

Alabama

**CORPORATION
LAW**

FOURTH EDITION

**2017-2018 Supplement
(Issued in October 2017)**

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Introduction to the 2017–2018 Supplement

New features and recent developments in this supplement to *Alabama Corporation Law* include:

- Summary of the new “Revised Uniform Fiduciary Access to Digital Assets Act,” which takes effect on January 1, 2018
- Brief treatment of the background, applicability, and guarantees of the Alabama Securities (Uniform Securities) Act as part of the materials related to shareholder rights
- A one year extension for the Alabama Business and Agribusiness Jobs Act, accompanied by a reduction in the “maximum balance for outstanding job incentives” for the one year period
- Cases decided, and handed down, featuring Alabama law, plus pertinent, new legislation affecting the corporate-business area

Preface

Alabama Corporation Law was first published in 1995, after having been in progress for some six years. Completion of that initial edition paralleled enactment of the Alabama version of the (Revised) Model Business Corporation Act, which was developed over a similar period by a statutory revision committee of the state's law reform, law revision agency, the Alabama Law Institute. The statute was enacted in the 1994 Regular Session of the Alabama Legislature, and became effective on January 1, 1995.

The fourth edition features the 2011 Alabama Business and Nonprofit Entity Code, enacted by the legislature in its 2009 regular Session, and effective in Alabama since January 1, 2011. The new "Code," at Title 10A, has 30 chapters, and contains all laws governing the state's profit and nonprofit entities. It incorporates in Chapter 2, "Business corporations," provisions of the 1994 Act, as renumbered, amended technically, and changed in some instances. It also contains a new Chapter 1, "General provisions," with statutory norms common to, and applicable for, all chapters and entities. A considerable number of the 1994 Act's sections were transferred to this new Chapter, and amended as necessary to reflect this broader scope and coverage.

The book itself has 18 chapters, as before, including, in Chapter 2, a summary of Alabama law governing both profit and various special purpose corporations. It also includes, in Chapter 1, brief treatment of noncorporate business entities such as general and limited partnerships and limited liability companies. Effects of the 2011 Alabama Business and Nonprofit Entity Code on these respective entities are discussed in both cases.

Individual chapters of the book contain, typically, a snapshot of Alabama law in the subject area, principal sections of the Alabama Business and Nonprofit Entity Code and their applicability, and comparisons to prior or "pre-1994" law in various instances.

ALABAMA CORPORATION LAW

This supplement covers action of the Alabama Legislature during its 2017 Regular Session ending on Friday, May 19, 2017. Also included are cases available through 214 So. 3d, and through June 27, 2017 on WESTLAW.

The dates in parentheses after the citations to the Alabama Code indicate the year of the last amendment of the Code section cited.

Acknowledgments

The author acknowledges, and offers continued appreciation to those publishers and law revision organizations who authorized, as this book was being developed, citation of, and quotations from, their copyrighted works. Special acknowledgement is made to West Publishing Company for permission to cite extensively from Henn and Alexander, *Laws of Corporations and Other Business Enterprises* (3rd ed. 1983) and to cite other West works; The Foundation Press, Inc., for permission to draw upon its works in similar fashion and to cite extensively to Cary and Eisenberg, *Cases and Materials on Corporations* (5th ed. 1980 and 6th ed. 1988); and Little Brown Company for permission to cite and draw upon its works, including O'Kelly and Thompson, *Corporations and Other Business Associations—Cases and Materials* (1992) and Eisenberg, *The Structure of the Corporation* (1976).

Gratitude is also expressed to Clark Boardman Callaghan for permission to include references to *Fletcher Cyclopedia of Law of Corporations* (Perm. Ed.); Aspen Law and Business for permission to use citations to, and quotes from, *Official Comments to the (Revised) Model Business Corporation Act Annotated*; Simon and Schuster for permission to quote Berle and Means, *The Modern Corporation and Private Property*, as published and copyrighted by MacMillan and Company in 1993; and the American Law Institute for permission to reprint, and include, references from the *Principals of Corporate Governance*, copyright 1993 by The American Law Institute.

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