

This chart is a summary only. Please refer to the specific statutes in each state for actual definitions, citations and full statement of the law.

Subchapter	Sections	Subsections	Model Provisions
Preliminary Provisions	Application and Effect	General Rule (§ 101(a))	<ul style="list-style-type: none"> Applies to all benefit corps.
		Application of Business Corporation Law Generally (§ 101(b))	<ul style="list-style-type: none"> The existence of a provision of the benefit corp. act shall not of itself create an implication that a contrary or different rule of law is applicable to a business corporation that is not a benefit corporation. The benefit corp. act shall not affect a statute or rule of law that is applicable to a business corporation that is not a benefit corporation.
		Laws Applicable (§ 101(c))	<ul style="list-style-type: none"> General business corp. law applies; specific provisions of benefit corp. law control over general provisions of business corporation law and professional/cooperative corporation law (if applicable). Benefit corp. may be subject simultaneously to benefit corp. law and one or more other statutes that provide for the incorporation of a specific type of business corp. (e.g. a professional corp.)
		Organic Records (§ 101(d))	<ul style="list-style-type: none"> Provision of articles of incorporation or bylaws of a benefit corp. may not limit, be inconsistent with, or supersede a provision of the benefit corp. act.
	Definitions (§ 102(a))	Benefit Enforcement Proceeding	<p>Any claim or action or proceeding for:</p> <ul style="list-style-type: none"> (1) failure to pursue or create general public benefit or a specific public benefit (if any) or (2) violation of any obligation, duty, or standard of conduct under the benefit corp. act.
		General Public Benefit	<ul style="list-style-type: none"> A material positive impact on society and the environment, taken as a whole, assessed against a third-party standard, from the business and operations of a benefit corp.
		Independent	<ul style="list-style-type: none"> No material relationship with a benefit corp. or a subsidiary of a benefit corp. Serving as a benefit director or officer does not make an individual not independent. A material relationship is presumed if: (1) the individual is, or has been within the past 3 years, an employee of the benefit corp. or a subsidiary (other than a benefit officer); (2) an immediate family member of the individual is, or has been within the past 3 years, an executive officer (other than a benefit officer) of the benefit corp. or a subsidiary; or (3) there is beneficial ownership of 5% or more of the outstanding shares of the benefit corp. by the individual or an entity (i) of which the individual is a director, officer or manager or (ii) in which the person owns 5% or more of the interests (calculated in each case as if all outstanding rights to acquire equity interests in the benefit corp. had been exercised).
		Minimum Status Vote	<ul style="list-style-type: none"> 2/3 majority of votes needed to approve. Every class or series is entitled to vote. Same provision for a domestic entity other than a business corp.
		Publicly Traded Corporation	<ul style="list-style-type: none"> A business corporation that has shares listed on a national securities exchange or traded in a market maintained by one or more members of a national securities association.
		Specific Public Benefit	<p>Includes:</p> <ul style="list-style-type: none"> (1) providing low-income or underserved individuals or communities with beneficial products or services;

			<ul style="list-style-type: none"> • (2) promoting economic opportunity for individuals or communities beyond the creation of jobs in the normal course of business; • (3) protecting or restoring the environment; • (4) improving human health; • (5) promoting the arts, sciences or advancement of knowledge; • (6) increasing the flow of capital to entities with a purpose to benefit society or the environment; and • (7) conferring any other particular benefit on society or the environment.
		Third Party Standard	<p>A recognized standard for defining, reporting and assessing corporate social and environmental performance that:</p> <ul style="list-style-type: none"> • Assesses the effect of the business and its operations upon the interests listed in section 301(a)(1)(ii), (iii), (iv) and (v); • Is developed by an entity that is not controlled by the benefit corporation; and • Is developed by an entity that both (i) has access to necessary expertise to assess overall corporate social and environmental performance and (ii) uses a balanced multistakeholder approach to develop the standard, including a reasonable public comment period; • Makes the following information publicly available: (i) the criteria considered when measuring the overall social and environmental performance of a business; (ii) the relative weightings, if any, of those criteria; (iii) the identity of the directors, officers, material owners and the governing body of the entity that developed and controls revisions to the standard; (iv) the process by which revisions to the standard and changes to the membership of the governing body are made and (v) an accounting of the revenue and sources of financial support for the organization, with sufficient detail to disclose any relationships that could reasonably be considered to present a potential conflict of interest.
	Incorporation of Benefit Corp.	(§ 103)	<ul style="list-style-type: none"> • Incorporated in accordance with the incorporation provisions of the business corporation law, but its articles of incorporation must also state that it is a benefit corp.
	Election of Benefit Corp. Status	Amendment (§ 104(a))	<ul style="list-style-type: none"> • Existing business may amend articles of incorporation to contain statement that the corp. is a benefit corp. • Must be approved by the minimum status vote.
		Fundamental Transactions (§ 104(b))	<ul style="list-style-type: none"> • If a domestic entity that is not a benefit corporation is (i) a party to a merger, consolidation or division or (ii) the exchanging association in a share exchange, and the surviving, new or any resulting entity in the merger, consolidation, division or share exchange is to be a benefit corporation, then the plan of merger, consolidation, division or share exchange must be adopted by the minimum status vote. • However, this does not apply in the case of a corporation that is a party to a merger if the shareholders of the corporation are not entitled to vote on the merger pursuant to the general business corporation law (i.e. short-form merger).
Termination of Benefit Corp. Status	Amendment (§105 (a))	<ul style="list-style-type: none"> • May amend articles of incorporation to remove the statement that the corp. is a benefit corp. • Must be approved by the minimum status vote. 	

		Fundamental Transactions (§105 (b))	<ul style="list-style-type: none"> • If a fundamental transaction would have the effect of terminating the status of a business corporation as a benefit corporation, the fundamental transaction must be adopted by the minimum status vote in order to be effective. • However, this does not apply in the case of a corporation that is a party to a merger if the shareholders of the corporation are not entitled to vote on the merger pursuant to the general business corporation law (i.e. short-form merger). • Any sale, lease, exchange or other disposition of all or substantially all of the assets of a benefit corporation, unless the transaction is in the usual and regular course of business, shall not be effective unless the transaction is approved by at least the minimum status vote.
Purpose	Purpose	General Public Benefit Purpose (§ 201(a))	<ul style="list-style-type: none"> • General public benefit purpose is required.
		Specific Public Benefit Purpose (§ 201(b))	<ul style="list-style-type: none"> • Optional specific public benefit purpose or purposes may be identified in articles of incorporation, in addition to general public benefit purpose.
		Effect of purposes (§ 201(c))	<ul style="list-style-type: none"> • The creation of general public benefit and specific public benefit is in the best interests of the corporation.
		Amendment (§ 201(d))	<ul style="list-style-type: none"> • May amend articles of incorporation to add, amend, or delete a specific public benefit purpose. • Must be adopted by the minimum status vote.
		Professional Corporations (§ 201(e))	<ul style="list-style-type: none"> • A professional corporation may be a benefit corporation and does not violate any provisions of the professional corporation statute that restrict the business in which a professional corporation may engage by having the purpose to create general public benefit or a specific public benefit.
Accountability	Standard of Conduct for Directors	Consideration of Interests (§ 301(a))	<p>(1) Board of directors <u>shall</u> consider the effects of any action/inaction upon:</p> <ul style="list-style-type: none"> • (i) the shareholders of the benefit corporation; • (ii) the employees and work force of the benefit corporation, its subsidiaries, and its suppliers; • (iii) the interests of customers as beneficiaries of the general public benefit or specific public benefit purposes of the benefit corporation; • (iv) community and societal factors, including those of each community in which offices or facilities of the benefit corporation, its subsidiaries, or its suppliers are located; • (v) the local and global environment; • (vi) the short-term and long-term interests of the benefit corporation, including benefits that may accrue to the benefit corporation from its long-term plans and the possibility that these interests may be best served by the continued independence of the benefit corporation; and • (vii) the ability of the benefit corporation to accomplish its general public benefit purpose and any specific public benefit purpose.

		<p>(2) The board of directors may consider:</p> <ul style="list-style-type: none"> • the interests referred to in the state’s constituency statute, if any; and • other pertinent factors or the interests of any other group that they deem appropriate. <p>(3) The board need not give priority to a particular interest or factor referred to in paragraph (1) or (2) over any other interest or factor unless the benefit corporation has stated in its articles of incorporation its intention to give priority to certain interests or factors related to its accomplishment of its general public benefit purpose or of a specific public benefit purpose identified in its articles.</p>
	Coordination with other Provisions of Law (§ 301(b))	<p>The consideration of interests and factors in the benefit corporation statute:</p> <ul style="list-style-type: none"> • does not constitute a violation of the provision of the business corporation law on the duties of directors generally; and • is in addition to the ability of directors to consider interests and factors as provided in the constituencies provision of the business corporation law, if any.
	Exoneration from Personal Liability Generally (§ 301(c))	<p>Except as provided for in the articles of incorporation or bylaws, a director is not personally liable for monetary damages for:</p> <ul style="list-style-type: none"> • any action/inaction in the course of performing the duties of a director if the director performed the duties of office in compliance with the provision of the business corporation law on the duties of directors generally and this section; or • failure of the benefit corporation to pursue or create general public benefit or specific public benefit.
	Limitation on Standing (§ 301(d))	<ul style="list-style-type: none"> • A director does not have a duty to a person that is a beneficiary of the general public benefit purpose or a specific public benefit purpose of a benefit corporation arising from the status of the person as a beneficiary.
	Business Judgments (§ 301(e))	<p>A director who makes a business judgment in good faith fulfills the duty under this section if the director:</p> <ul style="list-style-type: none"> • is not interested in the subject of the business judgment; • is informed with respect to the subject of the business judgment to the extent the director reasonably believes to be appropriate under the circumstances; and • rationally believes that the business judgment is in the best interests of the benefit corp.
Benefit Director	General Rule (§ 302(a))	<ul style="list-style-type: none"> • Board of directors of publicly traded benefit corporation <u>must</u> include a benefit director. • Board of directors of any other benefit corporation may include a benefit director.
	Election, Removal and Qualifications (§ 302(b))	<ul style="list-style-type: none"> • Elected and removed in same manner as other directors under the business corp. law. • Must be independent (unless alternative governance arrangements are selected or entity is a professional corporation). • Articles of incorporation or bylaws may prescribe additional qualifications.
	Annual Compliance Statement (§ 302(c))	<p>Benefit director must prepare an opinion for the annual benefit report on:</p> <ul style="list-style-type: none"> • whether the benefit corp. acted in accordance with its general and any specific purposes; • whether the directors and officers complied with their duties; and • if the benefit corp. or its directors or officers failed to act or comply with their duties and obligations, a description of the ways in which they so failed to act or comply.

		Status of Actions (§ 302(d))	<ul style="list-style-type: none"> Action or inaction by the benefit director constitutes an act or inaction as a director. 	
		Exoneration from Personal Liability (§ 302(e))	<ul style="list-style-type: none"> No personal liability for an act or omission unless it constituted self-dealing, willful misconduct or a knowing violation of the law. 	
		Alternative Governance Arrangements (§ 302(f))	<ul style="list-style-type: none"> Sets standards for close corporations or other corporations that have provided for the powers and duties of the board to be exercised or performed by a person other than the directors. A person under this section: (i) does not need to be independent of the benefit corporation; (ii) shall have the immunities of a benefit director; (iii) may share the powers, duties and rights of a benefit director with one or more other persons; and (iv) shall not be subject to the procedures for election or removal of directors in the applicable provisions of the business corporation law unless: (A) the person is also a director of the benefit corporation; or (B) the articles or bylaws make those procedures applicable. 	
	Standard of Conduct for Officers		General Rule (§ 303(a))	<ul style="list-style-type: none"> Officers shall consider the interests and factors listed in “consideration of interests” above if: (i) the officer has discretion to act and (ii) it reasonably appears to the officer that the matter may have a material effect on the creation by the benefit corporation of general public benefit or a specific public benefit.
			Coordination with Other Provisions of Law (§ 303(b))	<ul style="list-style-type: none"> The consideration of interests and factors required by the general rule above shall not constitute a violation of the provisions of the business corporation law (if any) or the common law on the duties of officers.
			Exoneration from Personal Liability (§ 303(c))	<p>Except as provided for in the articles of incorporation or bylaws, an officer is not personally liable for monetary damages for:</p> <ul style="list-style-type: none"> an action or omission in the course of performing the duties of an officer if the officer performed the duties of the position in compliance with the provision of the business corporation law (if any) or the common law on the duties of officers and this section; or failure of the benefit corporation to pursue or create general public benefit or specific public benefit.
			Limitation on Standing (§ 303(d))	<ul style="list-style-type: none"> An officer does not have a duty to a person that is a beneficiary of the general public benefit purpose or a specific public benefit purpose of a benefit corporation arising from the status of the person as a beneficiary.
			Business Judgments (§ 303(e))	<p>An officer who makes a business judgment in good faith fulfills the duty under this section if the officer:</p> <ul style="list-style-type: none"> is not interested in the subject of the business judgment; is informed with respect to the subject of the business judgment to the extent the officer reasonably believes to be appropriate under the circumstances; and rationally believes that the business judgment is in the best interests of the benefit corp.
	Benefit Officer		Designation (§ 304(a))	<ul style="list-style-type: none"> A benefit corp. may have an officer designated the benefit officer.
			Functions	A benefit officer shall have:

		(§ 304(b))	<ul style="list-style-type: none"> the powers and duties relating to the purpose of the corporation to create general public benefit or specific public benefit provided by the bylaws or resolutions or orders of the board of directors; and the duty to prepare the annual benefit report.
	Right of Action	Limitations (§ 305(a))	<ul style="list-style-type: none"> Except in a benefit enforcement proceeding, no person may bring an action or assert a claim against a benefit corporation or its directors or officers with respect to: (i) failure to pursue or create general public benefit or a specific public benefit; or (ii) violation of an obligation, duty, or standard of conduct under the benefit corporation act. A benefit corp. shall not be liable for monetary damages under the benefit corporation act for any failure of the benefit corp. to pursue or create general public benefit or a specific public benefit.
		Standing (§ 305(b))	<p>A benefit enforcement proceeding may be commenced or maintained only:</p> <ul style="list-style-type: none"> directly by the benefit corporation; or derivatively (in accordance with business corp. law) by (i) a person or group of persons that owned beneficially or of record at least 2% of the total number of shares outstanding at time of act or omission complained of, (ii) a director, (iii) a person or group of persons that owned beneficially or of record 5% or more of the outstanding equity interests in an entity of which the benefit corporation is a subsidiary, or (iv) other persons as specified in the articles of incorporation or bylaws of the benefit corp.
		Beneficial Ownership (§ 305(c))	<ul style="list-style-type: none"> For purposes of this section, a person is the beneficial owner of shares or equity interests if the shares or equity interests are held in a voting trust or by a nominee on behalf of the beneficial owner.
Transparency	Preparation of Annual Benefit Report	Contents (§ 401(a))	<p>A benefit corp. shall prepare an annual benefit report including all of the following:</p> <ul style="list-style-type: none"> (1) A narrative description of (i) the ways in which the benefit corp. pursued general public benefit during the year and the extent to which general public benefit was created, (ii) the ways in which the benefit corp. pursued a specific public benefit that the articles of incorporation state it is the purpose of the benefit corp. to create and the extent to which that specific public benefit was created, (iii) any circumstances that have hindered the creation by the benefit corp. of general public benefit or specific public benefit and (iv) the process and rationale for selecting or changing the third-party standard used to prepare the benefit report. (2) An assessment of the overall social and environmental performance of the benefit corp. against a third-party standard (i) applied consistently with any application of that standard in prior benefit reports or (ii) accompanied by an explanation of the reasons for any inconsistent application or the change to that standard from the one used in the immediately prior report. The assessment does not need to be audited or certified by a third party standards provider. (3) The name of the benefit director and the benefit officer, if any, and the address to which correspondence to each of them may be directed. (4) The compensation paid by the benefit corp. during the year to each director in the capacity of a director.

			<ul style="list-style-type: none"> • (5) The statement of the benefit director described in the “benefit director” section. • (6) A statement of any connection between the organization that established the third-party standard, or its directors, officers or any holder of 5% or more of the governance interests in the organization, and the benefit corp. or its directors, officers or any holder of 5% or more of the outstanding shares of the benefit corp., including any financial or governance relationship which might materially affect the credibility of the use of the third-party standard. • (7) If the benefit corp. has dispensed with, or restricted the discretion or powers of, the board of directors, a description of (i) the persons that exercise the powers, duties, and rights and who have the immunities of the board of directors and (ii) the benefit director, as required by the subsection “alternative governance arrangements” in the “benefit director” section.
		Change of Benefit Director (§ 401(b))	<ul style="list-style-type: none"> • If, during the year covered by a benefit report, a benefit director resigned from or refused to stand for reelection to the position of benefit director, or was removed from the position of benefit director, and the benefit director furnished the benefit corp. with any written correspondence concerning the circumstances surrounding the resignation, refusal, or removal, the benefit report shall include that correspondence as an exhibit.
		Audit Not Required (§ 401(c))	<ul style="list-style-type: none"> • Neither the benefit report nor the assessment of the performance of the benefit corp. in the benefit report required by subsection (a)(2) needs to be audited or certified by a third party.
	Availability of Annual Benefit Report	Timing of Report (§ 402(a))	A benefit corp. shall send its annual benefit report to each shareholder on the earlier of: <ul style="list-style-type: none"> • 120 days following the end of the fiscal year of the benefit corp.; or • the same time that the benefit corp. delivers any other annual report to its shareholders.
		Internet Website Posting (§ 402(b))	<ul style="list-style-type: none"> • A benefit corp. shall post all of its benefit reports on the public portion of its Internet website, if any; but the compensation paid to directors and financial or proprietary information included in the benefit reports may be omitted from the benefit reports as posted.
		Availability of Copies (§ 402(c))	<ul style="list-style-type: none"> • If a benefit corp. does not have an Internet website, the benefit corp. shall provide a copy of its most recent benefit report, without charge, to any person that requests a copy, but the compensation paid to directors and financial or proprietary information included in the benefit report may be omitted from the copy of the benefit report provided.
		Filing of Report (§ 401(d))	<ul style="list-style-type: none"> • Concurrently with the delivery of the benefit report to shareholders, the benefit corp. shall deliver a copy of the benefit report to the [Secretary of State] for filing, but the compensation paid to directors and financial or proprietary information included in the benefit report may be omitted from the benefit report. • The [Secretary of State] shall charge a fee of \$[] for filing a benefit report.
	Provisions Not in the Model	N/A	Other Provisions <ul style="list-style-type: none"> • Statutes vary by state. • See individual state statutes for exact language and provisions of benefit corp. statutes.

