

BUSINESS ORGANIZATIONS CODE
TITLE 2. CORPORATIONS
CHAPTER 20. GENERAL PROVISIONS

Sec. 20.001. SIGNATURE REQUIREMENTS FOR FILING INSTRUMENTS.

(a) Unless otherwise provided by Section 3.054 or 3.060(b) or this title, a filing instrument of a corporation must be signed by an officer of the corporation.

(b) A certificate of termination, a certificate of reinstatement, a certificate of amendment to cancel an event requiring winding up, or a restated certificate of formation that contains an amendment to cancel an event requiring winding up may be signed by:

(1) one of the organizers if the winding up, the reinstatement, or the cancellation of an event requiring winding up was authorized by the organizers under Section 21.502(2) or 22.302(1)(B); or

(2) one of the directors if the winding up, the reinstatement, or the cancellation of an event requiring winding up was authorized by the board of directors under Section 21.502(2) or 22.302(1)(B).

Acts 2003, 78th Leg., ch. 182, Sec. 1, eff. Jan. 1, 2006.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 32 (S.B. 860), Sec. 19, eff. September 1, 2015.

Sec. 20.002. ULTRA VIRES ACTS. (a) Lack of capacity of a corporation may not be the basis of any claim or defense at law or in equity.

(b) An act of a corporation or a transfer of property by or to a corporation is not invalid because the act or transfer was:

(1) beyond the scope of the purpose or purposes of the corporation as expressed in the corporation's certificate of formation; or

(2) inconsistent with a limitation on the authority of an officer or director to exercise a statutory power of the corporation, as that limitation is expressed in the corporation's

certificate of formation.

(c) The fact that an act or transfer is beyond the scope of the expressed purpose or purposes of the corporation or is inconsistent with an expressed limitation on the authority of an officer or director may be asserted in a proceeding:

(1) by a shareholder or member against the corporation to enjoin the performance of an act or the transfer of property by or to the corporation;

(2) by the corporation, acting directly or through a receiver, trustee, or other legal representative, or through members in a representative suit, against an officer or director or former officer or director of the corporation for exceeding that person's authority; or

(3) by the attorney general to:

(A) terminate the corporation;

(B) enjoin the corporation from performing an unauthorized act; or

(C) enforce divestment of real property acquired or held contrary to the laws of this state.

(d) If the unauthorized act or transfer sought to be enjoined under Subsection (c)(1) is being or is to be performed or made under a contract to which the corporation is a party and if each party to the contract is a party to the proceeding, the court may set aside and enjoin the performance of the contract. The court may award to the corporation or to another party to the contract, as appropriate, compensation for loss or damage resulting from the action of the court in setting aside and enjoining the performance of the contract, excluding loss of anticipated profits.

Acts 2003, 78th Leg., ch. 182, Sec. 1, eff. Jan. 1, 2006.