27
security holder; 28

(b) Notwithstanding the foregoing: 29

(1) Whenever an offeror has delivered the statement required 30
by subsection (a)(1) of this Section, a subsequent offeror who shall 31
also deliver the statement required by subsection (a)(1) of this 32
Section may thereafter make a tender offer for equity securities of 33
the same class as in the original offer at or after the date this 34
Section permits the original offeror to make an offer. 35

(2) If the original offeror has made a tender offer in compliance 36

with this Section, the date upon which a subsequent offer for equity securities of the same class may close and the offeror purchase or pay for equity securities tendered thereunder may be the same as provided in the original offer at the date the subsequent offer is made.

(c) As used in this Section, the term:

(1) 'Offeror' means any person, corporation, partnership, unincorporated association or other entity who makes a tender offer, and includes any two or more of the same who make a tender offer jointly or intend to exercise jointly or in concert any voting rights of the equity securities for which the tender offer is made;

(2) 'Tender Offer' means any offer to purchase or invitation to tender equity securities for purchase made by an offeror to more than 30 of the holders of equity securities of any corporation organized under this Chapter if, after the consummation thereof, the offeror and any associate of the offeror would own beneficially, directly or indirectly, more than five percent of any class of the outstanding equity securities of the corporation, unless the offer is exempted by any other provision of this Section;

(3) 'Tender Offer' does not mean:

(i) An offer made by a corporation to purchase its own equity securities or equity securities of another corporation, if a majority of the shares entitled to vote in the election of directors of such corporation is held directly or indirectly by the offering corporation;

(ii) An offer to purchase equity securities to be effected by a registered broker-dealer on a stock exchange or in the over-the-counter market if the broker performs only the customary broker's function, and receives no more than the customary broker's commissions, and neither the principal nor the broker solicits or arranges for the solicitation of orders to sell such equity securities;

(4) A tender offer is 'made' when it is first published or sent or given to the holders of the equity securities;

(5) 'Equity Security' means any stock, bond, or other obligation the holder of which has the right to vote, or any security convertible

into, or any right, option or warrant to purchase, any such stock,
bond or other obligation;

(6) 'Associate of the Offeror' means:

(i) Any corporation or other organization of which the
offeror is an officer, director or partner, or is, directly or
indirectly, the beneficial owner of 10% or more of any class of
equity securities;

(ii) Any person who is an officer, director, partner or
managing agent of an offeror, or who is, directly or indirectly,
the beneficial owner of 10% or more of any class of equity
securities of the offeror;

(iii) Any trust or other estate in which the offeror has a
substantial beneficial interest or as to which the offeror serves
as trustee or in a similar fiduciary capacity; or

(iv) The spouse of the offeror, or any relative of the
offeror or of such spouse who has the same home as the offeror;

(d) The certificate of incorporation of any corporation organized
under this Chapter may provide that tender offers for the purchase of its
equity securities shall not be subject to the provisions of this Section.

(e) The Court of Chancery is hereby vested with exclusive jurisdic-
tion summarily to hear and determine alleged violations of the provisions
of this Section. The Court may, in its discretion, award such relief as
it may deem just and proper, including directing the corporation to refuse
to transfer on its books and to refuse to recognize the vote with respect
to any equity security acquired pursuant to a tender offer which does not
comply with or is not exempt under the provisions of this Section."

Section 2. Amend §253(d), Subchapter IX, Chapter 1, Title 8, Delaware Code, by
striking said subsection (d) in its entirety and substituting in lieu thereof a new
subsection (d) to read as follows:

"(d) In the event all of the stock of a subsidiary Delaware corporation
party to a merger effected under this Section is not owned by the parent corpora-
tion immediately prior to the merger, the stockholders of the subsidiary
Delaware corporation party to the merger shall have appraisal rights and the
surviving corporation shall comply with the provisions of subsection (b)(2) of
§262 of this Title. Thereafter, the surviving corporation and the stockholders
shall have such rights and duties and shall follow the procedures set forth in

subsections (c) to (j), inclusive, of §262 of this Title."