- ARKANSAS
- CALIFORNIA
- HAWAII
- ILLINOIS
- LOUISIANA
- MARYLAND (update cite references)
- MASSACHUSETTS
- NEW JERSEY
- NEW YORK
- PENNSYLVANIA
- SOUTH CAROLINA
- VERMONT
- VIRGINIA

ARKANSAS

Date & Citations	<i>Date Signed; Effective Date</i>		Signed April 19, 2013; Effective July 27, 2013	
	<i>Citation</i>		ARK. CODE ANN. §§ 4-36-101 to -401 (2013)	
	<i>Constituency Statute</i>		N/A	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions (Subchapter 1)	Application and Effect (§ 4-36-102)	General Rule (§ 4-36-102(a))	Same	<ul style="list-style-type: none"> • N/A
		Application of Business Corporation Law Generally (§ 4-36-102(b))	Substantially similar	<ul style="list-style-type: none"> • Same, except it does not specify that this chapter will not affect a statute or rule of law applicable to a business corporation that is not a benefit corporation.
		Laws Applicable (§ 4-36-102(c)(1)-(3))	Same	<ul style="list-style-type: none"> • Minor language changes, but essentially the same provisions.
		Organic Records (§ 4-36-102(d))	Substantially similar	<ul style="list-style-type: none"> • Replaces “may not” with “shall not” and adds “relax” to the list of qualifiers.
	Definitions (§ 4-36-103)	Benefit Enforcement Proceeding (§ 4-36-103(a)(3))	Substantially similar	<ul style="list-style-type: none"> • States “violation of an obligation” rather than “any obligation”.
		General Public Benefit (§ 4-36-103(a)(5))	Same	<ul style="list-style-type: none"> • N/A
		Independent (§ 4-36-103(a)(6))	No	<ul style="list-style-type: none"> • Provision (A) rephrases the Model language to state “A person shall be independent even if serving as benefit director or officer.” • Generally uses the term “person” instead of “individual.”

			<ul style="list-style-type: none"> Provision (C)(iii) omits the language “calculated as if all outstanding rights to acquire equity interests in the benefit corporation had been exercised” and uses the term “association” rather than “entity.” 	
	Minimum Status Vote (§ 4-36-103(7))	Substantially similar	<ul style="list-style-type: none"> Provisions (A)(i) and (B)(i) both state “a class or series” instead of “every class or series” and replace “shall be entitled” with “may vote as a class.” Provision (B)(i) also omits “of any kind” after the word “distribution” and substitutes “a class or series” for “any class or series.” 	
	Publicly Traded Corporation	Silent	<ul style="list-style-type: none"> N/A 	
	Specific Public Benefit (§ 4-36-103(8))	Substantially similar	<ul style="list-style-type: none"> Same, except Provision (C) states “preserving the environment” rather than “protecting or restoring the environment.” Provision (F) states “entities with a public benefit purpose” rather than “entities with a purpose to benefit society or the environment.” 	
	Third Party Standard (§ 4-36-103(10))	No	<ul style="list-style-type: none"> Provision (B) uses the term “organization” rather than “entity” and specifies the organization only has to be independent, rather than not controlled by the benefit corporation. Includes criterion for the organization developing the standard: <ul style="list-style-type: none"> No more than 1/3rd of the members of the governing body of the organization can be representatives of a business association in a specific industry, businesses of a specific industry, or a business whose performance is assessed against the standard; and The organization cannot be materially financed by a business described above. Provision (C) uses the term “person” rather than “entity” and includes a public comment period of 30 days. Provision (D)(i) states “standard criteria” considered “if measuring” rather than “when measuring.” Provision (D)(iv) omits the term “revenue” before “sources of financial support.” 	
	Formation (§ 4-36-104)	Formation (§ 4-36-104)	No	<ul style="list-style-type: none"> Same, except adds Provision (b) stating that the Secretary of State shall collect various fees when documents are delivered for filing under this subchapter and § 4-27-122.
	Election of Status (§ 4-36-105)	Amendment (§§ 4-36-105(a), (b))	Same	<ul style="list-style-type: none"> N/A
		Fundamental Transactions (§ 4-36-105(c))	No	<ul style="list-style-type: none"> Omits the term “domestic entity” and paragraph (2) of the Model.
	Termination of Status (§ 14604)	Amendment (§§ 4-36-106(a), (b))	Same	<ul style="list-style-type: none"> N/A
		Fundamental	No	<ul style="list-style-type: none"> Omits the term “domestic entity” and paragraph (2) of the Model.

		Transactions (§§ 4-36-106(c))		
Purpose (Subchapter 2)	Purpose (§ 4-36-201)	General Public Benefit Purpose (§ 4-36-201(a))	Same	• N/A
		Specific Public Benefit Purpose (§ 4-36-201(b))	Same	• N/A
		Effect of purposes (§ 4-36-201(c))	Same	• N/A
		Amendment (§ 4-36-201(d))	Same	• N/A
		Professional Corporations (§ 4-36-201(e))	Same	• N/A
Accountability (Subchapter 3)	Standard of Conduct for Directors (§ 4-36-301)	Consideration of Interests (§ 4-36-301(a))	Substantially similar	• Same, except Provision (1) replaces “any action” with “an action” and Provision (3) replaces “particular interest or factor” with “particular person or group.”
		Coordination with other Provisions of Law (§ 4-36-301(b))	Same	• N/A
		Exoneration from Personal Liability Generally (§ 4-36-301(c))	Substantially similar	• Same, except it does not include the Model’s carve-out for “Except as provided in the articles of incorporation (or bylaws)” and also omits the term “inaction.”
		Limitation on Standing (§ 4-36-301(d))	Same	• N/A
		Business Judgments	Silent	• N/A
	Benefit Director (§ 4-36-302)	General Rule (§ 4-36-302(a))	Substantially similar	• Omits the mandatory language for publicly traded corporations.
		Election, Removal and Qualifications (§§ 4-36-302(b)-(d))	Same	• N/A
		Annual Compliance Statement (§ 4-36-302(e))	Substantially similar	• Omits “all of the following” before Provisions (1)-(3). • Provision (3) omits “If, in the opinion of the benefit director...”
		Status of Actions (§ 4-36-302(f))	Same	• N/A
		Exoneration from Personal Liability	Same	• N/A

		(§ 4-36-302(g))			
		Alternative Governance Arrangements	Silent	• N/A	
		Professional Corporations (§ 4-36-302(h))	Same	• N/A	
	Standard of Conduct for Officers (§ 4-36-303)		General Rule (§ 4-36-303(a))	Same	• N/A
			Coordination with Other Provisions of Law (§ 4-36-303(b))	Same	• N/A
			Exoneration from Personal Liability (§ 4-36-303(c))	Substantially similar	• Same, except it does not include the Model’s carve-out for “Except as provided in the articles of incorporation (or bylaws)” and also replaces the term “inaction” with “omission.”
			Limitation on Standing (§ 4-36-303(d))	Same	• N/A
			Business Judgments	Silent	• N/A
		Benefit Officer (§ 4-36-304)		Designation (§ 4-36-304(a))	Same
			Functions (§ 4-36-304(b))	Same	• N/A
	Right of Action (§ 4-36-305)		Limitations (§§ 4-36-305(a), (b))	Substantially similar	• Provision (2) omits the term “obligation.” • Provision (b) changes “any failure” to “the failure.”
			Standing (§ 4-36-305(c))	No	• Any shareholder of the benefit corporation may commence a benefit enforcement proceeding; there is no 2% ownership requirement.
			Beneficial Ownership	Silent	• N/A
Transparency (Subchapter 4)	Preparation of Annual Benefit Report (§ 4-36-401)	Contents (§ 4-36-401(a))	No	• Provision (1) includes a requirement that the benefit corporation prepare an annual franchise tax report along with the benefit report. • Provision (2)(A)(ii)(b) is qualified upon the extent to which a specific benefit was “pursued” rather than “created.” • Generally changes “any” to “an” or omits the term altogether from this section.	
		Change of Benefit Director	Silent	• N/A	
		Audit Not Required (§ 4-36-401(a)(2)(B)(ii))	Same	• Same, except adds “performed” to provision language.	
	Preparation of Annual	Timing of Report (§ 4-36-401(b))	No	• Adds Provision (1) requiring the report to be sent before the stated due date of an annual franchise tax under § 26-54-104.	

	Benefit Report (§ 4-36-401)		No	<ul style="list-style-type: none"> Omits the Model language “on the earlier of” and eliminates the 120 day requirement.
		Internet Website Posting (§ 4-36-401(c))	Same	<ul style="list-style-type: none"> N/A
		Availability of Copies (§ 4-36-401(d))	Same	<ul style="list-style-type: none"> N/A
		Filing of Report (§ 4-36-401(e))	Same	<ul style="list-style-type: none"> The fee charged by the Secretary of State is \$70.00.
Provisions Not in the Model	Formation (§ 4-36-104)	Formation (§ 4-36-104(b))		<ul style="list-style-type: none"> This provision states: “The Secretary of State shall collect filing fees, service fees, and fees for copying when documents are delivered to him or her to be filed under this subchapter and under § 4-27-122.”
	Preparation of Annual Benefit Report (§ 4-36-401)	Contents (§ 4-36-401(a)(1))		<ul style="list-style-type: none"> This provision states: “A benefit corporation shall prepare an annual benefit report and an annual franchise tax report under § 26-54-104.”
		Timing of Report (§ 4-36-401(b)(1))		<ul style="list-style-type: none"> This provision states: “A benefit corporation shall send a benefit report to each shareholder annually: (1) Before the stated due date of an annual franchise tax under § 26-54-104; or (2) When the benefit corporation delivers an annual financial report to its shareholders.”

CALIFORNIA

Date & Citations	<i>Date Signed; Effective Date</i>		Signed October 9, 2011; Effective January 1, 2012	
	<i>Citation</i>		CAL. CORP. CODE §§ 14600 to 14631 (2013)	
	<i>Constituency Statute</i>		N/A	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions (§§ 14600 to 14604)	Application and Effect (§ 14600)	General Rule (§ 14600(a))	Same	<ul style="list-style-type: none"> N/A
		Application of Business Corporation Law Generally (§ 14600(b))	Same	<ul style="list-style-type: none"> N/A
		Laws Applicable (§ 14600(c))	Substantially similar	<ul style="list-style-type: none"> Same, except it does not specify if a benefit corporation can be “subject simultaneously” to the benefit corporation statute and one or more other statutes, and it states that general corporate law shall apply “except where those provisions are in conflict with or inconsistent with the provisions of this part.”

		Organic Records	Silent	<ul style="list-style-type: none"> • N/A
Definitions (§ 14601)	Benefit Enforcement Proceeding (§ 14601(b))	No	No	<ul style="list-style-type: none"> • Definition does not include a failure to “create” a public benefit, and it adds another basis for suit—the failure to deliver or post the annual benefit report as required.
	General Public Benefit (§ 14601(c))	Same	Same	<ul style="list-style-type: none"> • N/A
	Independent	Silent	Silent	<ul style="list-style-type: none"> • N/A
	Minimum Status Vote (§ 14601(d))	Substantially similar	Substantially similar	<ul style="list-style-type: none"> • Same, except a vote higher than two-thirds is required if the articles of incorporation require it.
	Publicly Traded Corporation	Silent	Silent	<ul style="list-style-type: none"> • N/A
	Specific Public Benefit (§ 14601(e))	Substantially similar	Substantially similar	<ul style="list-style-type: none"> • Same, except seventh element uses the phrase “accomplishment of” (instead of “conferring”) any other particular benefit.
	Third Party Standard (§ 14601(g))	No	No	<ul style="list-style-type: none"> • The standard does not need to be “recognized” and it does need a 30-day public comment period during development. • Also, the standard must be developed by an entity that has no material relationship with the benefit corporation or its subsidiaries. Such entity must not be materially financed by, nor have more than one-third of its governing members serve as representatives of, businesses or associations of businesses in a specific industry or assessed by the standard.
Formation (§ 14602)	Formation (§ 14602)	Same	Same	<ul style="list-style-type: none"> • N/A
Election of Status (§ 14603)	Amendment (§ 14603(a))	No	No	<ul style="list-style-type: none"> • Upon electing benefit corporation status, the California statute provides for dissenters’ rights (according to CAL. CORP. CODE § 1300(b)).
	Fundamental Transactions (§§ 14603(b), (c) and (d))	Same	Same	<ul style="list-style-type: none"> • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
Termination of Status (§ 14604)	Amendment (§ 14604(a))	No	No	<ul style="list-style-type: none"> • Upon terminating benefit corporation status, the California statute provides for dissenters’ rights (according to CAL. CORP. CODE § 1300(b)).
	Fundamental Transactions (§§ 14604(b), (c) and (d))	No	No	<ul style="list-style-type: none"> • Upon the sale of all or substantially all the assets of the benefit corporation, the California statute provides for dissenters’ rights (according to CAL. CORP. CODE § 1300(b)). • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
Purpose (§ 14610)	General Public Benefit Purpose (§ 14610(a))	Substantially similar	Substantially similar	<ul style="list-style-type: none"> • Same, except it states that this general public benefit purpose can also be a “limitation on” the other purposes of the benefit corporation.
	Specific Public Benefit	Substantially	Substantially	<ul style="list-style-type: none"> • Same, except it also states that the articles must contain the statement:

		Purpose (§ 14610(b))	similar	“This corporation is a benefit corporation.”
		Effect of purposes (§ 14610(c))	Same	• N/A
		Amendment (§ 14610(d))	Same	• N/A
		Professional Corporations	Silent	• N/A
Accountability (§§ 14620 to 14623)	Standard of Conduct for Directors (§ 14620)	Consideration of Interests (§§ 14620(b), (c))	Substantially similar	<ul style="list-style-type: none"> • Same, except directors may also consider “[t]he resources, intent, and conduct, including past, stated, and potential conduct, of any person seeking to acquire control of the corporation.” • In addition, sections 14620(a) and (e) restate the general duties of a corporate director found in sections 309(a) and (b), respectively, of the California Corporations Code. California does not have a constituency statute to reference.
		Coordination with other Provisions of Law	Silent	• N/A
		Exoneration from Personal Liability Generally (§§ 14620(f), (g) and (h))	Substantially similar	• Same, except it does not cover “failure to pursue” a public benefit.
		Limitation on Standing (§ 14620(i))	Same	• N/A
		Business Judgments	Silent	• N/A
		Benefit Director	General Rule	Silent
		Election, Removal and Qualifications	Silent	• N/A
		Annual Compliance Statement	Silent	• N/A
		Status of Actions	Silent	• N/A
		Exoneration from Personal Liability	Silent	• N/A
		Alternative Governance Arrangements	Silent	• N/A
		Professional Corporations	Silent	• N/A
		Standard of Conduct	General Rule (§ 14622(a))	Same

	for Officers (§ 14622)	Coordination with Other Provisions of Law (§ 14622(b))	Same	<ul style="list-style-type: none"> • N/A
		Exoneration from Personal Liability (§ 14622(c))	Substantially similar	<ul style="list-style-type: none"> • Same, except it does not cover “failure to pursue” a public benefit.
		Limitation on Standing (§ 14622(d))	Same	<ul style="list-style-type: none"> • N/A
		Business Judgments	Silent	<ul style="list-style-type: none"> • N/A
	Benefit Officer	Designation	Silent	<ul style="list-style-type: none"> • Benefit officer concept not included.
		Functions	Silent	<ul style="list-style-type: none"> • N/A
	Right of Action (§ 14623)	Limitations (§§ 14623(a), (c) and (d))	No	<ul style="list-style-type: none"> • All actions or claims brought under the California benefit corporation statute are limited to “benefit enforcement proceedings,” as defined in the statute (see above for variations from the Model). • Also, the limit on liability for monetary damages does not cover “failure to pursue” a public benefit. • A court may also award, upon a finding that a defendant’s conduct was unjustified, an amount sufficient to reimburse the plaintiff for reasonable expenses, including attorney’s fees and expenses.
		Standing (§ 14623(b))	No	<ul style="list-style-type: none"> • Any shareholder of the benefit corporation may commence a benefit enforcement proceeding and there is no requirement that a shareholder of the benefit corporation or a 5% equityholder of its parent must have been a holder “at the time of the act or omission complained of.”
		Beneficial Ownership	Silent	<ul style="list-style-type: none"> • N/A
	Transparency (§§ 14630 to 14631)	Preparation of Annual Benefit Report (§ 14630)	Contents (§ 14630(a))	No
Change of Benefit Director			Silent	<ul style="list-style-type: none"> • Benefit director concept not included.

		Audit Not Required (§ 14630(a)(2))	Same	<ul style="list-style-type: none"> • N/A
	Preparation of Annual Benefit Report (§ 14630)	Timing of Report (§ 14630(b))	Substantially similar	<ul style="list-style-type: none"> • Same, but omits “the earlier of” preceding the timing standards.
		Internet Website Posting (§ 14630(c))	Same	<ul style="list-style-type: none"> • N/A
		Availability of Copies (§ 14630(d))	Same	<ul style="list-style-type: none"> • N/A
		Filing of Report	Silent	<ul style="list-style-type: none"> • N/A
		Standard of Conduct for Directors (§ 14620)	Directors of Foreign Corporations (§ 14620(j))	
	Annual Statement of Board (§ 14621)	Statement of Board regarding General and Specific Public Benefits (§§ 14621(a), (b))		<ul style="list-style-type: none"> • This provision states: “The board of directors of a benefit corporation shall prepare for inclusion in the annual benefit report to shareholders required by Section 14630, a statement indicating whether, in the opinion of the board of directors, the benefit corporation failed to pursue its general, and any specific, public benefit purpose in all material respects during the period covered by the report. . . . If, in the opinion of the board of directors, the benefit corporation failed to pursue its general, and any specific, public benefit purpose, the statement required by subdivision (a) shall include a description of the ways in which the benefit corporation failed to pursue its general, and any specific, public benefit purpose.”
	Right of Action (§ 14623)	Reimbursement for Fees and Expenses (§ 14623(d))		<ul style="list-style-type: none"> • This provision states: “If the court in a benefit enforcement proceeding finds that a failure to comply with this part was without justification, the court may award an amount sufficient to reimburse the plaintiff for the reasonable expenses incurred by the plaintiff, including attorney’s fees and expenses, in connection with the benefit enforcement proceeding.”
	Share Certificates (§ 14631)	Legend on Share Certificates (§ 14631)		<ul style="list-style-type: none"> • This provision states: “All certificates representing shares of a benefit corporation shall contain, in addition to any other statements required by the General Corporation Law (Division 1 (commencing with Section 100)), the following conspicuous language on the face of the certificate: ‘This entity is a benefit corporation organized under Part 13 (commencing with Section 14600) of Division 3 of Title 1 of the California Corporations Code.’”

