

BUSINESS ORGANIZATIONS CODE

TITLE 1. GENERAL PROVISIONS

CHAPTER 3. FORMATION AND GOVERNANCE

SUBCHAPTER F. EMERGENCY GOVERNANCE

Sec. 3.251. EMERGENCY DEFINED. For purposes of this subchapter, an emergency exists if a majority of a domestic entity's governing persons cannot readily participate in a meeting because of the occurrence of a catastrophic event.

Added by Acts 2009, 81st Leg., R.S., Ch. 84 (S.B. 1442), Sec. 4, eff. September 1, 2009.

Sec. 3.252. PROVISIONS IN GOVERNING DOCUMENTS. (a) Except as otherwise provided by the entity's governing documents, the governing persons, owners, or members of a domestic entity may adopt provisions in the entity's governing documents regarding the management of the entity during an emergency, including provisions:

- (1) prescribing procedures for calling a meeting of the governing persons;
- (2) establishing minimum requirements for participation at the meeting of the governing persons; and
- (3) designating additional or substitute governing persons.

(b) The emergency provisions must be adopted in accordance with:

- (1) the requirements of the governing documents; and
- (2) the applicable provisions of this code.

Added by Acts 2009, 81st Leg., R.S., Ch. 84 (S.B. 1442), Sec. 4, eff. September 1, 2009.

Sec. 3.253. EFFECT OF EMERGENCY PROVISIONS. The emergency provisions adopted under Section 3.252 take effect only in the event of an emergency. The emergency provisions will no longer be effective after the emergency ends.

Added by Acts 2009, 81st Leg., R.S., Ch. 84 (S.B. 1442), Sec. 4, eff. September 1, 2009.

Sec. 3.254. EFFECT OF OTHER PROVISIONS IN GOVERNING DOCUMENTS DURING EMERGENCY. A provision of an entity's governing documents that is consistent with the emergency provisions adopted under Section 3.252 remains in effect during an emergency.

Added by Acts 2009, 81st Leg., R.S., Ch. 84 (S.B. 1442), Sec. 4, eff. September 1, 2009.

Sec. 3.255. EFFECT OF ACTION TAKEN. An action of a domestic entity taken in good faith in accordance with the emergency provisions:

- (1) is binding on the entity; and
- (2) may not be used to impose liability on a managerial official, employee, or agent of the entity.

Added by Acts 2009, 81st Leg., R.S., Ch. 84 (S.B. 1442), Sec. 4, eff. September 1, 2009.