Section 3. Amend §262(a), Subchapter IX, Chapter 1, Title 8, Delaware Code by striking said subsection (a) in its entirety and substituting in lieu thereof a new subsection (a) to read as follows:

"(a) Appraisal rights under this Section shall be available only for the shares of any stockholder who has complied with the provisions of subsection (b) of this Section and has neither voted in favor of the merger nor consented thereto in writing pursuant to §228. When used in this Section, the word 'stockholder' means a holder of record of stock in a stock corporation and also a member of record of a non-stock corporation; the words 'stock' and 'share' mean and include what is ordinarily meant by those words and also membership or membership interest of a member of non-stock corporation."

Section 4. Amend §262(b), Subchapter IX, Chapter 1, Title 8, Delaware Code by striking said subsection (b) in its entirety and substituting in lieu thereof a new subsection (b) to read as follows:

"(b) Appraisal rights under this Section shall be determined as follows:

(1) If a proposed merger or consolidation for which appraisal rights are provided under this Section is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, shall notify each of its stockholders entitled to such appraisal rights that appraisal rights are available for any or all of the shares of the constituent corporations, and shall include in such notice a copy of this Section. Each stockholder electing to demand the appraisal of his shares under this Section shall deliver to the corporation, before the taking of the vote on the merger or consolidation, a written demand for appraisal of his shares. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of his shares; provided, however, that such demand must be in addition to and separate from any proxy or vote against the merger. Within 10 days after the effective date of such merger or consolidation, the surviving corporation shall notify each stockholder of each constituent corporation who has complied with the provisions of this subsection and has not voted in favor of or consented to the merger or consolidation of the date that the merger or consolidation has become effective; or

(2) If the merger or consolidation was approved pursuant to §228 or §253 of this Chapter, the surviving corporation, either before the effective date of the merger or within 10 days thereafter, shall notify each of the stockholders entitled to appraisal rights of the effective date of the merger or consolidation that appraisal rights are available for any or all of the shares of the constituent corporations. A copy of this Section shall be included in the notice. The notice shall be sent by certified or registered mail, return receipt requested, addressed to the stockholder at his address as it appears on the records of the corporation. Any stockholder entitled to appraisal rights may, within 20 days after the date of mailing of the notice, demand in writing from the surviving corporation the appraisal of his shares. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of his shares."

Section 5. Amend §262(c), Subchapter IX, Chapter 1, Title 8, Delaware Code by striking said subsection (c) in its entirety and substituting in lieu thereof a new subsection (c) to read as follows:

"(c) Within 120 days after the effective date of the merger or consolidation, the corporation or any stockholder who has complied with the provisions of subsections (a) and (b) hereof and who is otherwise entitled to appraisal rights under this Section, may file a petition in the Court of Chancery demanding a determination of the value of the stock of all such stockholders. Notwithstanding the foregoing, at any time within 60 days after the effective date of the merger or consolidation, any stockholder shall have the right to withdraw his demand for appraisal and to accept the terms offered upon the merger or consolidation."

Section 6. Amend §262(e), Subchapter IX, Chapter 1, Title 8, Delaware Code, by striking said subsection (e) in its entirety and substituting in lieu thereof a new subsection (e) to read as follows:

"(e) After the hearing on such petition, the Court shall determine the stockholders who have complied with the provisions of this Section and who have become entitled to appraisal rights under this Section. The Court may require the stockholders who demanded payment for their shares to submit their certificates of stock to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with such

direction, the Court may dismiss the proceedings as to such stockholder." 1

Section 7. Amend §262(f), Subchapter IX, Chapter 1, Title 8, Delaware Code by 2

striking said subsection (f) in its entirety and substituting in lieu thereof a new 3