DISTRICT OF COLUMBIA

Date & Citations	<i>Date Signed; Effective Date</i>		Pending signature (approved by D.C. Council on 12/04/2012)	
	<i>Citation</i>		D.C. Code § 29-1301.01 (2013)	
	<i>Constituency Statute</i>		D.C. Code § 29-1008.20 (2013) – permissive (only applies to limited cooperative associations)	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions (Subchapter I)	Application and Effect (§ 29-1301.03)	General Rule (§ 29-1301.03(a))	Same	• N/A
		Application of Business Corporation Law Generally (§ 29-1301.03(b))	Same	• N/A
		Laws Applicable (§ 29-1301.03(c))	Substantially similar	• Does not include language that specific provisions of this chapter will govern over general provisions of business corporation law.
		Organic Records (§ 29-1301.03(d))	Same	• N/A
	Definitions (§ 29-1301.02)	Benefit Enforcement Proceeding (§ 29-1301.02(a)(3))	Substantially similar	• Does not include “or proceeding” in first sentence.
		General Public Benefit (§ 29-1301.02(a)(5))	Same	• N/A
		Independent (§ 29-1301.02(a)(6))	No	<ul style="list-style-type: none"> • Uses term “person” instead of “individual” throughout. • Second sentence reads “A person who serves as a benefit director or benefit officer is not independent by virtue of such service.” • Note cross-reference to (b) for calculation of beneficial ownership percentage interests.
		Minimum Status Vote (§ 29-1301.02(a)(7))	Substantially similar	• Provision (B) adds that holders of each class are entitled as a separate group to vote on corporate action.
		Publicly Traded Corporation	Silent	• Statute does not include Model definition of “publicly traded corporation.”
		Specific Public Benefit (§ 29-1301.02(a)(8))	Substantially similar	<ul style="list-style-type: none"> • The list is the same, except: <ul style="list-style-type: none"> ○ Provision (C) reflects “preserving” instead of “protecting or restoring” the environment; ○ Provision (F) states “public benefit purpose” instead of “purpose to benefit society or the environment”; and ○ Provision (G) states “The accomplishment of any other particular benefit on society or the environment.”

		Third-Party Standard (§ 29-1301.02(a)(10))	Substantially similar	<ul style="list-style-type: none"> The list is the same, except: <ul style="list-style-type: none"> Provision (B) contains more detailed independence requirements in (i)-(ii); Provision (C) substitutes term “person” instead of “entity” and includes a 30 day public comment period instead of “reasonable” language; and Provision (D)(ii)(III) omits “revenue” from language.
	Formation (§ 29-1301.04)		Substantially similar	<ul style="list-style-type: none"> Provision states “formation” instead of “incorporation.”
	Election of Status (§ 29-1301.05)	Amendment (§ 29-1301.05(a))	Same	<ul style="list-style-type: none"> N/A
		Fundamental Transactions (§ 29-1301.05(b))	Same	<ul style="list-style-type: none"> Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
	Termination of Status (§ 29-1301.06)	Amendment (§ 29-1301.06(a))	Same	<ul style="list-style-type: none"> N/A
		Fundamental Transactions (§ 29-1301.06(b))	Substantially similar	<ul style="list-style-type: none"> Does not include reference to merger, consolidation, conversion or share exchange (only references “plan”). Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
Corporate Purposes (Subchapter II)	Corporate Purposes (§ 29-1302.01)	General Public Benefit Purpose (§ 29-1302.01(a))	Same	<ul style="list-style-type: none"> N/A
		Optional Specific Public Benefit Purpose (§ 29-1302.01(b))	Substantially similar	<ul style="list-style-type: none"> States “obligation” instead of “purpose” in the second sentence.
		Effect of Purposes (§ 29-1302.01(c))	Same	<ul style="list-style-type: none"> N/A
		Amendment (§ 29-1302.01(d))	Same	<ul style="list-style-type: none"> N/A
		Professional Corporations (§ 29-1302.01(e))	Same	<ul style="list-style-type: none"> N/A
Accountability (Subchapter III)	Standard of Conduct for Directors (§ 29-1303.01)	Consideration of Interests (§ 29-1303.01(a))	Substantially similar	<ul style="list-style-type: none"> Provision (1) does not reference “inaction” in addition to “action.” Provision (2) does not cross-reference to any constituencies provision (may not apply to business corporations law). Provision (3) states “the interests of a particular person or group” rather than “particular interest or factors.”
		Coordination with other Provisions of Law (§ 29-1303.01(b))	Same	<ul style="list-style-type: none"> N/A

		Exoneration from Personal Liability (§ 29-1303.01(c))	Substantially similar	<ul style="list-style-type: none"> • Does not include reference to articles of incorporation or bylaws. • Provision (1) does not reference “inaction” in addition to “action.” • Provision (2) omits phrase “pursue or” before “create general public benefit or specific public benefit.”
		Limitation on Standing (§ 29-1303.01(d))	Same	<ul style="list-style-type: none"> • N/A
		Business Judgments	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 301(e) regarding the application of the business judgment rule to director decisions.
	Benefit Director (§ 29-1303.02)	General Rule (§ 29-1303.02(a))	Substantially similar	<ul style="list-style-type: none"> • First sentence does not include mandatory language for publicly traded benefit corporations and permissive language for all other benefit corporations from Model § 302(a).
		Election, Removal and Qualifications (§ 29-1303.02(b))	Substantially similar	<ul style="list-style-type: none"> • Does not include carve-out for alternative governance arrangements and professional corporations.
		Annual Compliance Statement (§ 29-1303.02(c))	Substantially similar	<ul style="list-style-type: none"> • Same, except does not include “act or” before “comply.”
		Status of Actions (§ 29-1303.02(d))	Substantially similar	<ul style="list-style-type: none"> • Same, except does not address “inaction” of benefit director.
		Alternative Governance Arrangements (§ 29-1303.02(e))	Substantially similar	<ul style="list-style-type: none"> • Provision (1) uses “agreement” instead of articles of incorporation or bylaws, and does not mention articles of incorporation in addition to bylaws in second clause of sentence. • Does not include provision for close corporations from Model § 302(f)(1)(ii). • Provision (2)(D)(ii) does not mention “articles” in addition to bylaws.
		Exoneration from Personal Liability (§ 29-1303.02(f))	No	<ul style="list-style-type: none"> • Same, except replaces actions resulting in liability with: <ul style="list-style-type: none"> ○ (1) The amount of a financial benefit received by a director to which the director is not entitled; ○ (2) An intentional infliction of harm on the corporation or the shareholders; ○ (3) A violation of § 29-306.32 (relating to unlawful distributions); or ○ (4) A violation of criminal law.
		Professional Corporations	Silent	<ul style="list-style-type: none"> • Statute subsection does not address professional corporations.
	Standard of Conduct for Officers (§ 29-1303.03)	General Rule (§ 29-1303.03(a))	Same	<ul style="list-style-type: none"> • N/A
		Coordination with Other Provisions of Law (§ 29-1303.03(b))	Same	<ul style="list-style-type: none"> • N/A
		Exoneration from	Substantially	<ul style="list-style-type: none"> • Does not include exception for provisions in articles of incorporation or

		Personal Liability (§ 29-1303.03(c))	similar	bylaws. • Provision (1) does not address “inaction” of benefit officer.
		Limitation on Standing (§ 29-1303.03(d))	Same	• N/A
		Business Judgments	Silent	• Statute does not include Model § 303(e) regarding the application of the business judgment rule to officer decisions.
	Benefit Officer (§ 29-1303.04)	Designation (§ 29-1303.04(a))	Same	• Benefit officer is a permissive position.
		Functions (§ 29-1303.04(b))	Same	• N/A
	Right of Action (§ 29-1303.05)	Limitations (§ 29-1303.05(a)-(b))	Substantially similar	• Provision (a)(2) does not include “obligation.”
		Standing (§ 29-1303.05(c))	Substantially similar	• Provision (c)(2)(A) uses “shareholder” rather than 2% beneficial or record owners from Model § 305(b)(2)(i). • Provision (c)(2)(C) does not include “outstanding” or “at the time of the act or omission complained of.”
		Beneficial Ownership	Silent	• Statute does not include Model § 305(c) provision defining beneficial ownership.
	Transparency (Subchapter IV)	Annual Benefit Report (§ 29-1304.01)	Contents (§ 29-1304.01(a))	Substantially similar
Change of Benefit Director			Silent	• Statute does not include Model § 401(b) regarding change of benefit director reporting requirements.
Audit Not Required			Silent	• Statute does not include Model § 401(c) removing need for reports to be audited or certified by a third party.
Timing of Report (§ 29-1304.01(b))			Substantially similar	• Does not include “the earlier of” language preceding the timing standards.
Internet Website Posting (§ 29-1304.01(c))			Same	• N/A
Availability of Copies (§ 29-1304.01(d))			Substantially similar	• Does not include language “but the compensation paid to directors and financial or proprietary information included in the benefit report may be omitted from the copy of the benefit report provided.”
Filing of Report (§ 29-1304.01(e))			No	• Does not include “Concurrently with the delivery of the benefit report to shareholders” at beginning of first sentence. • Omits filing fee, but amends § 29-102.13(a) (relating to entity filing fees)

				to include benefit corporation chapter and § 29-102.12(d) (relating to proposed fee rules) to expedite approval of proposed fee rules.
Provisions Not in the Model	N/A			<ul style="list-style-type: none"> N/A

HAWAII (known as the “Sustainable Business Corporations Act”)

Date & Citations	<i>Date Signed; Effective Date</i>		Signed July 8, 2011; Effective July 8, 2011	
	<i>Citation</i>		HAW. REV. STAT. §§ 420D-1 to 420D-13 (2013)	
	<i>Constituency Statute</i>		HAW. REV. STAT. § 414-221(b) (2013) (permissive)	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions (§§ 420D-1 to 420D-4)	Application and Effect	General Rule	Silent	<ul style="list-style-type: none"> Although no provision is specifically included, the general rule is presumed to apply.
		Application of Business Corporation Law Generally	Silent	<ul style="list-style-type: none"> Although no provision is specifically included, the statute does specify that chapter 414 (business corporation law) applies; the general rule of application is presumed to apply.
		Laws Applicable	Silent	<ul style="list-style-type: none"> Although no provision is specifically included, the statute does specify that chapter 414 (business corporation law) applies; the general rule of applicable laws is presumed to apply.
		Organic Records	Silent	<ul style="list-style-type: none"> Although no provision is specifically included, the statute does specify that chapter 414 (business corporation law) applies; the general rule of organic records is presumed to apply.
	Definitions (§ 420D-2)	Benefit Enforcement Proceeding	No	<ul style="list-style-type: none"> This is not defined, but see “right of action” in section 420D-10 for description of legal enforcement options/requirements.
		General Public Benefit (§ 420D-2)	Substantially similar	<ul style="list-style-type: none"> Same, except the general public benefit is “measured by a third-party standard” and not “assessed against” it.
		Independent (§ 420D-2)	Substantially similar	<ul style="list-style-type: none"> Same, except it alters the provision regarding “immediate family” to cover a person who is “related by blood, marriage, or adoption to; is a party to a civil union with; is a reciprocal beneficiary or household member of; or resides with an officer other than a benefit officer or director of the sustainable business corporation or any of its subsidiaries[.]”
		Minimum Status Vote (§ 420D-2)	Same	<ul style="list-style-type: none"> N/A
		Publicly Traded	Silent	<ul style="list-style-type: none"> N/A

		Corporation		
		Specific Public Benefit	No	<ul style="list-style-type: none"> This is not defined, but see “corporate purposes” in section 420D-5 for a list of permitted specific public benefit purposes. That list is similar to the Model except it adds another permitted specific public benefit purpose: using a patent’s right to exclude to create and retain good jobs, to uphold fair labor standards, or to enhance environmental protection (provided that, the corporation cannot delete this last specific public benefit unless the annual statement of the benefit director concludes that the corporation has failed to pursue this specific public benefit, in which case the corporation’s status as a sustainable business corporation terminates).
		Third Party Standard (§ 420D-2)	No	<ul style="list-style-type: none"> Definition refers to section 420D-12, which provides for similar requirements as the Model except it states that the third-party standard must be “[d]eveloped by an organization that is independent of the sustainable business corporation” and it does not include credibility requirements.
	Formation (§ 420D-3)	Formation (§ 420D-3(a))	Same	<ul style="list-style-type: none"> N/A
	Election of Status (§ 420D-3)	Amendment (§ 420D-3(a))	Same	<ul style="list-style-type: none"> N/A
		Fundamental Transactions (§ 420D-3(b))	Substantially similar	<ul style="list-style-type: none"> Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law. Only applies to domestic corporations (not domestic entities).
	Termination of Status (§ 420D-4)	Amendment (§ 420D-4(a))	Same	<ul style="list-style-type: none"> N/A
Fundamental Transactions (§ 420D-4(b))		Same	<ul style="list-style-type: none"> Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law. 	
Purpose (§ 420D-5)	Purpose (§ 420D-5)	General Public Benefit Purpose (§ 420D-5(a))	Same	<ul style="list-style-type: none"> N/A
		Specific Public Benefit Purpose (§ 420D-5(b))	No	<ul style="list-style-type: none"> The allowable specific public benefit purposes are similar to the Model but Hawaii adds the use of a patent’s right to exclude to create and retain good jobs, to uphold fair labor standards, or to enhance environmental protection (provided that, the corporation cannot delete this last specific public benefit purpose unless the annual statement of the benefit director concludes that the corporation has failed to pursue this specific public benefit, in which case the corporation’s status as a sustainable business corporation terminates).
		Effect of purposes (§ 420D-5(c))	Same	<ul style="list-style-type: none"> N/A

Accountability (§§ 420D-6 to 420D-10)	Standard of Conduct for Directors (§ 420D-6)	Amendment (§ 420D-5(d))	Same	<ul style="list-style-type: none"> • N/A
		Professional Corporations	Silent	<ul style="list-style-type: none"> • N/A
		Consideration of Interests (§ 420D-6(a))	No	<ul style="list-style-type: none"> • Unlike the Model, directors are only required to consider the effects of the sustainable business corporation’s actions upon: <ul style="list-style-type: none"> ○ its shareholders and ○ the accomplishment of general and specific public benefits. • Directors are permitted (but not required as in the Model) to consider: <ul style="list-style-type: none"> ○ the employees and workforce of the sustainable business corporation and its subsidiaries and suppliers; ○ the interests of customers as beneficiaries of its general or specific public benefits; ○ community and societal considerations, including those of any community in which offices or facilities of the sustainable business corporation or its subsidiaries or suppliers are located; ○ the local and global environment; ○ the short-term and long-term interests of the sustainable business corporation, including benefits that may accrue to the sustainable business corporation from its long-term plans and the possibility that these interests may be best served by the continued independence of the sustainable business corporation; and ○ the ability of the sustainable business corporation to accomplish its general public benefit purpose and any specific public benefit purpose. • Directors are also permitted to consider: <ul style="list-style-type: none"> ○ the resources, intent, and conduct of any person seeking to acquire control of the corporation, and ○ any other pertinent factors or the interests of any other group that they deem appropriate. • Also, there is no reference to Hawaii’s constituency statute.
		Coordination with other Provisions of Law	Silent	<ul style="list-style-type: none"> • N/A
		Exoneration from Personal Liability Generally (§ 420D-6(b))	No	<ul style="list-style-type: none"> • It does not specifically exclude a director from personal liability for monetary damages for failure of the sustainable business corporation to pursue or create general or specific public benefit.
		Limitation on Standing	Silent	<ul style="list-style-type: none"> • N/A
Business Judgments	Silent	<ul style="list-style-type: none"> • N/A 		

	Benefit Director (§ 420D-7)	General Rule (§ 420D-7(a))	No	<ul style="list-style-type: none"> All Hawaii benefit corporations are required to have a benefit director, unlike the Model, which only requires publicly-traded benefit corporations have benefit directors.
		Election, Removal and Qualifications (§§ 420D-7(b) and (d))	Substantially similar	<ul style="list-style-type: none"> Same, except section 420D-7(d) specifies that the benefit director must be independent and have no material relationship with the sustainable business corporation.
		Annual Compliance Statement (§ 420D-7(c))	Substantially similar	<ul style="list-style-type: none"> Same, except it also requires the inclusion of “formal responses to all questions, concerns, comments, and suggestions raised through the public comment period required by section 420D-11.”
		Status of Actions	Silent	<ul style="list-style-type: none"> N/A
		Exoneration from Personal Liability	Silent	<ul style="list-style-type: none"> N/A
		Alternative Governance Arrangements	Silent	<ul style="list-style-type: none"> N/A
		Professional Corporations	Silent	<ul style="list-style-type: none"> N/A
	Standard of Conduct for Officers (§ 420D-8)	General Rule (§ 420D-8(a))	Same	<ul style="list-style-type: none"> N/A
		Coordination with Other Provisions of Law	Silent	<ul style="list-style-type: none"> N/A
		Exoneration from Personal Liability (§ 420D-8(b))	No	<ul style="list-style-type: none"> It does not specifically exclude an officer from personal liability for monetary damages for failure of the sustainable business corporation to pursue or create general or specific public benefit.
		Limitation on Standing	Silent	<ul style="list-style-type: none"> N/A
		Business Judgments	Silent	<ul style="list-style-type: none"> N/A
	Benefit Officer (§ 420D-9)	Designation (§§ 420D-9(a) and (b))	No	<ul style="list-style-type: none"> Section 420D-9(b) specifies that the benefit officer must be independent and have no material relationship with the sustainable business corporation.
		Functions (§ 420D-9(a))	Same	<ul style="list-style-type: none"> N/A
	Right of Action (§ 420D-10)	Limitations (§ 420D-10)	No	<ul style="list-style-type: none"> The statute does not limit actions to benefit enforcement proceedings nor does it limit monetary damages against the sustainable business corporation, but rather it states that shareholders or directors “shall have the right to bring direct or derivative claims to enforce corporate purposes and the standards for directors as set forth in section 414-221(a) and shall have the right to bring direct or derivative claims to enforce the general or specific public benefit purposes of the sustainable business corporation and the standard of conduct for directors pursuant to section 420D-6(a)(1).”
		Standing	No	<ul style="list-style-type: none"> Standing is limited to shareholders and directors.

