



General Assembly

February Session, 2008

Raised Bill No. 441

LCO No. 2040

02040_____JUD

Referred to Committee on Judiciary

Introduced by:
(JUD)

**AN ACT CONCERNING STANDARDS OF CONDUCT FOR
CORPORATE DIRECTORS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (d) of section 33-756 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2008*):

4 (d) For purposes of sections 33-817, 33-830, 33-831, 33-841 and 33-
5 844, a director of a corporation which has a class of voting stock
6 registered pursuant to Section 12 of the Securities Exchange Act of
7 1934, as the same has been or hereafter may be amended from time to
8 time, in addition to complying with the provisions of subsections (a) to
9 (c), inclusive, of this section, [shall] may consider, in determining what
10 he or she reasonably believes to be in the best interests of the
11 corporation, (1) the long-term as well as the short-term interests of the
12 corporation, (2) the interests of the shareholders, long-term as well as
13 short-term, including the possibility that those interests may be best
14 served by the continued independence of the corporation, (3) the
15 interests of the corporation's employees, customers, creditors and
16 suppliers, and (4) community and societal considerations including

17 those of any community in which any office or other facility of the
18 corporation is located. A director may also in his or her discretion
19 consider any other factors he or she reasonably considers appropriate
20 in determining what he or she reasonably believes to be in the best
21 interests of the corporation.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008</i>	33-756(d)

Statement of Purpose:

To permit, rather than require, certain directors of business corporations to consider the interests of other constituencies when taking action concerning a merger or exchange of shares of the corporation, a sale or other disposition of the assets of the corporation or a combination of the corporation with another business entity.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]