subsection (f) to read as follows: 4

"(f) After the determination of the stockholders entitled to an appraisal, 5

the Court shall appraise the shares, determining their fair value exclusive of 6

any element of value arising from the accomplishment or expectation of the 7

merger. Upon application by any stockholder entitled to participate in the 8

appraisal proceeding or by the corporation, the Court may, in its discretion, 9

permit discovery or other pretrial proceedings and may proceed to trial upon 10

the appraisal prior to the final determination of those other stockholders who 11

have complied with this Section. Any stockholder whose name appears on the list 12

filed by the corporation pursuant to subsection (d) of this Section and who has 13

submitted his certificates of stock to the Register in Chancery, if such is 14

required, may participate fully in all proceedings until the Court shall deter- 15

mine that he is not entitled to appraisal rights under this Section. " 16

Section 8. Amend §262(g), Subchapter IX, Chapter 1, Title 8, Delaware Code by 17

striking said subsection (g) in its entirety and substituting in lieu thereof a new 18

subsection (g) to read as follows: 19

"(g) The Court shall direct the payment of the appraised value of the 20

shares, together with interest, if any, by the surviving or resulting corporation 21

to the stockholders entitled thereto upon the surrender to the corporation of 22

the certificates representing such stock. The Court's decree may be enforced as 23

other decrees in the Court of Chancery may be enforced, whether such surviving 24

or resulting corporation be a corporation of this State or of any other State." 25

Section 9. Amend §262(h), Subchapter IX, Chapter 1, Title 8, Delaware Code by 26

striking said subsection (h) in its entirety and substituting in lieu thereof a new 27

subsection (h) to read as follows: 28

"(h) The costs of the proceeding may be determined by the Court and taxed 29

upon the parties as the Court deems equitable in the circumstances. Upon the 30

application of any party in interest, the Court shall determine the amount of 31

interest, if any, to be paid upon the value of the stock of the stockholders 32

entitled thereto. In making its determination with respect to interest, the 33

Court may consider all relevant factors, including the rate of interest which 34

the corporation has paid for money it has borrowed, if any, during the pendency 35

of the proceeding. Upon application of a stockholder, the Court may order all 1
of a portion of the expenses incurred by any stockholder in connection with the 2
appraisal proceeding, including, without limitation, reasonable attorney's fees 3
and the fees and expenses of experts, to be charged pro rate against the value 4
of all of the shares entitled to an appraisal." 5

Section 10. Amend §262(i), Subchapter IX, Chapter 1, Title 8, Delaware Code by 6
striking said subsection (i) in its entirety and substituting in lieu thereof a new 7
subsection (i) to read as follows: 8

"(i) Any stockholder who has demanded his appraisal rights as provided in 9
subsection (b) of this Section shall thereafter neither be entitled to vote such 10
stock for any purpose nor be entitled to the payment of dividends or other 11
distribution on the stock (except dividends or other distributions payable to 12
stockholders of record at a date which is prior to the effective date of the 13
merger or consolidation); provided, however, that if no petition for an appraisal 14
shall be filed within the time provided in subsection (c) of this Section, or if 15
such stockholder shall deliver to the corporation a written withdrawal of his 16
demand for an appraisal and an acceptance of the merger or consolidation, either 17
within 60 days after the effective date of the merger or consolidation as pro- 18
vided in subsection (c) of this Section or thereafter with the written approval 19
of the corporation, then the right of such stockholder to appraisal shall cease. 20
Notwithstanding the foregoing, no appraisal proceeding in the Court of Chancery 21
shall be dismissed as to any stockholder without the approval of the Court, and 22
such approval may be conditioned upon such terms as the Court deems just." 23

Section 11. Amend §262(k), Subchapter IX, Chapter 1, Title 8, Delaware Code by 24
striking said subsection (k) in its entirety and substituting in lieu thereof a new 25
subsection (k) to read as follows: 26