		(§ 420D-10)		
		Beneficial Ownership	Silent	• N/A
Transparency (§§ 420D-11 to 420D-13)	Preparation of Annual Benefit Report (§ 420D-11)	Contents (§ 420D-11(a))	No	<ul style="list-style-type: none"> • The narrative description does not have to include the process and rationale for selecting or changing the third-party standard nor does the assessment have to explain any changes to the third-party standard, if any. • However, the benefit report does have to disclose “[t]he name of each person who owns five per cent or more of the outstanding shares of the sustainable business corporation either beneficially to the extent known to the sustainable business corporation or of record.” Likewise, the benefit report must include a statement regarding any connection between the entity that developed the third-party standard, or its directors, officers and “material owners,” and the benefit corporation, or its directors, officers and “material owners.” • Hawaii also uniquely requires that the benefit report include “[a] statement that, as a private corporation under the direction of its board and accountable to its shareholders and the articles and bylaws of the sustainable business corporation, including those governing the general or specific public benefit purpose and the activities of the sustainable business corporation, the sustainable business corporation and its activities are subject to the oversight of the board of the sustainable business corporation and are not subject to the direct oversight, regulation, or endorsement of any governmental body.”
		Change of Benefit Director	Silent	• N/A
		Audit Not Required	Silent	• N/A
	Availability of Annual Report (§ 420D-11)	Timing of Report (§§ 420D-11(b) and (c))	No	<ul style="list-style-type: none"> • Although the benefit report must be sent to shareholders within 120 days of the end of the fiscal year like the Model, the statute also requires a draft of a benefit report be posted on the public section of a sustainable business corporation’s website (or otherwise made available to the public) for a 60-day public comment period prior to final publication. The deadline for commentary must be published in a publicly accessible manner.
		Internet Website Posting (§ 420D-11(d))	No	<ul style="list-style-type: none"> • The statute only requires posting of the most recent benefit report on its website.
		Availability of Copies (§ 420D-11(d))	Same	• N/A
		Filing of Report	Silent	• N/A
Provisions Not in the Model	Purpose (§ 420D-1)	Purpose and Findings (§ 420D-1)		<ul style="list-style-type: none"> • This provision states: “This chapter authorizes a designation and code of conduct for a business corporation to offer entrepreneurs and investors the option to build and invest in businesses that operate in a socially and environmentally sustainable manner. Enforcement of those

				responsibilities comes not from governmental oversight, but rather from new provisions on transparency and accountability included in this chapter.”
	Role of Department Director (§ 420D-13)	Ministerial Role of Department Director (§ 420D-13)		<ul style="list-style-type: none"> This provision states: “Section 414-16 [regarding the filing duty of the department director] shall apply to any filings made by a sustainable business corporation.”

ILLINOIS

Date & Citations	<i>Date Signed; Effective Date</i>		Signed August 2, 2012; Effective January 1, 2013	
	<i>Citation</i>		805 IL. COMP. STAT. 40 / 1 to 5 (2013)	
	<i>Constituency Statute</i>		805 IL. COMP. STAT. 5 / 8.85 (2013) (permissive)	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions (Art. 1 “General Provisions” & Art. 2 “Formation of Benefit Corporations”)	Application and Effect (§ 1.05)	General Rule (§ 1.05(a))	Same	• N/A
		Application of Business Corporation Law Generally (§ 1.05(b))	Same	• N/A
		Laws Applicable (§ 1.05(c))	Substantially similar	• Same, except it does not specify if a benefit corporation can be “subject simultaneously” to the benefit corporation statute and one or more other statutes.
		Organic Records (§ 1.05(d))	Substantially similar	• Same, except the articles of incorporation or bylaws may not “relax” a provision of the benefit corporation statute.
	Definitions (§ 1.10)	Benefit Enforcement Proceeding (§ 1.10)	Same	• N/A
		General Public Benefit (§ 1.10)	Same	• N/A
		Independent (§ 1.10)	Same	• N/A
		Minimum Status Vote (§ 1.10)	Same	• N/A
		Publicly Traded Corporation	Silent	• N/A
		Specific Public Benefit (§ 1.10)	Substantially similar	• Same, except the last provision uses the phrase “accomplishment of any other particular benefit.”
	Third Party Standard	No	• The standard does not need to be “recognized” and it does need a 30-day	

		(§ 1.10)		<p>public comment period during development.</p> <ul style="list-style-type: none"> Also, the standard must be developed by an entity that has no material relationship with the benefit corporation or its subsidiaries. Such entity must not be materially financed by, nor have more than one-third of its governing members serve as representatives of, businesses or associations of businesses in a specific industry or assessed by the standard.
	Formation (§ 2.01)	Formation (§ 2.01)	Same	<ul style="list-style-type: none"> N/A
	Election of Status (§ 2.05)	Amendment (§ 2.05(a))	Same	<ul style="list-style-type: none"> N/A
		Fundamental Transactions (§ 2.05(b))	Substantially similar	<ul style="list-style-type: none"> Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law. Omits “domestic” qualifier.
	Termination of Status (§ 2.10)	Amendment (§ 2.10(a))	Same	<ul style="list-style-type: none"> N/A
		Fundamental Transactions (§§ 2.10(b), (c))	Substantially similar	<ul style="list-style-type: none"> Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law. Omits “domestic” qualifier.
Purpose (Art. 3 “Corporate Purposes”)	Purpose (§ 3.01)	General Public Benefit Purpose (§ 3.01(a))	Same	<ul style="list-style-type: none"> N/A
		Specific Public Benefit Purpose (§ 3.01(b))	Same	<ul style="list-style-type: none"> N/A
		Effect of purposes (§ 3.01(c))	Same	<ul style="list-style-type: none"> N/A
		Amendment (§ 3.01(d))	Same	<ul style="list-style-type: none"> N/A
		Professional Corporations (§ 3.01(e))	Same	<ul style="list-style-type: none"> N/A
Accountability (Art. 4 “Accountability”)	Standard of Conduct for Directors (§ 4.01)	Consideration of Interests (§ 4.01(a))	Substantially similar	<ul style="list-style-type: none"> Provision (a)(3) states “interests of a particular group or person” rather than “particular interest or factor.”
		Coordination with other Provisions of Law (§ 4.01(b))	Substantially similar	<ul style="list-style-type: none"> Same, except it does not specify that a director’s consideration of the above interests does not constitute a violation of the duties of a director generally under Illinois’s business corporation law.
		Exoneration from Personal Liability (§ 4.01(c))	Substantially similar	<ul style="list-style-type: none"> Same, except it does not specify that a director is also not liable for his or her “inactions” as a director and it does not mention “except as provided in the articles of incorporation or bylaws.”

		Limitation on Standing (§ 4.01(d))	Same	• N/A	
		Business Judgments	Silent	• N/A	
	Benefit Director (§ 4.05)		General Rule (§ 4.05(a))	No	• All Illinois benefit corporations are required to have a benefit director, unlike the Model, which only requires publicly-traded benefit corporations have benefit directors.
			Election, Removal and Qualifications (§ 4.05(b))	Substantially similar	• Same, except it does not mention “except as provided in subsections (f) and (g).”
			Annual Compliance Statement (§ 4.05(c))	Same	• N/A
			Status of Actions (§ 4.05(d))	Substantially similar	• Same, except it does not mention “inactions” or “except as provided in the articles of incorporation or bylaws.”
			Exoneration from Personal Liability (§ 4.05(f))	Same	• N/A
			Alternative Governance Arrangements (§ 4.05(e))	Same	• N/A
			Professional Corporations	Silent	• N/A
		Standard of Conduct for Officers (§ 4.10)		General Rule (§ 4.10(a))	Same
			Coordination with Other Provisions of Law	Silent	• N/A
			Exoneration from Personal Liability (§ 4.10(b))	Substantially similar	• Same, except it does not mention “inactions” or “except as provided in the articles of incorporation or bylaws.”
			Limitation on Standing (§ 4.10(c))	Same	• N/A
			Business Judgments	Silent	• N/A
	Benefit Officer (§ 4.15)		Designation (§ 4.15(a))	Same	• N/A
			Functions (§ 4.15(b))	Same	• N/A
	Right of Action (§ 4.20)		Limitations (§§ 4.20(a), (c))	Same	• N/A
		Standing	No	• Any shareholder of the benefit corporation may commence a benefit	

		(§ 4.20(b))		enforcement proceeding and there is no requirement that a shareholder of the benefit corporation or a 5% equityholder of its parent must have been a holder “at the time of the act or omission complained of.”
		Beneficial Ownership	Silent	• N/A
Transparency (Art. 5 “Transparency”)	Preparation of Annual Benefit Report (§ 5.01)	Contents (§ 5.01(a))	No	<ul style="list-style-type: none"> • The statute does not require an explanation for changing third-party standards. • Also, it requires disclosure of the name of each 5% shareholder of the benefit corporation, as well as a statement regarding any connection between the entity that developed the third-party standard, or its directors, officers and “material owners,” and the benefit corporation, or its directors, officers and “material owners.”
		Change of Benefit Director	Silent	• N/A
		Audit Not Required	Silent	• N/A
	Availability of Annual Benefit Report (§ 5.01)	Timing of Report (§ 5.01(b))	Substantially similar	• Does not include “the earlier of” language preceding the timing standard.
		Internet Website Posting (§ 5.01(c))	Same	• N/A
		Availability of Copies (§ 5.01(d))	Substantially similar	• Same, except it does not mention allowing the benefit corporation to omit from such copies of the report delivered upon request the compensation of directors and financial or proprietary information.
		Filing of Report	Silent	• N/A
Provisions Not in the Model	N/A	N/A	N/A	• N/A

LOUISIANA

Date & Citations	<i>Date Signed; Effective Date</i>		Signed May 31, 2012; Effective August 1, 2012	
	<i>Citation</i>		LA. REV. STAT. §§ 12:1801 to 1832 (2013)	
	<i>Constituency Statute</i>		LA. REV. STAT. § 12:92(G) (2013) (permissive)	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions	Application and Effect	General Rule (§ 1802(A))	Same	• N/A

(Part I. “Preliminary Provisions”)	(§ 1802)	General Rule (§ 1802(A))	Same	<ul style="list-style-type: none"> • N/A
		Application of Business Corporation Law Generally (§ 1802(B))	Same	<ul style="list-style-type: none"> • N/A
		Laws Applicable (§ 1802(C))	Same	<ul style="list-style-type: none"> • N/A
		Organic Records (§ 1802(D))	Substantially similar	<ul style="list-style-type: none"> • Same, except the articles of incorporation or bylaws may not “relax” a provision of the benefit corporation statute.
	Definitions (§ 1803)	Benefit Enforcement Proceeding (§ 1803(A)(4))	Same	<ul style="list-style-type: none"> • N/A
		General Public Benefit (§ 1803(A)(6))	Same	<ul style="list-style-type: none"> • N/A
		Independent (§§ 1803(A)(7) and (8))	No	<ul style="list-style-type: none"> • The statute does not specify that serving as benefit director or benefit officer does not make an individual not independent. • Also, it is a material relationship if an immediate family member is or has been within the last 3 years an “employee, officer, or director of the benefit corporation, or an affiliate of the benefit corporation.”
		Minimum Status Vote (§ 1803(A)(9))	No	<ul style="list-style-type: none"> • Unlike the Model, the statute does not provide that every shareholder or equityholder is entitled to vote regardless of any limitation placed on their voting rights by the corporation’s organizational documents. • Also, the term used is “minimum vote.”
		Publicly Traded Corporation	Silent	<ul style="list-style-type: none"> • N/A
		Specific Public Benefit (§ 1803(A)(10))	No	<ul style="list-style-type: none"> • The definition does not include a catch-all “any other particular benefit on society or the environment” as does the Model. • Although similar in parts to the Model, the definition allows for the following list of specific public benefits: <ul style="list-style-type: none"> ○ Serving low-income or underserved individuals or communities. ○ Promoting economic opportunity for low-income or underserved individuals or communities. ○ Preserving the environment, promoting positive impacts on the environment, or reducing negative impacts on the environment. ○ Improving human health. ○ Promoting the arts, sciences, or advancement of knowledge. ○ Increasing the flow of capital to entities with a purpose listed

				<p>in this Paragraph.</p> <ul style="list-style-type: none"> ○ Historic preservation. ○ Urban beautification.
		Third Party Standard (§ 1803(A)(11))	No	<ul style="list-style-type: none"> • The statute states that the third-party standard must be comprehensive “in that it assesses the effect of the corporation and its operations in producing general public benefit and any specific public benefit specified in the articles.” This differs from the Model, which focuses on the effect of the business and its operations on the interests that must be considered by the directors and officers of the benefit corporation. • There is no requirement that the third-party standard be developed by an entity not controlled by the benefit corporation nor is there a credibility requirement.
	Formation (§ 1804)	Formation (§ 1804(A))	Same	<ul style="list-style-type: none"> • N/A
	Election of Status (§ 1804)	Amendment (§§ 1804(A) and (B))	Substantially similar	<ul style="list-style-type: none"> • Same, except it also requires that the notice of the meeting of shareholders to approve the amendment “shall state the specific public benefits, if any, to be included in the purposes of the benefit corporation and shall explain the anticipated impact on shareholders of becoming a benefit corporation.”
		Fundamental Transactions (§ 1804(C))	Substantially similar	<ul style="list-style-type: none"> • Same, except it does not refer to a conversion or share exchange. • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
	Termination of Status (§ 1805)	Amendment (§ 1805(A))	Same	<ul style="list-style-type: none"> • N/A
Fundamental Transactions (§ 1805(B))		Substantially similar	<ul style="list-style-type: none"> • Same, except it does not refer to a conversion or share exchange. • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law. 	
Purpose (Part II. “Corporate Purposes”)	Corporate Purpose (§ 1811)	General Public Benefit Purpose (§ 1811(A))	Same	<ul style="list-style-type: none"> • N/A
		Specific Public Benefit Purpose (§ 1811(B))	Same	<ul style="list-style-type: none"> • N/A
		Effect of purposes (§ 1811(C))	Same	<ul style="list-style-type: none"> • N/A
		Amendment (§ 1811(D))	Same	<ul style="list-style-type: none"> • N/A
		Professional Corporations (§ 1811(E))	Same	<ul style="list-style-type: none"> • N/A
Accountability	Standard of	Consideration of	Substantially	<ul style="list-style-type: none"> • Same, except there is no reference to the Louisiana constituency statute.

(Part III. “Accountability”)	Conduct for Directors (§ 1821)	Interests (§ 1821(A))	similar	<ul style="list-style-type: none"> States “interests of a particular person or group” rather than “interest or factor.”
		Coordination with other Provisions of Law (§ 1821(B))	Same	<ul style="list-style-type: none"> N/A
		Exoneration from Personal Liability (§ 1821(C))	Substantially similar	<ul style="list-style-type: none"> Same, except it specifies that a director shall not be personally liable for monetary damages for “[a]ny act or omission covered by a provision in the articles of incorporation that eliminates or limits the liability of the director as authorized in [section 24(C)(4)].”
		Limitation on Standing (§ 1821(D))	Same	<ul style="list-style-type: none"> N/A
		Business Judgments	Silent	<ul style="list-style-type: none"> N/A
	Benefit Director (§ 1822)	General Rule (§ 1822(A))	No	<ul style="list-style-type: none"> All Louisiana benefit corporations are required to have a benefit director, unlike the Model, which only requires publicly-traded benefit corporations have benefit directors.
		Election, Removal and Qualifications (§ 1822(B))	Same	<ul style="list-style-type: none"> N/A
		Annual Compliance Statement (§ 1822(C))	Substantially similar	<ul style="list-style-type: none"> Same, except it adds that a benefit director may “retain an independent third party to audit the annual benefit report or conduct any other assessment of the corporation’s pursuit of its general public benefit purpose and any specific public benefit purpose.”
		Status of Actions (§ 1822(D))	Same	<ul style="list-style-type: none"> N/A
		Exoneration from Personal Liability (§ 1822(E))	Same	<ul style="list-style-type: none"> N/A
		Alternative Governance Arrangements	Silent	<ul style="list-style-type: none"> N/A
		Professional Corporations (§ 1822(F))	Same	<ul style="list-style-type: none"> N/A
	Standard of Conduct for Officers (§ 1823)	General Rule (§ 1823(A))	Same	<ul style="list-style-type: none"> N/A
		Coordination with Other Provisions of Law (§ 1823(B))	Silent	<ul style="list-style-type: none"> N/A
		Exoneration from	Same	<ul style="list-style-type: none"> N/A

		Personal Liability (§ 1823(C))			
		Limitation on Standing (§ 1823(D))	Same	• N/A	
		Business Judgments	Silent	• N/A	
	Benefit Officer (§ 1824)		Designation (§ 1824(A))	Same	• N/A
			Functions (§ 1824(B))	Same	• N/A
	Right of Action (§ 1825)		Limitations (§ 1825(A))	No	• No person can bring an action or claim against a benefit corporation.
			Standing (§ 1825(B))	No	<ul style="list-style-type: none"> • Any shareholder of the benefit corporation may commence a benefit enforcement proceeding and there is no requirement that a shareholder must have been a shareholder “at the time of the act or omission complained of.” • Also, regarding directors, only the “benefit director” may bring a derivative action or claim. • Unlike the Model, the statute also does not provide standing for a 5% equityholder of the parent of the benefit corporation.
		Beneficial Ownership	Silent	• N/A	
Transparency (Part IV. “Transparency”)	Preparation of Annual Benefit Report (§ 1831)	Contents (§ 1831(A)(1))	No	<ul style="list-style-type: none"> • The statute does not require that the assessment include an explanation for changing third-party standards from the prior year. • It does require, however, that the annual benefit report disclose the name of each 5% shareholder of the benefit corporation. 	
		Change of Benefit Director	Silent	• N/A	
		Audit Not Required (§ 1831(A)(2))	Substantially similar	• Adds “standards provider” after “third party.”	
	Availability of Annual Benefit Report (§ 1831)		Timing of Report (§ 1831(B))	Substantially similar	• Substitutes “either” in place of “the earlier of” preceding the timing standard.
			Internet Website Posting (§ 1831(C))	Same	• N/A
			Availability of Copies (§ 1831(D))	Same	• N/A
			Filing of Report	Silent	• N/A
Provisions Not in the Model	Election of Status; Corporate Name (§ 1804)	Corporate Name (§ 1804(D))	N/A	• This provision states: “The corporate name of a benefit corporation shall end with the following phrase, which may be in parentheses, ‘A Benefit Corporation.’”	

