

CHAPTER 355

H.B. No. 1180

AN ACT

relating to notice of intention to dissolve a corporation.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section A, Article 6.04, Texas Business Corporation Act, is amended to read as follows:

A. Before filing articles of dissolution:

(1) The corporation shall cease to carry on its business, except insofar as may be necessary for the winding up thereof.

(2) The corporation shall cause written notice by registered *or certified* mail of its intention to dissolve to be mailed to each known creditor of and claimant against the corporation.

(3) The corporation shall proceed to collect its assets, convey and dispose of such of its properties as are not to be distributed in kind to its shareholders, pay, satisfy, or discharge its liabilities and obligations, or make adequate provision for payment and discharge thereof, and do all other acts required to liquidate its business and affairs; in case its property and assets are not sufficient to satisfy or discharge all the corporation's liabilities and obligations, the corporation shall apply them so far as they will go to the just and equitable payment of the liabilities and obligations. After paying or discharging all its obligations, or making adequate provision for payment and discharge thereof, the corporation shall then distribute the remainder of its assets, either in cash or in kind, among its shareholders according to their respective rights and interests.

(4) The corporation, at any time during the liquidation of its business and affairs, may make application to any district court of this State in the county in which the registered office of the corporation is situated to have the liquidation continued under the supervision of such court as provided in this Act.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on April 23, 1987, by the following vote: Yeas 138, Nays 0, 1 present, not voting. Passed by the Senate on May 28, 1987, by the following vote: Yeas 30, Nays 0.

Approved June 11, 1987.

Effective June 11, 1987.