"(k) Unless otherwise provided in the certificate of incorporation of the 27
corporation issuing such shares, no appraisal rights under this Section shall be 28
available for the shares of any class or series of stock which, at the record 29
date fixed to determine the stockholders entitled to receive notice of and to 30
vote at the meeting of stockholders to act upon the agreement of merger or con- 31
solidation, were either (1) listed on a national securities exchange or (2) held 32
of record by more than 2,000 stockholders. No appraisal rights shall be available 33
for any shares of stock of the constituent corporation surviving a merger if the 34
merger did not require for its approval the vote of the stockholders of the 35

surviving corporation as provided in subsection (f) of §251 of this Title." 1

Section 12. Amend §262, Subchapter IX, Chapter 1, Title 8, Delaware Code by 2
adding thereto a new subsection to be designated as subsection (1) to read as follows: 3

"(1) Notwithstanding the provisions of subsection (k) of this Section, 4
appraisal rights under this Section shall be available for the shares of any 5
class or series of stock of a constituent corporation if the holders thereof are 6
required by the terms of an agreement of merger or consolidation pursuant to 7
§251 or §252 of this Title to accept for such stock anything except (1) shares 8
of stock of the corporation surviving or resulting from such merger or consoli- 9
dation; (2) shares of stock of any other corporation which at the effective 10
date of the merger or consolidation will be either listed on a national securities 11
exchange or held of record by more than 2,000 shareholders; (3) cash in lieu 12
of fractional shares of the corporations described in clauses (1) and (2) of this 13
subsection; or (4) any combination of the shares of stock and cash in lieu of 14
fractional shares described in clauses (1), (2) and (3) of this subsection." 15

Section 13. Amend §284, Subchapter X, Chapter 1, Title 8, Delaware Code by 16
striking the words "and shall be published by him in the next volume of laws, which 17
he shall cause to be published" as the same appear in said Section in their entirety. 18

Section 14. Amend §371(b)(2), Subchapter XV, Chapter 1, Title 8, Delaware Code 19
by striking the word "sworn" as the same appears on the first line thereof in its 20
entirety; and be adding the following sentence to the end of said subsection: 21

"The statement shall be acknowledged in accordance with §103 of this Title." 22

Section 15. Amend §505, Chapter 5, Title 8, Delaware Code by relettering 23
present subsection (b) thereof as subsection (c), present subsection (c) thereof as 24
subsection (d), and present subsection (d) thereof as subsection (e); by inserting 25
the words and figures "and (b)" following the words and figures "subsection (a)" and 26
preceding the words "of this Section" in line 3 of present subsections (c) and (d) 27
thereof, and by adding to said §505 two new subsection (b) and (f) to read as follows: 28

"(b) Prior to the filing of a certificate required by §312(c) of this 29
Title, a corporation may petition the Secretary of State for a reduction of 30
taxes, penalties or interest which the State claims are due it pursuant to 31
§312(g) of this Title and which the corporation claims have been erroneously or 32
illegally fixed." 33

"(f) The Secretary of State may, for good cause shown, permit a corporation 34
to file a petition pursuant to subsection (a) of this Section within two years 35

following the expiration of the 60 day period provided for in subsection (a) 1
of this Section." 2

Section 16. Section 1 of this Act shall take effect on May 1, 1976, and shall 3
apply to all tender offers which become effective on or after May 1, 1976. Sections 4
2 through 12 of this Act shall take effect on July 1, 1976, and shall apply to all 5
mergers and consolidations which become effective on or after July 1, 1976. The 6
remaining Sections of this Act shall take effect on July 1, 1976. 7

Section 17. All rights, privileges and annuities vested or accrued by and 8
under any laws enacted prior to the adoption or amendment of this Act, all suits 9
pending, or rights of actions convened, and/or duties, restrictions, liabilities 10
and penalties imposed or required by and under laws enacted prior to the adoption 11
or amendment of this Act, shall not be impaired, diminished or affected by this Act. 12

COMMENTARY

§203. Tender Offers

Section 203 is a new provision designed to prevent certain abuses which have arisen in connection with offers for tenders of shares. During the past several years a number of public offers to purchase shares of stock in a corporation have been made upon such short notice that the stockholders have not been given ample opportunity to determine if the offer is fair, or to see if some more favorable offer might be made in the auction of an open market. Even management in some instances has not had time to evaluate the fairness of the offer and to determine whether to recommend it to its stockholders, to oppose it, or to take no position. The statute here proposed would require any such offeror to give notice to the corporation of the basic terms of a proposed offer 20 days before it is to open and to keep the offer open for a minimum of 20 days. By providing this minimum period of 40 days, the stockholders will have time to evaluate the offer, and the market place will have an opportunity to react to the offer.