	Benefit Officer (§ 1824)	Exoneration from Personal Liability (§ 1824(C))	N/A	<ul style="list-style-type: none"> This provisions states: “An officer shall not be personally liable for monetary damages for any of the following: <ol style="list-style-type: none"> (1) Any act or omission covered by a provision in the articles of incorporation that eliminates or limits the liability of the officer as authorized in [section 24(C)(4)]. (2) Any act or omission as an officer if the officer performed the duties of office pursuant to [section 91]. (3) Failure of the benefit corporation to pursue or create general public benefit or a specific public benefit.”
	Stock Certificates (§ 1832)	Legend on Share Certificates (§ 1832)	N/A	<ul style="list-style-type: none"> This provision states: “All certificates representing shares in a benefit corporation shall contain, in addition to any other statements required by the Business Corporation Law, the following conspicuous language on the face of the certificate: ‘This corporation is a benefit corporation subject to the Benefit Corporations Law, [section 1801 et seq].’”

MARYLAND

Date & Citations	<i>Date Signed; Effective Date</i>		Signed April 13, 2010; Effective October 1, 2010	
	<i>Citation</i>		MD. CODE, CORPS. & ASS'NS §§ 5-6C-01 to 5-6C-08 (2013)	
	<i>Constituency Statute</i>		MD. CODE, CORPS. & ASS'NS § 2-104(b)(9) (2013) (permissive; in articles of incorporation)	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions (§§ 5-6C-01 to 5-6C-04)	Application and Effect (§ 5-6C-02)	General Rule (§ 5-6C-02(b))	Same	• N/A
		Application of Business Corporation Law Generally (§ 5-6C-02(c))	Same	• N/A
		Laws Applicable (§ 5-6C-02(a))	Same	• N/A
		Organic Records (§ 5-6C-02(d))	Substantially similar	• Same, except that it does not specify if the charter or bylaws of a benefit corporation may “limit” or “supersede” a provision of the benefit corporation statute.
	Definitions (§ 5-6C-01)	Benefit Enforcement Proceeding	Silent	• The statute does not contain the concept of a benefit enforcement proceeding.
		General Public Benefit (§ 5-6C-01(c))	No	• The statute does not require that the general public benefit be “taken as a whole” and it is measured “through activities that promote a combination of specific public benefits.”
		Independent	Silent	• N/A
		Minimum Status Vote	Substantially similar	• The statute does not contain the concept of a minimum status vote; however, it does refer to Maryland’s general business corporation law, section 2-604(e), which requires two-thirds shareholder approval for amendments to a corporation’s charter.
		Publicly Traded Corporation	Silent	• N/A
		Specific Public Benefit (§ 5-6C-01(d))	Substantially similar	• Same, except it does not qualify the provision of beneficial products or services to “low-income” individuals or communities, and the catch-all provision reads “the accomplishment of” rather than “conferring” any other particular benefit on society and the environment.
		Third Party Standard (§ 5-6C-01(e))	No	• The standard need not be “recognized” and there are no provisions addressing comprehensiveness, credibility, or the source of financial support for the entity that developed/controls the standard. • Also, it states that the developing entity must be “independent of” the

				benefit corporation, rather than “not controlled by” it.
	Formation (§ 5-6C-03)	Formation (§ 5-6C-03(a))	Same	• N/A
	Election of Status (§ 5-6C-03)	Amendment (§§ 5-6C-03(a) and (b))	Substantially Similar	• Same, except it does not mention a minimum status vote but rather refers to Maryland’s general business corporation law, section 2-604(e), which requires two-thirds shareholder approval for amendments to a corporation’s charter.
		Fundamental Transactions	Silent	• N/A
	Termination of Status (§ 5-6C-04)	Amendment (§§ 5-6C-04(a) and (b))	Substantially similar	• Same, except it does not mention a minimum status vote but rather refers to Maryland’s general business corporation law, section 2-604(e), which requires two-thirds shareholder approval for amendments to a corporation’s charter.
		Fundamental Transactions	Silent	• N/A
Purpose (§ 5-6C-06)	Purpose (§ 5-6C-06)	General Public Benefit Purpose (§ 5-6C-06(a))	Substantially similar	• Same, except it states that this general public benefit purpose can also be a “limitation on” the other purposes of the benefit corporation.
		Specific Public Benefit Purpose (§ 5-6C-06(b))	Same	• N/A
		Effect of Purposes (§ 5-6C-06(c))	Same	• N/A
		Amendment	Silent	• N/A
		Professional Corporations	Silent	• N/A
Accountability (§ 5-6C-07)	Standard of Conduct for Directors (§ 5-6C-07)	Consideration of Interests (§ 5-6C-07(a))	No	• The list of mandatory considerations does not include the short- and long-term interests of the benefit corporation, its continued independence, or its ability to accomplish its general or specific public benefit purposes. • There is no provision regarding priority of interest, and there is no reference to the Maryland constituency statute.
		Coordination with other Provisions of Law	Silent	• N/A
		Exoneration from Personal Liability Generally (§ 5-6C-07(c))	No	• The statute does not state that a director is not personally liable for monetary damages for a failure to pursue or create general or specific public benefit.
		Limitation on Standing (§ 5-6C-07(b))	Same	• N/A
		Business Judgments	Silent	• N/A
	Benefit Director	General Rule	Silent	• Benefit director concept not included.

		Election, Removal and Qualifications	Silent	• N/A	
		Annual Compliance Statement	Silent	• N/A	
		Status of Actions	Silent	• N/A	
		Exoneration from Personal Liability	Silent	• N/A	
		Alternative Governance Arrangements	Silent	• N/A	
		Professional Corporations	Silent	• N/A	
	Standard of Conduct for Officers		General Rule	Silent	• The statute does not address the standard of conduct for officers.
			Coordination with Other Provisions of Law	Silent	• N/A
			Exoneration from Personal Liability	Silent	• N/A
			Limitation on Standing	Silent	• N/A
			Business Judgments	Silent	• N/A
	Benefit Officer		Designation	Silent	• Benefit officer concept not included.
			Functions	Silent	• N/A
	Right of Action		Limitations	Silent	• The statute does not discuss benefit enforcement proceedings and does not specifically address causes of action.
			Standing	Silent	• N/A
		Beneficial Ownership	Silent	• N/A	
Transparency (§ 5-6C-08)	Preparation of Annual Benefit Report (§ 5-6C-08)	Contents (§ 5-6C-08(a))	No	<ul style="list-style-type: none"> • Because the Maryland benefit corporation statute does not provide for a benefit director or benefit officer, the annual benefit report provisions related to these positions in the Model do not appear in the Maryland statute. • Also, the annual benefit report does not need to include the following items (as required by the Model): <ul style="list-style-type: none"> ○ the process and rationale for selecting or changing the third-party standard; ○ an explanation for changing the third-party standard; ○ the compensation paid to each director; ○ a statement of any connection between the organization that established the third-party standard and the benefit corporation (including any financial or governance relationship which might materially affect the credibility of the use of the third-party standard); and ○ a description regarding alternative governance arrangements. 	

		Change of Benefit Director	Silent	<ul style="list-style-type: none"> • N/A
		Audit Not Required	Silent	<ul style="list-style-type: none"> • N/A
	Availability of Annual Benefit Report (§ 5-6C-08)	Timing of Report (§ 5-6C-08(b))	Substantially similar	<ul style="list-style-type: none"> • Same, except the statute does not mention delivery at the same time that the benefit corporation delivers any other annual report to its shareholders.
		Internet Website Posting (§ 5-6C-08(c))	No	<ul style="list-style-type: none"> • The statute only requires posting of the most recent benefit report on its website. • Also, it does not provide for exclusion of financial or proprietary information.
		Availability of Copies (§ 5-6C-08(c))	Substantially similar	<ul style="list-style-type: none"> • Same, except it does not provide for exclusion of financial or proprietary information.
		Filing of Report	Silent	<ul style="list-style-type: none"> • N/A
Provisions Not in the Model	Election of Status (§ 5-6C-03)	Name of Benefit Corporation (§ 5-6C-03(c))	N/A	<ul style="list-style-type: none"> • This provision states: “The name of a domestic benefit corporation or a foreign benefit corporation authorized to transact business in the State must comply with Title 1, Subtitle 5 of this article [regarding contents of a business entity’s name].”
	Benefit Corporation Status (§ 5-6C-05)	Reference to Fact of Benefit Corporation Status (§ 5-6C-05)	N/A	<ul style="list-style-type: none"> • This provision requires clear identification of the fact that a corporation is a benefit corporation at the head of the company’s charter documents and on each stock certificate.

MASSACHUSETTS

Date & Citations	<i>Date Signed; Effective Date</i>		Signed August 7, 2012; Effective December 1, 2012	
	<i>Citation</i>		MASS. GEN. LAWS ch. 156E, §§ 1 to 16 (2013)	
	<i>Constituency Statute</i>		MASS. GEN. LAWS ch. 156D, § 8.30(a)(3) (2013) (permissive)	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions (§§ 2 to 8)	Application and Effect (§ 3)	General Rule	Silent	• N/A
		Application of Business Corporation Law Generally	Silent	• N/A
		Laws Applicable (§ 3(a))	Same	• N/A
		Organic Records (§ 3(b))	Substantially similar	<ul style="list-style-type: none"> • Same, except the articles of organization, the bylaws, or a shareholder agreement may not also “relax” a provision of the benefit corporation statute. • The statute further specifies that any inconsistent provision in an organizational document is void and unenforceable, but at the same time, does not render the rest of the provisions therein void or enforceable.
	Definitions (§ 2)	Benefit Enforcement Proceeding (§ 2)	Same	• N/A
		General Public Benefit (§ 2)	Same	• N/A
		Independent (§ 2)	Substantially similar	• Same, except “material relationship” includes a shorter look-back period for employees and relatives of executive officers of the benefit corporation—it is one year, as opposed to three years in the Model.
		Minimum Status Vote (§ 2)	Same	• N/A
		Publicly Traded Corporation	Silent	• N/A
		Specific Public Benefit (§ 2)	Same	• N/A
		Third Party Standard (§ 2)	No	<ul style="list-style-type: none"> • The standard does not need to be “recognized” and it does need a 30-day public comment period during development. • Also, the standard must be developed by a person or organization that is “independent of” the benefit corporation. Such an organization must not be materially financed by, nor have more than one-third of its governing members serve as representatives of, businesses or associations of

				businesses in a specific industry or assessed by the standard.
	Formation (§ 4)	Formation (§ 4)	Same	<ul style="list-style-type: none"> • N/A
	Election of Status (§ 5)	Amendment (§ 5)	No	<ul style="list-style-type: none"> • Upon electing benefit corporation status, the Massachusetts statute provides for appraisal rights (according to MASS. GEN. LAWS ch. 156D, §§ 13.01 to 13.31).
		Fundamental Transactions (§ 8)	No	<ul style="list-style-type: none"> • Upon a merger, conversion, or share exchange in which the resulting corporation is a benefit corporation, the Massachusetts statute provides for appraisal rights (according to MASS. GEN. LAWS ch. 156D, §§ 13.01 to 13.31). • The statute does not refer to “consolidations,” as does the Model. • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
	Termination of Status (§ 6)	Amendment (§ 6)	Same	<ul style="list-style-type: none"> • N/A
		Fundamental Transactions	Silent	<ul style="list-style-type: none"> • N/A
Purpose (§ 9)	Purpose (§ 9)	General Public Benefit Purpose (§ 9(a))	Same	<ul style="list-style-type: none"> • N/A
		Specific Public Benefit Purpose (§ 9(b))	Same	<ul style="list-style-type: none"> • N/A
		Effect of purposes (§ 9(c))	Same	<ul style="list-style-type: none"> • N/A
		Amendment (§ 9(d))	Substantially similar	<ul style="list-style-type: none"> • This provision does not refer to a “minimum status vote”; however, it does refer to amendment of the articles of organization under chapter 156D, which provides a default voting standard of two-thirds. • Also, it adds that the “elimination of an optional specific public benefit shall not significantly diminish or eliminate the general public benefit required in this subsection.”
		Professional Corporations (§ 9(e))	Same	<ul style="list-style-type: none"> • N/A
Accountability (§§ 10 to 14)	Standard of Conduct for Directors (§ 10)	Consideration of Interests (§§ 10(a) and (b))	Substantially similar	<ul style="list-style-type: none"> • Same, except it adds that the required considerations must be made “using sound and reasonable judgment in determining corporate actions and the best interests of the benefit corporation.” • Provision (a)(2) states “interests of a particular person or group” rather than “particular interest or factor.”
		Coordination with other Provisions of	Same	<ul style="list-style-type: none"> • N/A

		Law (§ 10(c))			
		Exoneration from Personal Liability (§ 10(d))	Same	• N/A	
		Limitation on Standing (§ 10(e))	Same	• N/A	
		Business Judgments	Silent	• N/A	
	Benefit Director (§ 11)		General Rule (§ 11(a))	No	• All Massachusetts benefit corporations are required to have a benefit director, unlike the Model, which only requires publicly-traded benefit corporations have benefit directors.
			Election, Removal and Qualifications (§ 11(b))	Same	• N/A
			Annual Compliance Statement (§ 11(c))	Substantially similar	• Same, except it adds the requirement that the benefit director’s opinion in the annual report also discuss “what impact the corporation’s status as a benefit corporation is having on its business, including client or consumer opinion, return on investment, impact on shareholders and impact on employees.”
			Status of Actions (§ 11(d))	Same	• N/A
			Exoneration from Personal Liability (§ 11(g))	Same	• N/A
			Alternative Governance Arrangements (§ 11(e))	Same	• N/A
			Professional Corporations (§ 11(f))	Same	• N/A
	Standard of Conduct for Officers (§ 12)		General Rule (§ 12(a))	Same	• N/A
			Coordination with Other Provisions of Law (§ 12(b))	Same	• N/A
			Exoneration from Personal Liability (§ 12(c))	Same	• N/A
		Limitation on Standing	Same	• N/A	

		(§ 12(d))		
		Business Judgments	Silent	• N/A
	Benefit Officer (§ 13)	Designation (§ 13(a))	Same	• N/A
		Functions (§ 13(a))	Same	• N/A
	Right of Action (§ 14)	Limitations (§ 14(a))	Same	• N/A
		Standing (§ 14(b))	No	• Any shareholder of the benefit corporation may commence a benefit enforcement proceeding and there is no requirement that a shareholder of the benefit corporation or a 5% equityholder of its parent must have been a holder “at the time of the act or omission complained of.”
Beneficial Ownership		Silent	• N/A	
Transparency (§§ 15 to 16)	Preparation of Annual Benefit Report (§ 15)	Contents (§ 15(a))	No	• The statute does not require that the assessment include an explanation for changing third-party standards. • Also, it requires disclosure of the name of each 5% shareholder of the benefit corporation.
		Change of Benefit Director	Silent	• N/A
		Audit Not Required (§ 15(b))	Substantially similar	• Adds “standards provider” after the phrase “third party.”
	Availability of Annual Benefit Report (§ 16)	Timing of Report (§ 16(a))	Substantially similar	• Does not include “the earlier of” language preceding the timing standards.
		Internet Website Posting (§ 16(b))	No	• The statute only requires posting of the most recent benefit report on its website.
		Availability of Copies (§ 16(c))	Same	• N/A
		Filing of Report (§ 16(d))	Same	• N/A
	Provisions Not in the Model	Benefit Corporation Status (§ 7)	Holding Self Out as Benefit Corporation (§ 7)	N/A

NEW JERSEY

Date &	<i>Date Signed; Effective Date</i>	3/1/11; 3/1/11
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Citations	Citation		N.J. Stat. Ann. § 14A:18-1 (2013)	
	Constituency Statute		N.J. Stat. Ann. § 14A:6-1(2) (2013) – permissive	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions	Application and Effect	General Rule	Silent	• N/A
		Application of Business Corporation Law Generally	Silent	• N/A
		Laws Applicable	Silent	• N/A
		Organic Records	Silent	• N/A
	Definitions (§ 14A:18-1)	Benefit Enforcement Proceeding	Substantially similar	• Same, except omits “proceeding” and defines the claim or action as one brought “against a director or officer.”
		General Public Benefit	No	<ul style="list-style-type: none"> • Omits the phrase “taken as a whole” and does not include the language regarding assessment against a third-party standard. • Defined as “a material positive impact on society and the environment by the operations of a benefit corporation through activities that promote some combination of specific public benefits.”
		Independent	Substantially similar	<ul style="list-style-type: none"> • States “person” rather than “individual” throughout. • Includes additional language in the first sentence to broaden “no material relationship” standard (i.e. directly or indirectly through a relationship with another entity related to the benefit corporation).
		Minimum Status Vote	Substantially similar	• Omits “bylaws” from shareholder vote provision.
		Publicly Traded Corporation	Silent	• Statute does not include Model definition of “publicly traded corporation.”
		Specific Public Benefit	Substantially similar	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Provision (1) omits the words “or underserved” after the word “low-income”; ○ Provision (3) reflects “preserving” instead of “protecting or restoring” the environment; ○ Provision (6) reflects “public benefit purpose” instead of “purpose to benefit society or the environment”; and ○ Provision (7) uses the phrase “accomplishment of” instead of “conferring” any other benefit.

		Third-Party Standard	No	<ul style="list-style-type: none"> • Statute does not include any comprehensive or credibility provisions. • Provision (1) reflects “independent of” rather than “not controlled by.” • Transparency provisions do not reference “social and environmental” performance of the business, the process by which revisions to the standards are made, or financial support reporting requirements.
	Formation (§ 14A:18-2)	Formation of a Benefit Corporation	Substantially similar	<ul style="list-style-type: none"> • States “formation” instead of “incorporation.”
	Election of Status (§ 14A:18-3)	Amendment (§ 14A:18-3(a))	Substantially similar	<ul style="list-style-type: none"> • Only corporations organized under the N.J. Business Corp. Act may become benefit corporations.
		Fundamental Transactions (§ 14A:18-3(b))	Same	<ul style="list-style-type: none"> • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
	Termination of Status (§ 14A:18-4)	Amendment (§ 14A:18-4(a))	Same	<ul style="list-style-type: none"> • N/A
		Fundamental Transactions (§ 14A:18-4)	No	<ul style="list-style-type: none"> • Statute subsection does not address the sale of all or substantially all the assets outside the ordinary course of business. • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
Corporate Purposes	Corporate Purposes (§ 14A:18-5)	General Public Benefit Purpose (§ 14A:18-5(a))	Same	<ul style="list-style-type: none"> • N/A
		Optional Specific Public Benefit Purpose (§ 14A:18-5(b))	Substantially similar	<ul style="list-style-type: none"> • Uses “obligation” instead of “purpose.”
		Effect of Purposes (§ 14A:18-5(c))	Same	<ul style="list-style-type: none"> • N/A
		Amendment (§ 14A:18-5(d))	Same	<ul style="list-style-type: none"> • N/A
		Professional Corporations	Silent	<ul style="list-style-type: none"> • Statute does not address professional corporations.
Accountability	Standard of Conduct for Directors (§ 14A:18-6)	Consideration of Interests (§ 14A:18-6(a)-(c))	No	<ul style="list-style-type: none"> • Statute does not include Model § 301(a)(vii) regarding the ability of the benefit corporation to accomplish its purpose(s).
		Coordination with other Provisions of Law	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 301(b) regarding the coordination of this provision with others governing director conduct.
		Exoneration from Personal Liability (§ 14A:18-6(d))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Does not include reference to articles of incorporation/bylaws in first sentence; ○ Does not include Model § 301(c)(1) regarding action or inaction taken in compliance with the directors’ duties generally; and

			<ul style="list-style-type: none"> ○ Does not include “pursue or” before “create.”
	Limitation on Standing	Silent	<ul style="list-style-type: none"> • Statute omits Model § 301(d) regarding the absence of duty to a beneficiary in the capacity as a beneficiary.
	Business Judgments	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 301(e) regarding the application of the business judgment rule to director decisions.
Benefit Director (§ 14A:18-7)	General Rule (§ 14A:18-7(a))	No	<ul style="list-style-type: none"> • Statute does not include qualification of “publicly traded corporation” from Model § 302(a).
	Election, Removal and Qualifications (§ 14A:18-7(b))	Substantially similar	<ul style="list-style-type: none"> • Does not include optional language referring to alternative governance provisions and professional corporations.
	Annual Compliance Statement (§ 14A:18-7(c))	Same	<ul style="list-style-type: none"> • N/A
	Status of Actions	Silent	<ul style="list-style-type: none"> • Statute omits Model § 302(d) regarding status of benefit director actions.
	Alternative Governance Arrangements (§ 14A:18-7(d))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Omits references to “articles of incorporation”; ○ Does not include Model § 302(f)(1)(ii) regarding close corporations; and ○ Does not include Model § 302(f)(2) regarding independence, immunities, sharing of powers and procedures for election and removal.
	Exoneration from Personal Liability (§ 14A:18-7(e))	Substantially similar	<ul style="list-style-type: none"> • Does not include exception for provisions in “bylaws” in first sentence.
	Professional Corporations	Silent	<ul style="list-style-type: none"> • Statute does not address professional corporations.
Standard of Conduct for Officers (§ 14A:18-8)	General Rule (§ 14A:18-8(a))	Same	<ul style="list-style-type: none"> • N/A
	Coordination with Other Provisions of Law (§ 14A:18-8(b))	No	<ul style="list-style-type: none"> • Appears to track Model § 303(b) but omits last half of sentence; may be a scrivener’s error that requires amendment.
	Exoneration from Personal Liability (§ 14A:18-8(c))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Omits references to articles of incorporation or bylaws; ○ Omits the word “pursue”; and ○ Does not contain Model § 303(c)(1) language regarding liability for duties in compliance with business corporation law.
	Limitation on Standing	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 303(d) regarding limitation on standing of beneficiaries.
	Business Judgments	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 303(e) regarding application of business

				judgment rule to officer decisions.
	Benefit Officer (§ 14A:18-9)	Designation and Functions	Same	<ul style="list-style-type: none"> • N/A
	Right of Action (§ 14A:18-10)	Limitations (§ 14A:18-10(a))	No	<ul style="list-style-type: none"> • Same, except does not include Model § 305(a)(2) regarding liability of the benefit corporation for monetary damages.
		Standing (§ 14A:18-10(b))	No	<ul style="list-style-type: none"> • Does not include reference to statutory derivative suit provisions or language regarding 2% beneficial owners from Model § 305(b)(2)(i) (has “shareholder” instead). • Includes a 10% threshold for ownership in an entity of which the benefit corporation is a subsidiary (instead of 5% standard in Model).
		Beneficial Ownership	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 305(c) provision defining beneficial ownership.
Transparency	Annual Benefit Report (§ 14A:18-11)	Contents (§ 14A:18-11(a))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Includes requirement that report be delivered to shareholders in first sentence; ○ The narrative description does not include Model § 401(a)(1)(iv) regarding the process and rationale for selecting or changing the third-party standard; ○ The narrative description uses “prepared in accordance with” instead of “against” the third-party standard; ○ Includes provision for disclosure of names of 5% beneficial owners; ○ Does not include Model § 401(a)(2)(ii)(B) regarding explanation of change of third-party standard from immediately prior report; ○ Does not include Model § 401(a)(6) requiring a statement of any connection between the organization that established the third-party standard and the benefit corporation (including any financial or governance relationship which might materially affect the credibility of the use of the third-party standard); and ○ Does not contain Model § 401(a)(7) regarding alternative governance arrangements.
		Change of Benefit Director	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 401(b) regarding reporting requirements for a change of benefit director.
		Audit Not Required	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 401(c) removing the need for an assessment to be audited or certified by a third-party standards provider.
		Timing of Report (§ 14A:18-11(b))	Substantially similar	<ul style="list-style-type: none"> • Does not include “the earlier of” language preceding the timing standard.
		Internet Website Posting	No	<ul style="list-style-type: none"> • Same, except only requires most recent benefit report be posted instead of all benefit reports.

		(§ 14A:18-11(c))		
		Availability of Copies	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 402(c) regarding availability of copies of annual report.
		Filing of Report (§ 14A:18-11(d))	No	<ul style="list-style-type: none"> • Same, except omits “Concurrently” at beginning of (1) and has additional provision in (2) regarding failure to file benefit report (see description in “Provisions Not in the Model” below). • Charges an annual fee of \$70 for filing the benefit report.
Provisions Not in the Model	Annual Benefit Report (§ 14A:18-11)	Filing of Report (§ 14A:18-11(d)(2))		<ul style="list-style-type: none"> • Contains additional provision regarding failure to file the annual benefit report: <ul style="list-style-type: none"> ○ “If a benefit corporation has not delivered a benefit report to the department for a period of two years, the department may prepare and file a statement that the corporation has forfeited its status as a benefit corporation and is no longer subject to this act. If the corporation subsequently delivers a benefit report to the department for filing, the status of the corporation as a benefit corporation shall be automatically reinstated upon the filing of the benefit report by the department and the corporation shall again be subject to this act.”

NEW YORK

Date & Citations	<i>Date Signed; Effective Date</i>		12/12/11, 2/10/12	
	<i>Citation</i>		NY Bus. Corp. Law § 1701 (Consol. 2013)	
	<i>Constituency Statute</i>		N.Y. Bus. Corp. Law § 717(B) (Consol. 2013) – permissive	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions	Application and Effect (§ 1701)	General Rule (§ 1701(a))	Same	<ul style="list-style-type: none"> • N/A
		Application of Business Corporation Law Generally (§ 1701(b))	Same	<ul style="list-style-type: none"> • N/A
		Laws Applicable (§ 1701(c))	No	<ul style="list-style-type: none"> • Same, except does not state that the benefit corporation may be subject simultaneously to this act and one or more other statutes.
		Organic Records (§ 1701(d))	Same	<ul style="list-style-type: none"> • N/A
	Definitions	Benefit Enforcement	Silent	<ul style="list-style-type: none"> • Statute does not include concept of benefit enforcement proceeding.

(§ 1702)	Proceeding	Silent	<ul style="list-style-type: none"> • Statute does not include concept of benefit enforcement proceeding.
	General Public Benefit (§ 1702(b))	Same	<ul style="list-style-type: none"> • N/A
	Independent (§ 1702(c))	Substantially similar	<ul style="list-style-type: none"> • Same, except uses “person” instead of “individual” and does not include the statement that “serving as benefit director or benefit officer does not make an individual not independent.”
	Minimum Status Vote (§ 1702(d))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Omits language in Model definition (1)(i) regarding limitations on voting rights of any class or series; and ○ Requires 3/4 vote (instead of 2/3 required in Model).
	Publicly Traded Corporation	Silent	<ul style="list-style-type: none"> • Statute does not include Model definition of “publicly traded corporation.”
	Specific Public Benefit (§ 1702(e))	Substantially similar	<ul style="list-style-type: none"> • The list is the same, except: <ul style="list-style-type: none"> ○ Provision (3) reflects “preserving” instead of “protecting or restoring” the environment; ○ Provision (6) reflects “public benefit purpose” instead of “purpose to benefit society or the environment”; and ○ Provision (7) states “the accomplishment of any other particular benefit for society or the environment” rather than “conferring.”
	Third-Party Standard (§ 1702(g))	No	<ul style="list-style-type: none"> • Statute does not include any comprehensive or credibility provisions. • Provision (1) reflects “independent of” rather than “not controlled by.” • Transparency provisions do not reference “social and environmental” performance of the business, the process by which revisions to the standards are made, or financial support reporting requirements.
Formation (§ 1703)		Substantially similar	<ul style="list-style-type: none"> • Uses “formation” instead of “incorporation.”
Election of Status (§ 1704)	Amendment (§ 1704(a))	Substantially similar	<ul style="list-style-type: none"> • 3/4 vote required.
	Fundamental Transactions (§ 1704(b)-(c))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ 3/4 vote required. ○ Only discusses corporations (not other business associations). ○ Does not include the qualifier “domestic.” • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
Termination of Status (§ 1705)	Amendment (§ 1705(a))	Substantially similar	<ul style="list-style-type: none"> • 3/4 vote required
	Fundamental Transactions (§ 1705(b)-(d))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ 3/4 vote required. ○ Only discusses corporations (not other business associations). ○ Does not include the qualifier “domestic.”

				<ul style="list-style-type: none"> Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
Corporate Purposes	Corporate Purposes (§ 1706)	General Public Benefit Purpose (§ 1706(a))	Substantially similar	<ul style="list-style-type: none"> Same, except provides that the general public benefit purpose limits and controls over any otherwise inconsistent purpose.
		Specific Public Benefit Purpose (§ 1706(b))	Same	<ul style="list-style-type: none"> N/A
		Effect of Purposes (§ 1706(c))	Same	<ul style="list-style-type: none"> N/A
		Amendment (§ 1706(d))	Substantially similar	<ul style="list-style-type: none"> 3/4 vote required.
		Professional Corporations	Silent	<ul style="list-style-type: none"> Statute does not address professional corporations.
Accountability	Standard of Conduct for Directors (§ 1707)	Consideration of Interests (§ 1707(a))	No	<ul style="list-style-type: none"> Same, except: <ul style="list-style-type: none"> Includes directors and officers under the same provision and applies the same standard of conduct to both; Omits “considering the best interests of the benefit corporation” from the first sentence; Provision (2)(A) adds as a permissive consideration “the resources, intent and conduct (past, stated and potential) of any person seeking to acquire control of the corporation”; and Provision (3) omits “articles of incorporation” from the middle of the sentence and states “interests of any particular person or group” rather than “particular interest or factor.”
		Coordination with other Provisions of Law (§ 1707(b))	Same	<ul style="list-style-type: none"> N/A
		Exoneration from Personal Liability	Silent	<ul style="list-style-type: none"> Statute does not include Model § 301(c) addressing exoneration from personal liability.
		Limitation on Standing (§ 1707(c))	Substantially similar	<ul style="list-style-type: none"> Adds term “fiduciary” before “duty.”
		Business Judgments	Silent	<ul style="list-style-type: none"> Statute does not include Model § 301(e) regarding the application of the business judgment rule to director decisions.
	Benefit Director	General Rule	Silent	<ul style="list-style-type: none"> N/A – Benefit director concept not included.
		Election, Removal and Qualifications	Silent	<ul style="list-style-type: none"> N/A
		Annual Compliance Statement	Silent	<ul style="list-style-type: none"> N/A
		Status of Actions	Silent	<ul style="list-style-type: none"> N/A
		Exoneration from	Silent	<ul style="list-style-type: none"> N/A

		Personal Liability		
		Alternative Governance Arrangements	Silent	• N/A
		Professional Corporations	Silent	• N/A
	Standard of Conduct for Officers (§ 1707)	General Rule	No	• Standard of conduct for officers is included in § 1707 and is the same as for directors in most respects (See “Standard of Conduct for Directors” above).
		Coordination with Other Provisions of Law	Same	• N/A (See “Standard of Conduct for Directors” above).
		Exoneration from Personal Liability	No	• N/A (See “Standard of Conduct for Directors” above).
		Limitation on Standing	Silent	• N/A (officers are not included in any limitation on standing from “Standard of Conduct for Directors” above).
		Business Judgments	Silent	• Statute does not include Model § 303(e) regarding application of business judgment rule to officer decisions.
	Benefit Officer	Designation	Silent	• N/A – Benefit officer concept not included.
		Functions	Silent	• N/A
	Right of Action (See BCL § 720(a)(1)(C))	Limitations	No	• Benefit enforcement proceeding concept is not included in this particular statute. An amendment was made to § 720(a)(1)(C) of the N.Y. Business Corporation Law to address actionable conduct. • Allows cause of action for (i) failure to pursue general or specific benefit, (ii) failure to deliver or post an annual report, or (iii) other neglect or failure of duties or standard of conduct of directors and officers.
		Standing	Silent	• Standing is provided for under the N.Y. Business Corporation Law generally, and thus does not provide for director standing to sue.
		Beneficial Ownership	Silent	• Statute does not include Model § 305(c) provision defining beneficial ownership.
Transparency	Annual Benefit Report (§ 1708)	Contents (§ 1708(a))	No	• Same, except: <ul style="list-style-type: none"> ○ Provision (2) does not mention “the overall social and environmental performance” of the corporation and does not include (2)(ii)(B) language concerning changes in standard from prior report, but contains the extra statement “and, if applicable, assessment of the performance of the benefit corporation, relative to its specific public benefit purpose or purposes”; ○ Provision (4) adds disclosure of names of 5% beneficial or record owners of shares; ○ Does not include Model § 401(a)(3) regarding benefit director/officer (concepts are not included);

				<ul style="list-style-type: none"> ○ Does not include Model § 401(a)(5) regarding statement of benefit director; ○ Does not include Model § 401(a)(6) regarding a statement of any connection between the organization that established the third-party standard and the benefit corporation (including any financial or governance relationship which might materially affect the credibility of the use of the third-party standard); only contains a requirement to name each person who beneficially owns 5% or more of the benefit corporation's outstanding shares; and ○ Does not contain Model § 401(a)(7) regarding alternative governance arrangements.
	Change of Benefit Director	Silent	• Statute does not include Model § 401(b) regarding reporting requirements for change of benefit director.	
	Audit Not Required	Silent	• Statute does not include Model § 401(c) removing need for assessment to be audited or certified by a third-party standards provider.	
	Timing of Report (§ 1708(b))	No	• Must be within 120 days following the end of the fiscal year (no allowance for sending at the same time as another annual report) and is in addition to any other annual reporting requirement to shareholders.	
	Internet Website Posting (§ 1708(c))	No	• Same, except only requires posting of most recent benefit report (not all reports).	
	Availability of Copies	Silent	• N/A	
Filing of Report (§ 1708(d)-(e))	Substantially similar	<ul style="list-style-type: none"> • Adds language that filing of annual benefit report is in addition to all other reporting requirements under the chapter. • Omits filing fee. 		
Provisions Not in the Model	Conspicuous Language on the Face of Certificates (§ 1709)			<ul style="list-style-type: none"> • The following conspicuous language must be included on each share certificate of the benefit corporation: "This entity is a benefit corporation organized under article seventeen of the New York business corporation law."

PENNSYLVANIA

Date & Citations	<i>Date Signed; Effective Date</i>		10/24/12; 1/22/13	
	<i>Citation</i>		15 Pa. Cons. Stat. § 3301 (2013)	
	<i>Constituency Statute</i>		15 Pa. Cons. Stat. § 1715(a)(1) (2013) – permissive	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions

Preliminary Provisions (Subchapter A)	Application and Effect (§ 3301)	General Rule (§ 3301(a))	Same	• N/A
		Application of Business Corporation Law Generally (§ 3301(b))	Same	• N/A
		Laws Applicable (§ 3301(c))	Same	• N/A
		Organic Records (§ 3301(d))	Same	• N/A
	Definitions (§ 3302)	Benefit Enforcement Proceeding	Substantially similar	• Does not include “or proceeding” in first sentence.
		General Public Benefit	Same	• N/A
		Independent	Substantially similar	• Uses term “person” instead of “individual” throughout. • Uses the term “association” instead of “entity” throughout.
		Minimum Status Vote	Same	• N/A
		Publicly Traded Corporation	Silent	• Statute does not include Model definition of “publicly traded corporation.”
		Specific Public Benefit	Substantially similar	• The list is the same, except: <ul style="list-style-type: none"> ○ Provision (3) reflects “preserving” instead of “protecting or restoring” the environment; ○ Provision (6) is added for “promoting economic development” through various initiatives; ○ Provision (7) states “public benefit purpose” instead of “purpose to benefit society or the environment”; and ○ Provision (8) states “the accomplishment of any other particular benefit for society or the environment.”
	Third-Party Standard	Substantially similar	• The list is the same, except: <ul style="list-style-type: none"> ○ First sentence omits term “recognized” and adds term “overall”; ○ Provision (2) contains more detailed independence requirements in (i)-(ii); ○ Provision (3) substitutes term “person” instead of “entity” and includes a 30 day public comment period instead of “reasonable” language; and ○ Provision (4)(ii)(C) omits “revenue” from language. 	
	Formation		Substantially	• Provision states “formation” instead of “incorporation.”