The statute would apply only to offers made to more than 30 stockholders, so it will not affect closely held corporations or casual, non-public offer. It applies only to an offer which will result in the acquisition of 5% of the outstanding stock of the corporation. Provisions are made to permit competing offers, if they should develop, to have an equal opportunity for consideration by stockholders.

The Court of Chancery is empowered to enforce the provisions of this Section by any order deemed appropriate. Specific authority is given to the Court to authorize a corporation to refuse to transfer or recognize the vote of shares purchased in violation of this Section. The jurisdiction of the Court of Chancery is expressly stated to be exclusive to avoid any suggestion that an action under this Section could also lie in the Superior Court.

§253 and §262. Appraisal Rights

The proposed amendments to §253 and §262 are designed to effect the procedural means by which a minority stockholder is able to obtain an appraisal of his shares in a Delaware corporation which is involved in a merger or consolidation. There is no intent to modify or affect the substantive law which is determinative of the right to an appraisal or the substantive law used to value shares of stock subject to an appraisal. Set forth below is a brief summary of some of the more significant proposals of the amendments to §253 and §262.

The procedure for obtaining an appraisal is consolidated with §262(b), and the procedural requirements are eliminated from §253(d) -- thus streamlining §253(d) and conveniently placing all of the provisions in §262(b). Also, §262(b) will add the requirement of the corporation notifying its stockholders of the existence of appraisal rights. The notification procedure by the stockholders to the corporation is modified so that only one pre-merger demand is required by a stockholder in order to qualify for appraisal rights and the demand form is substantially liberalized to avoid the strict requirements which have caused hardship to unsophisticated investors.

The present statute contains circuitous and arbitrary provisions governing the time limits for an appraisal so that an appraisal action may be filed up to four months and

and 50 days following the effective date of the merger. Under the proposal to §262(c), this period would be changed to 120 days and provision made for the filing of an appraisal action immediately following the effective date of the merger. However, the stockholder has been afforded the opportunity to change his mind and withdraw the appraisal action during the first 60 days of the 120 day period.

At present, the statute requires the court to appoint an appraiser who is charged with the obligation of determining the fair or intrinsic value of the stock which is being appraised. Then, if either party disagrees with the appraiser's findings, the party has the right to have his exceptions heard in the Court of Chancery. Experience has shown this two-step procedure to be wasteful of time and money. Thus, proposed modifications to §262(e) through §262(g) provide for the streamlining of the appraisal process by the elimination of the appraiser. The action will now be heard by the Court of Chancery in the first instance. Also, the process is further streamlined by permitting the determination of the value of the stock to go forward while the court is still determining which stockholders have complied with the statute and are entitled to an appraisal. In the past, the court has been required to determine, sometimes through a lengthy process, those stockholders entitled to an appraisal before the actual appraisal process can begin. Again, experience has shown this to be a time-consuming and wasteful process.

The proposed revisions to §262(h) are intended to provide a more equitable means of sharing the cost of an appraisal. Under the present practice, each stockholder bears his own expenses in the appraisal so that if one stockholder hires an attorney and expert witnesses, he must bear all of the expenses while all of the other stockholders receive the benefit of the attorney's representation and the testimony of the expert witnesses. This has resulted in unfairness to the stockholder who has neither the money nor a sufficient stock interest in the corporation to hire attorneys and experts. Also, the stockholder who does hire attorneys and experts is unfairly taxed with all of the cost. Under the proposed revisions of §262(h), all of the stockholders would share the expenses of the attorneys and experts who have achieved a benefit for them. In addition, minor changes are suggested in the matters which the court may consider in awarding interest to the stockholders.