	(§ 3303)		similar	
	Election of Status (§ 3304)	Amendment (§ 3304(a))	Substantially similar	<ul style="list-style-type: none"> • Omits “under this chapter.”
		Fundamental Transactions (§ 3304(b))	Same	<ul style="list-style-type: none"> • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
	Termination of Status (§ 3305)	Amendment (§ 3305(a))	Same	<ul style="list-style-type: none"> • N/A
		Fundamental Transactions (§ 3305(b))	Same	<ul style="list-style-type: none"> • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
Corporate Purposes (Subchapter B)	Corporate Purposes (§ 3311)	General Public Benefit Purpose (§ 3311(a))	Same	<ul style="list-style-type: none"> • N/A
		Optional Specific Public Benefit Purpose (§ 3311(b))	Substantially similar	<ul style="list-style-type: none"> • States “obligation” instead of “purpose” in the second sentence.
		Effect of Purposes (§ 3311(c))	Same	<ul style="list-style-type: none"> • N/A
		Amendment (§ 3311(d))	Same	<ul style="list-style-type: none"> • N/A
		Professional Corporations (§ 3311(e))	Same	<ul style="list-style-type: none"> • N/A
Accountability (Subchapter C)	Standard of Conduct for Directors (§ 3321)	Consideration of Interests (§ 3321(a))	Substantially similar	<ul style="list-style-type: none"> • First sentence states this section applies without regard to whether the benefit corporation is subject to § 1715 (relating to exercise of powers generally) or § 1716 (relating to alternative standard).
		Coordination with other Provisions of Law (§ 3321(b))	Same	<ul style="list-style-type: none"> • N/A
		Exoneration from Personal Liability (§ 3321(c))	Substantially similar	<ul style="list-style-type: none"> • Does not include exception for provisions in articles of incorporation or bylaws. • Provision (2) omits phrase “pursue or” before “create general public benefit.”
		Limitation on Standing (§ 3321(d))	Same	<ul style="list-style-type: none"> • N/A
		Business Judgments	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 301(e) regarding the application of the business judgment rule to director decisions.
	Benefit Director (§ 3322)	General Rule (§ 3322(a))	Substantially similar	<ul style="list-style-type: none"> • First sentence does not include mandatory language for publicly traded benefit corporations and permissive language for all other benefit

			corporations from Model § 302(a).	
	Election, Removal and Qualifications (§ 3322(b))	Substantially similar	<ul style="list-style-type: none"> Does not include carve-out for alternative governance arrangements and professional corporations. 	
	Annual Compliance Statement (§ 3322(c))	Substantially similar	<ul style="list-style-type: none"> Same, except (3) does not refer back to paragraphs (1) and (2). 	
	Status of Actions (§ 3322(d))	Substantially similar	<ul style="list-style-type: none"> Same, except does not address “inaction” of benefit director. 	
	Alternative Governance Arrangements (§ 3322(e))	Substantially similar	<ul style="list-style-type: none"> Does not mention “articles of incorporation” in addition to bylaws in (i) and (ii). 	
	Exoneration from Personal Liability (§ 3322(f))	Substantially similar	<ul style="list-style-type: none"> Does not mention “articles of incorporation” in addition to bylaws. 	
	Professional Corporations	Silent	<ul style="list-style-type: none"> Statute subsection does not address professional corporations. 	
Standard of Conduct for Officers (§ 3323)	General Rule (§ 3323(a))	Substantially similar	<ul style="list-style-type: none"> Provision (a)(3) states “interests of any person or group” rather than “particular interest or factor.” 	
	Coordination with Other Provisions of Law (§ 3323(b))	Same	<ul style="list-style-type: none"> N/A 	
	Exoneration from Personal Liability (§ 3323(c))	Substantially similar	<ul style="list-style-type: none"> Does not include carve-out for exceptions in articles of incorporation/bylaws. Provision (1) does not address “inaction” of benefit officer. 	
	Limitation on Standing (§ 3323(d))	Same	<ul style="list-style-type: none"> N/A 	
	Business Judgments	Silent	<ul style="list-style-type: none"> Statute does not include Model § 303(e) regarding the application of the business judgment rule to officer decisions. 	
Benefit Officer (§ 3324)	Designation and Functions (§ 3324)	Substantially similar	<ul style="list-style-type: none"> Benefit officer is a permissive position. Provision uses “authority” rather than “powers and duties.” 	
Right of Action (§ 3325)	Limitations (§ 3325(a))	Substantially similar	<ul style="list-style-type: none"> Provision (a)(1)(ii) does not include “obligation.” 	
	Standing (§ 3325(b) and (c))	Substantially similar	<ul style="list-style-type: none"> Provision (b)(2) uses “shareholder” rather than 2% beneficial or record owners from Model § 305(b)(2)(i). Cross-reference to statutory provisions for derivative suits is moved to § 3325(c). 	
	Beneficial Ownership	Silent	<ul style="list-style-type: none"> Statute does not include Model § 305(c) provision defining beneficial ownership. 	
Transparency	Annual Benefit	Contents	Substantially similar	<ul style="list-style-type: none"> Same, except:

(Subchapter D)	Report (§ 3331)	(§ 3331(a))	similar	<ul style="list-style-type: none"> ○ First sentence adds requirement that the benefit corporation deliver an annual report to each shareholder; ○ Provision (a)(2) includes statement that assessment does not need to be audited or certified by a third-party standards provider (equivalent to Model § 401(c)); ○ Does not include Model § 401(a)(2)(ii)(B) regarding explanation of change of third-party standard from immediately prior report; and ○ Provision (5) adds disclosure of names of 5% beneficial or record owners of shares.
		Change of Benefit Director	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 401(b) regarding change of benefit director reporting requirements.
		Audit Not Required	Substantially similar	<ul style="list-style-type: none"> • Included in § 3331(a)(2).
		Timing of Report (§ 3331(b))	Substantially similar	<ul style="list-style-type: none"> • Does not include “the earlier of” language preceding the timing standard.
		Internet Website Posting (§ 3331(c))	Same	<ul style="list-style-type: none"> • N/A
		Availability of Copies (§ 3331(d))	Same	<ul style="list-style-type: none"> • N/A
		Filing of Report (§ 3331(e))	Same	<ul style="list-style-type: none"> • Charges an annual fee of \$70 for filing the benefit report.
Provisions Not in the Model	N/A			<ul style="list-style-type: none"> • N/A

SOUTH CAROLINA

Date & Citations	<i>Date Signed; Effective Date</i>		6/14/2012; 6/14/2012	
	<i>Citation</i>		S.C. Code Ann. § 33-38-110 (2013)	
	<i>Constituency Statute</i>		None	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions (Article 1)	Application of Chapter; Exemptions (§ 33-38-120)	General Rule (§ 33-38-120(A))	Same	<ul style="list-style-type: none"> • N/A
		Application of Business Corporation Law Generally	No	<ul style="list-style-type: none"> • States “The provisions contained in Chapters 1-19 of this title apply to benefit corporations except where those provisions conflict with provisions contained in this chapter, in which case the provisions

	(§ 33-38-120(B))		contained in this chapter control.”
	Laws Applicable (§ 33-38-120(C))	No	<ul style="list-style-type: none"> • States that non-benefit corporations are not subject to this chapter, and chapter does not impact laws generally applicable to non-benefit corporations. • Does not include statement that specific provisions of this chapter shall control over general provisions of the business corporation law.
	Organic Records (§ 33-38-120(D))	Substantially similar	<ul style="list-style-type: none"> • Does not include “limit” or “supersede” qualifiers from Model § 101(d).
Definitions (§ 33-38-130)	Benefit Enforcement Proceeding (§ 33-38-130(A)(3))	Substantially similar	<ul style="list-style-type: none"> • Does not include “or proceeding” in first sentence. • Provision (3)(b) does not include “obligation.”
	General Public Benefit (§ 33-38-130(A)(5))	Same	<ul style="list-style-type: none"> • N/A
	Independent Person (§ 33-38-130(A)(6))	Substantially similar	<ul style="list-style-type: none"> • Uses term “person” instead of “individual” throughout. • Includes subsidiaries of benefit corporations in benefit director/benefit officer service with regard to its effect on independence. • Provision (b) omits “executive” before “officer.” • Note: language determining computation of beneficial ownership for the purposes of this section is found in § 33-38-130(B).
	Minimum Status Vote	Silent	<ul style="list-style-type: none"> • Definition not included (but see § 33-38-230 below addressing approval of corporate matters).
	Publicly Traded Corporation	Silent	<ul style="list-style-type: none"> • Statute does not include Model definition of “publicly traded corporation.”
	Specific Public Benefit (§ 33-38-130(A)(7))	No	<ul style="list-style-type: none"> • First sentence of provision defines a specific public benefit as “a benefit that serves one or more public welfare, religious, charitable, scientific, literary, or educational purposes, or other purposes or benefits beyond the strict interest of the shareholders of the benefit corporation.” • The following list is the same as the Model, except: <ul style="list-style-type: none"> ○ Provision (a) adds “families” and “educational opportunities”; ○ Provision (c) reflects “preserving or improving” instead of “protecting or restoring” the environment; and ○ Provision (f) states “public benefit purpose” instead of “purpose to benefit society or the environment.”
	Third-Party Standard (§ 33-38-130(A)(9))	Substantially similar	<ul style="list-style-type: none"> • The list is the same, except: <ul style="list-style-type: none"> ○ First sentence omits term “recognized”; ○ Provision (b) contains more detailed independence requirements in (i)-(ii);

				<ul style="list-style-type: none"> ○ Provision (c) substitutes term “person” instead of “entity” and includes a 30 day public comment period instead of “reasonable” language; and ○ Provision (d)(ii)(C) omits “revenue” from language.
Adoption and Change of Status (Article 2)	Incorporation (§ 33-38-200)		No	<ul style="list-style-type: none"> • Provision only applies to domestic corporations and is permissive rather than mandatory. <ul style="list-style-type: none"> ○ “A domestic corporation, including a domestic corporation incorporated upon a conversion, may be incorporated as a benefit corporation by including in its original articles of incorporation a provision stating that the corporation is a benefit corporation governed by this chapter. The articles of incorporation also must include an identification of a specific public benefit purposes as required by Section 33-38-300.”
	Election of Status (§ 33-38-210)	Amendment (§ 33-38-210(A))	No	<ul style="list-style-type: none"> • Adds qualification of “domestic corporation” and changes permissive standard in Model to mandatory (“shall become a benefit corporation”). • Requires statement of specific benefit public purpose from § 33-38-300 in articles of incorporation.
		Fundamental Transactions (§ 33-38-210(B))	No	<ul style="list-style-type: none"> • Adds condition that surviving or resulting entity must include a provision in its articles of incorporation stating it is a benefit corporation under this chapter and identify a specific public benefit purpose. • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
	Termination of Status (§ 33-38-220)	Amendment (§ 33-38-220(A))	Same	<ul style="list-style-type: none"> • N/A
		Fundamental Transactions (§ 33-38-220(B))	Same	<ul style="list-style-type: none"> • Does not provide exception to minimum status vote for corporations if otherwise provided by business corporation law.
Approval of Corporate Matters (§ 33-38-230)	Minimum Status Vote (§ 33-38-230(1)-(3))	No	<ul style="list-style-type: none"> • Similar to Model’s definition of “Minimum Status Vote” (a 2/3 majority is required), except: <ul style="list-style-type: none"> ○ Provision (1) states that for corporations (including benefit corporations) each class and series of stock votes as a separate group; ○ Provision (2) states that for non-profit corporations, affirmative votes are cast by the members entitled to vote; ○ Provision (3) states that for LLCs and partnerships, the matter “must be approved in the same manner as would be required for the approval of a merger of the entity, unless otherwise provided in the entity’s organizational documents, operating agreement, or partnership agreement of the entity.” 	
Corporate Purposes	Corporate Purposes	General Public Benefit Purpose	Same	<ul style="list-style-type: none"> • N/A

(Article 3)	(§ 33-38-300)	(§ 33-38-300(A))	Same	<ul style="list-style-type: none"> • N/A
		Optional Specific Public Benefit Purpose (§ 33-38-300(B))	Substantially similar	<ul style="list-style-type: none"> • States “obligation” instead of “purpose” in the second sentence.
		Amendment (§ 33-38-300(C))	Same	<ul style="list-style-type: none"> • N/A
		Effect of Purposes (§ 33-38-300(D))	Same	<ul style="list-style-type: none"> • N/A
		Professional Corporations (§ 33-38-300(E))	Same	<ul style="list-style-type: none"> • N/A
Accountability (Article 4)	Standard of Conduct for Directors (§ 33-38-400)	Consideration of Interests (§ 33-38-400(A)-(C))	Substantially similar	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Provision (B)(1) adds as a permissive consideration “the resources, intent and past, stated, and potential conduct of any person seeking to acquire control of the benefit corporation”; and ○ Provision (B)(2) modifies the second part of the sentence to refer to interests “that the director in good faith considers to be appropriate.” ○ Provision (C) states “interests of a particular person or group” rather than “particular interest or factor.”
		Coordination with other Provisions of Law (§ 33-38-400(D))	Substantially similar	<ul style="list-style-type: none"> • Replaces “does not constitute a violation of” with “is not considered to be inconsistent with” the S.C. Business Corporation Law.
		Exoneration from Personal Liability (§ 33-38-400(E))	Substantially similar	<ul style="list-style-type: none"> • Does not include exception for provisions in articles of incorporation or bylaws.
		Limitation on Standing (§ 33-38-400(F))	Same	<ul style="list-style-type: none"> • N/A
		Business Judgments	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 301(e) regarding the application of the business judgment rule to director decisions.
	Benefit Director (§ 33-38-410)	General Rule (§ 33-38-410(A))	Substantially similar	<ul style="list-style-type: none"> • First sentence does not include mandatory language for publicly traded benefit corporations and permissive language for all other benefit corporations from Model § 302(a). • Partial provision from Model § 302(b) is included here (relating to election and removal).
		Election, Removal and Qualifications (§ 33-38-410(B))	Substantially similar	<ul style="list-style-type: none"> • Does not include carve-out for alternative governance arrangements and professional corporations. • Note: § 33-38-410(A) above references election/removal and independence requirement for director.
		Annual Compliance	Substantially	<ul style="list-style-type: none"> • Same, except adds Provision (b) stating “whether the benefit corporation

	Statement (§ 33-38-410(C))	similar	conferred a general public benefit and any specific public benefit during the period covered by the report.”
	Status of Actions	Silent	• Statute does not include Model § 302(d) relating to status of director actions.
	Alternative Governance Arrangements (§ 33-38-410(D))	Substantially similar	• Same, except; <ul style="list-style-type: none"> ○ Does not mention “bylaws” in second clause of first sentence, but adds “rights” or “obligations” to director language; ○ Does not include language relating to close corporations in Model § 302(f)(1)(ii); and ○ Does not include Model § 302(f)(2)(iii) language relating to sharing of powers, duties and rights with other persons.
	Professional Corporations (§ 33-38-410(E))	Same	• N/A
	Exoneration from Personal Liability (§ 33-38-410(F))	Substantially similar	• Does not mention “articles of incorporation” in addition to bylaws.
Standard of Conduct for Officers (§ 33-38-420)	General Rule (§ 33-38-420(A))	Same	• N/A
	Coordination with Other Provisions of Law (§ 33-38-420(B))	Same	• N/A
	Exoneration from Personal Liability (§ 33-38-420(C))	Substantially similar	• Does not include carve-out for exceptions in articles of incorporation/bylaws. • Provision (1) substitutes “omission” for “inaction” of benefit officer.
	Limitation on Standing (§ 33-38-420(D))	Substantially similar	• States officer does not have any duty to “any specific person” instead of “a person,” and also includes “public” before “benefit corporation.”
	Business Judgments	Silent	• Statute does not include Model § 303(e) regarding the application of the business judgment rule to officer decisions.
Benefit Officer (§ 33-38-430)	Designation (§ 33-38-430(A))	Same	• Benefit officer is a permissive position.
	Functions (§ 33-38-430(B))	No	• Provision (1) adds as a duty “monitoring the benefit corporation’s pursuit of the general and any specific public benefits purpose of the benefit corporation and the general and any specific public benefit created by the benefit corporation.” • Provision (2) permits adoption of benefit officer duties by resolution if it is “not in conflict with the bylaws.”
Right of Action (§ 33-38-440)	Limitations (§ 33-38-440(A)-(B))	Substantially similar	• Provision (2) does not include “obligation.”
	Standing (§ 33-38-440(C))	Substantially similar	• Provision (2)(a) does not include language regarding 2% beneficial owners from Model § 305(b)(2)(i) (has “shareholder” instead).