The proposed revisions to §262(i) are intended to permit the appraisal action to be dismissed as to a stockholder if the stockholder has arrived at a settlement with the corporation. The procedures for obtaining such a dismissal, including court approval, are set forth in §262(i).

At present, §262(k) contains a confusing statement of the applicability of §262 to certain mergers and stock which is widely held by the security holders of the corporation. To avoid the confusion, it is proposed that §262(k) be divided into subsections (k) and (l). No substantive change is intended by this amendment.

§284.

The Secretary of State no longer publishes the session laws, so it would be necessary to amend this Section to reflect this change. However, there does not appear to be any reason to require any such publication of decrees of dissolution. The decree, of course, will be recorded in the Register in Chancery's record. The required publication is, therefore, deleted by the proposed amendment.

§371(b)(2).

The present provisions of §371(b)(2) require that the statement filed by a foreign corporation to qualify for doing business in Delaware be "sworn", thereby requiring notarization. This requirement has been liberalized in §103, which governs execution of instruments generally, and the proposed amendment to §371(b)(2) brings that Section into line with all other code provisions by referring to §103.

§505.

The two subsections (b) and (f) will be added to §505. The existing subsections (b) through (d) will be relettered (c) through (e) and the references in (c) and (d) changed to refer to (a) and (b). The change effected by the new subsections is to permit a corporation which wants to revive its charter to petition for a reduction of unpaid taxes which had been assessed against it. The Secretary of State presently has no authority to hear such an application, even though the assessments might have been erroneous. The provision in subsection (f) is to allow the Secretary of State the discretion to grant an extension of time, for good cause, for a corporation to petition for a reduction in taxes. The present limit of 60 days creates a hardship in some cases, and the Secretary should be able to extend this filing period.

Sponsor Rep. McGinnis

Committee



HOUSE OF REPRESENTATIVES

128TH GENERAL ASSEMBLY

SECOND SESSION - 1976

HOUSE AMENDMENT NO.

TO

HOUSE BILL NO. 916

1 APR 8 1976

AMEND HOUSE BILL NO. 916 by striking the word "pricipal" as the same appears 1
on line 11 of page 1 thereof in its entirety and substituting in lieu thereof the 2
word "principal". 3

FURTHER AMEND HOUSE BILL NO. 916 by striking the word "offer" as the same 4
appears on line 3 of page 2 thereof in its entirety and substituting in lieu thereof 5
the word "offeror". 6

FURTHER AMEND HOUSE BILL NO. 916 by adding after the word "of" and before the 7
word "non-stock" as the same appear on line 12 of page 5 thereof the word "a". 8

FURTHER AMEND HOUSE BILL NO. 916 by striking the word "reasonable" as the 9
same appears on line 12 of page 6 thereof in its entirety and substituting in lieu 10
thereof the word "reasonably". 11

FURTHER AMEND HOUSE BILL NO. 916 by striking the word "coporation" as the same 12
appears on line 25 of page 7 thereof in its entirety and substituting in lieu thereof 13
the word "corporation". 14

FURTHER AMEND HOUSE BILL NO. 916 by striking the word "of" as the same 15
appears on line 2 of page 8 thereof in its entirety and substituting in lieu 16
thereof the word "or". 17

FURTHER AMEND HOUSE BILL NO. 916 by striking the word "offer" as the same 18
appears on the second line of the second paragraph of the commentary on page 10 19
thereof in its entirety and substituting in lieu thereof the word "offers". 20

FURTHER AMEND HOUSE BILL NO. 916 by striking the word "amendmens" as the same 2
appears on the first line of the fourth paragraph of the commentary on page 10
thereof in its entirety and substituting in lieu thereof the word "amendments". 23