				<ul style="list-style-type: none"> • Note § 33-38-440(D) contains limitations on derivative suits in accordance with law.
		Beneficial Ownership	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 305(c) provision defining beneficial ownership.
Transparency/ Annual Reporting (Article 5)	Annual Benefit Report (§ 33-38-500)	Contents (§ 33-38-500(A))	Substantially similar	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Provision (A)(2) includes statement that assessment does not need to be audited or certified by a third-party standards provider (equivalent to Model § 401(c)); ○ Does not include Model § 401(a)(2)(ii)(B) regarding explanation of change of third-party standard from immediately prior report; and ○ Provision (5) adds disclosure of names of 5% beneficial or record owners of shares.
		Change of Benefit Director	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 401(b) regarding change of benefit director reporting requirements.
		Audit Not Required	Substantially similar	<ul style="list-style-type: none"> • Included in § 33-38-500(A)(2) above.
		Timing of Report (§ 33-38-500(B))	Substantially similar	<ul style="list-style-type: none"> • Does not include “the earlier of” language preceding the timing standard.
		Internet Website Posting (§ 33-38-500(C))	Same	<ul style="list-style-type: none"> • N/A
		Availability of Copies (§ 33-38-500(D))	Same	<ul style="list-style-type: none"> • N/A
		Filing of Report (§ 33-38-500(E))	Substantially similar	<ul style="list-style-type: none"> • Does not include requirement that benefit report be delivered to the Secretary of State concurrently with delivery of report to shareholders, but states it “must include the most recent benefit report delivered to shareholders.”
Provisions Not in the Model	Non-Benefit Corporation Considerations (§ 33-38-120(E))	Non-Benefit Corporation Considerations (§ 33-38-120(E))	No	<ul style="list-style-type: none"> • Adds provision permitting non-benefit corporations to adopt public benefit purposes. <ul style="list-style-type: none"> ○ “The formation of a business entity pursuant to provisions other than Title 33, Chapter 38 does not prohibit the business entity from including in its general powers consideration or donations for the public welfare, or for charitable, scientific, or educational purposes, as provided in the South Carolina Business Corporation Act.”
	Property Tax (§ 33-38-140)	Non-Exemption (§ 33-38-140)	No	<ul style="list-style-type: none"> • Adds provision stating benefit corporations are not exempt from any property tax. <ul style="list-style-type: none"> ○ “A benefit corporation is not entitled to claim an exemption from any property tax imposed by law.”

	Shareholder Dissent (Article 6)	Shareholder Dissent and Payment for Shares (§ 33-38-600)	No	<ul style="list-style-type: none"> • Adds provision for shareholder dissent rights. <ul style="list-style-type: none"> ○ “In addition to any other rights granted by law, a shareholder is entitled to dissent from and obtain payment of the fair value of his shares in the event of the consummation of a designation of a corporation as a benefit corporation pursuant to Section 33-38-210(A).”
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VERMONT

Date & Citations	<i>Date Signed; Effective Date</i>		5/19/10; 7/1/11	
	<i>Citation</i>		Vt. Stat. Ann. tit. 11A, § 21.01 (2013)	
	<i>Constituency Statute</i>		Vt. Stat. Ann. tit. 11A, § 8.30(3) (2013) – permissive	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions	Application and Effect (§ 21.02)	General Rule (§ 21.02(a))	Substantially similar	<ul style="list-style-type: none"> • States this chapter only applies to domestic corporations, and the Vermont Business Corporation Law applies in the absence of a contrary or inconsistent provision in this chapter. • “A corporation whose status as a benefit corporation terminates shall immediately become subject to the obligations and rights of a general corporation as provided in this title.”
		Application of Business Corporation Law Generally (§ 21.02(b))	Substantially similar	<ul style="list-style-type: none"> • States existence of a provision in this chapter does not create an implication a different rule of law would apply to a non-benefit corporation, and does not affect any law that applies to non-benefit corporations.
		Laws Applicable (§ 21.02(a))	Substantially similar	<ul style="list-style-type: none"> • Model provisions are restated in § 21.02(a) above.
		Organic Records (§ 21.02(c))	Substantially similar	<ul style="list-style-type: none"> • Does not include “limit” or “supersede” qualifiers from Model § 101(d).
	Definitions (§ 21.03)	Benefit Enforcement Proceeding (§ 21.13(c))	Substantially similar	<ul style="list-style-type: none"> • Term is defined in § 21.13 (See “Right of Action” below).
		General Public Benefit (§ 21.03(a)(4))	Substantially similar	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Uses phrase “as measured by” instead of “assessed against” before “third-party standard”; and ○ Uses phrase “through activities that promote some combination of specific public benefits” instead of “from the business and operations of a benefit corporation.”

	Independent (§ 21.03(a)(5))	Substantially similar	<ul style="list-style-type: none"> • Uses term “person” instead of “individual” throughout. • Provision (C) does not include officers or directors, only managers. • Note cross-reference to (b) for calculation of beneficial ownership percentage interests. 	
	Minimum Status Vote	Silent	<ul style="list-style-type: none"> • No such defined term, but 2/3 vote (or higher if required by organic documents) is required for same actions requiring a “minimum status vote” in Model. 	
	Publicly Traded Corporation	Silent	<ul style="list-style-type: none"> • Statute does not include Model definition of “publicly traded corporation.” 	
	Specific Public Benefit (§ 21.03(a)(6))	Substantially similar	<ul style="list-style-type: none"> • The list is the same, except: <ul style="list-style-type: none"> ○ Provision (C) reflects “preserving or improving” instead of “protecting or restoring” the environment; ○ Provision (F) states “public benefit purpose” instead of “purpose to benefit society or the environment”; and ○ Provision (G) reads “the accomplishment of any identifiable benefit” rather than “conferring any particular benefit.” 	
	Third-Party Standard (§ 21.03(a)(8))	No	<ul style="list-style-type: none"> • Independence requirements for entity are not provided (states developed by a “person who is independent” instead). • Does not include any comprehensive or credibility provision. • Transparency provision in (8)(B) replaces “the identity of the directors, officers, material owners and the governing body of the entity” with “identity of persons.” • Does not include either the process by which revisions to the standard are made in Model definition (4)(ii)(B) or financial support reporting requirements from Model definition (4)(ii)(C). 	
	Formation (§ 21.04)	Substantially similar	<ul style="list-style-type: none"> • Provision states “formation” instead of “incorporation.” 	
	Election of Status (§ 21.05)	Amendment (§ 21.05)	No	<ul style="list-style-type: none"> • Shareholder meeting notice must include a statement of the board stating the reasons why the amendment is proposed and stating the effect on the shareholders. • Amendment must be approved by the higher of the vote required by the articles of incorporation or a 2/3 majority.
	Merger and Share Exchange (§ 21.06)	Fundamental Transactions (§ 21.06)	No	<ul style="list-style-type: none"> • Shareholder meeting notice must include a statement of the board stating the reasons why the transaction is proposed and stating the effect on the shareholders. • Transaction must be approved by the higher of the vote required by the articles of incorporation or a 2/3 majority.
	Termination of Status (§ 21.07)	Amendment (§ 21.07)	No	<ul style="list-style-type: none"> • Shareholder meeting notice must include a statement of the board stating the reasons why the amendment is proposed and stating the effect on the shareholders. • Amendment must be approved by the higher of the vote required by the

				articles of incorporation or a 2/3 majority.
		Fundamental Transactions (§ 21.06)	No	<ul style="list-style-type: none"> • See § 21.06 “Merger and Share Exchange” above relating to procedural requirements for termination through a fundamental transaction.
Corporate Purpose	Corporate Purpose (§ 21.08)	General Public Benefit Purpose (§ 21.08(a))	Substantially similar	<ul style="list-style-type: none"> • Substitutes “the purpose” for “a purpose” from Model § 201(a).
		Specific Public Benefit Purpose (§ 21.08(b))	Substantially similar	<ul style="list-style-type: none"> • States “obligation” instead of “purpose” in the second sentence.
		Effect of Purposes (§ 21.08(c))	Same	<ul style="list-style-type: none"> • N/A
		Amendment (§ 21.08(d)-(e))	No	<ul style="list-style-type: none"> • Same, except vote required is higher of vote required by articles or 2/3 vote (by each voting group, if entitled to vote as groups).
		Professional Corporations	Silent	<ul style="list-style-type: none"> • Statute does not address professional corporations.
Accountability	Standard of Conduct for Directors (§ 21.09)	Consideration of Interests (§ 21.09(a))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Provision (a)(1) adds “in determining what the director reasonably believes to be in the best interests of the benefit corporation” in the first sentence; ○ Does not include ability to accomplish general and any specific public benefit purpose from Model § 301(a)(vii); and ○ Adds provision (a)(4) which states directors “shall not be subject to a different or higher standard of care when an action or inaction might affect control of the benefit corporation.” ○ Provision (a)(3) states “interests of any particular person or group” rather than “particular interest or factor.”
		Coordination with other Provisions of Law (§ 21.09(b))	Same	<ul style="list-style-type: none"> • N/A
		Exoneration from Personal Liability (§ 21.09(c) and (d))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Does not include exception for provisions in articles of incorporation or bylaws; ○ Omits “personally” before “liable”; ○ Does not include phrase “monetary damages”; and ○ Provision (c) omits phrase “pursue or” before “create general public benefit.”
		Limitation on Standing (§ 21.09(e))	No	<ul style="list-style-type: none"> • Adds sentence: “If a benefit corporation has adopted a provision in its articles of incorporation authorized by subdivision 2.02(b)(4) of this title (relating to liability limitations), the provision shall also apply to a failure

			by a director to discharge his or her duties in accordance with this chapter.”
	Business Judgments	Silent	<ul style="list-style-type: none"> Statute does not include Model § 301(e) regarding the application of the business judgment rule to director decisions.
Benefit Director (§ 21.10)	General Rule (§ 21.10(a))	Substantially similar	<ul style="list-style-type: none"> First sentence includes carve-out for close corporations referenced in § 21.10(e). First sentence does not include mandatory language for publicly traded benefit corporations and permissive language for all other benefit corporations from Model § 302(a).
	Election, Removal and Qualifications (§ 21.10(b))	Same	<ul style="list-style-type: none"> N/A
	Annual Compliance Statement (§ 21.10(c))	No	<ul style="list-style-type: none"> Same, except: <ul style="list-style-type: none"> Provision (c)(1) states that the benefit director has the responsibility to prepare the annual benefit report (instead of the benefit officer in § 21.12); and Provision (c)(2) states that the benefit director may retain an independent third party to audit the report or conduct an assessment of the benefit corporation’s environmental and social performance.
	Status of Actions (§ 21.10(d))	Substantially similar	<ul style="list-style-type: none"> Substitutes “omission” for “inaction.”
	Alternative Governance Arrangements (§ 21.10(e))	No	<ul style="list-style-type: none"> Same, except provision (e)(1) is modified to read “except in the case of a corporation with annual gross revenue of five million dollars or more in each of the two years preceding his or her appointment, is not required to be independent of the benefit corporation.”
	Exoneration from Personal Liability (§ 21.10(f))	No	<ul style="list-style-type: none"> Same, except: <ul style="list-style-type: none"> Does not include “bylaws” in first clause of sentence; and Last sentence regarding liability is modified to read “unless the act or omission is not in good faith, involves intentional misconduct or a knowing violation of law, or involves a transaction from which the director directly or indirectly derived an improper personal benefit.”
	Professional Corporations	Silent	<ul style="list-style-type: none"> Statute does not address professional corporations.
Standard of Conduct for Officers (§ 21.11)	General Rule (§ 21.11(a))	Same	<ul style="list-style-type: none"> N/A
	Coordination with Other Provisions of Law (§ 21.11(b))	Same	<ul style="list-style-type: none"> N/A
	Exoneration from	Substantially	<ul style="list-style-type: none"> Same, except:

	Personal Liability (§ 21.11(c) and (d))	similar	<ul style="list-style-type: none"> ○ Does not include exception for provisions in articles of incorporation or bylaws; ○ Omits “personally” before “liable”; ○ Does not include the phrase “monetary damages”; and ○ Provision (d) omits phrase “pursue or” before “create general public benefit.” 		
	Limitation on Standing (§ 21.11(e))	Same	<ul style="list-style-type: none"> • N/A 		
	Limitation on Liability (§ 21.11(f))	No	<ul style="list-style-type: none"> • Adds provision permitting benefit corporation to limit officer liability based on a failure to discharge duties, with certain exceptions: <ul style="list-style-type: none"> ○ (1) the amount of a financial benefit received by an officer to which the officer is not entitled; ○ (2) an intentional or reckless infliction of harm on the benefit corporation or its shareholders; or ○ (3) an intentional or reckless criminal act. 		
	Business Judgments	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 303(e) regarding the application of the business judgment rule to officer decisions. 		
	Benefit Officer (§ 21.12)	Designation and Functions (§ 21.12)	No	<ul style="list-style-type: none"> • Benefit officer is a permissive position. • Same, except benefit officer does not have the duty to prepare the annual benefit report (benefit director has this responsibility instead in § 21.10(c)(1)). 	
	Right of Action (§ 21.13)	Limitations (§ 21.13(a) and (c))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Does not contain Model § 305(a)(2)) stating that a benefit corporation is not liable for monetary damages for failure to create or pursue general or specific public benefit; ○ Provision (c)(1) does not include “or create” after “pursue”; and ○ Provision (c)(2) does not include “obligation.” 	
		Standing (§ 21.13(b))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Does not include Model § 305(b)(1) permitting an action to be brought directly by the benefit corporation; ○ Does not cross-reference derivative suit provisions, rather provision (b)(1) states a suit may be brought by “a shareholder that would otherwise be entitled to commence or maintain a proceeding in the right of the benefit corporation on any basis”; and ○ Provision (b)(3) states an action may be brought by 10% beneficial or record owners (rather than 5% in Model). 	
		Beneficial Ownership	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 305(c) provision defining beneficial ownership. 	
	Transparency	Annual Benefit	Contents	No	<ul style="list-style-type: none"> • Same, except:

Transparency	Report (§ 21.14)	(§ 21.14(a))	No	<ul style="list-style-type: none"> ○ First sentence adds requirement that the benefit corporation deliver an annual report to each shareholder and the report must be “in a format approved by the directors”; ○ Narrative description does not require description of process and rationale for selecting or changing the third-party standard; ○ Other requirements vary as follows: the report must describe (i) a statement of the specific goals/outcomes identified to meet the purpose(s), (ii) a description of the actions taken to meet the goals/outcomes, (iii) circumstances that hindered attainment of the goals/outcomes and (iv) specific actions the benefit corp. can take to improve performance or attain its goals/outcomes; ○ Does not include Model § 401(a)(2)(ii)(B) regarding explanation of change of third-party standard from immediately prior report; ○ Does not include Model § 401(a)(6) regarding statement of any connection between standards provider and benefit corporation; ○ Provision (3) requires a statement of goals/outcomes for the next benefit report and that such list be approved by the shareholders of the benefit corporation; and ○ Does not include Model § 401(a)(7) regarding the statement of connection between the organization that established the third-party standard and the benefit corp.
		Change of Benefit Director	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 401(b) regarding change of benefit director reporting requirements.
		Audit Not Required	Silent	<ul style="list-style-type: none"> • Does not include statement that assessment does not need to be performed, audited or certified by a third-party standards provider from Model § 401(a)(2)(ii).
		Timing of Report (§ 21.14(b) and (c))	No	<ul style="list-style-type: none"> • Same, except shareholders are required to approve or reject the annual report by majority vote at the annual meeting or special meeting, and must have a reasonable opportunity to review such report. • Does not include “the earlier of” language preceding the timing standard.
		Internet Website Posting (§ 21.14(d))	No	<ul style="list-style-type: none"> • Only requires posting of most recent annual benefit report that is “endorsed by its shareholders.”
		Availability of Copies (§ 21.14(d))	Same	<ul style="list-style-type: none"> • N/A
		Filing of Report	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 402(d) regarding procedure for filing of annual benefit report with the Secretary of State or equivalent office.
		Alternative Governance	Same	<ul style="list-style-type: none"> • Equivalent to optional governance provision for closely held corporations

		Arrangements (§ 21.14(e))		in Model § 401(a)(7).
Provisions Not in the Model	Law Applicable (§ 21.02)	Definition of Corporation (§ 21.02(d))	No	<ul style="list-style-type: none"> • Adds qualifier relating to definition of “corporation”: <ul style="list-style-type: none"> ○ “Terms that are defined in other chapters of this title shall have the same meaning when used in this chapter, except that in this chapter, ‘corporation’ shall have the meaning set forth in section 1.40 of this title.”
	Standard of Conduct for Officers (§ 21.11)	Limitation on Liability (§ 21.11(f))	No	<ul style="list-style-type: none"> • Adds provision permitting benefit corporation to limit officer liability based on a failure to discharge duties, with certain exceptions: <ul style="list-style-type: none"> ○ (1) the amount of a financial benefit received by an officer to which the officer is not entitled; ○ (2) an intentional or reckless infliction of harm on the benefit corporation or its shareholders; or ○ (3) an intentional or reckless criminal act.
	Annual Benefit Report	Shareholder Review and Approval of Annual Report (§ 21.14(c))		<ul style="list-style-type: none"> • See above description in “Contents” regarding additional requirement for contents of report. • See above description in “Timing of Report” regarding required shareholder approval of the annual benefit report.

VIRGINIA

Date & Citations	<i>Date Signed; Effective Date</i>		3/26/11; 7/1/11	
	<i>Citation</i>		Va. Code Ann. § 13.1-782 (2013)	
	<i>Constituency Statute</i>		Va. Code Ann. § 13.1-727.1 (2013) – permissive (focuses on “continued independence of the corporation”)	
Categories	Sections	Subsections	Same as Model?	Variations in Statute Provisions
Preliminary Provisions	Application and Effect (§ 13.1-783)	General Rule (§ 13.1-783(A))	Same	• N/A
		Application of Business Corporation Law Generally (§ 13.1-783(B))	Same	• N/A
		Laws Applicable (§ 13.1-783(C))	No	• Same, except does not address application of corporation law generally or state that a benefit corporation may be simultaneously subject to this article and one or more other statutes.
	Organic Records	Silent	• Statute does not include Model § 101(d) regarding organic records.	
	Definitions	Benefit Enforcement	Substantially	• Same, except:

(§ 13.1-782)	Proceeding	similar	<ul style="list-style-type: none"> ○ Does not include “proceeding” in first sentence; ○ Specifies that it is a direct or derivative action brought against directors or officers; ○ The words “or create” are omitted after the word “pursue”; and ○ Provision (ii) does not include “obligation.”
	General Public Benefit	Substantially similar	<ul style="list-style-type: none"> • Same, except uses the phrase “measured by” instead of “assessed against” a third-party standard.
	Independent	No	<ul style="list-style-type: none"> • Uses term “person” instead of “individual” throughout; • First sentence adds various types of direct or indirect relationships to the scope of the defined term; and • Does not include exceptions for serving as benefit director or benefit officer from independence determination.
	Minimum Status Vote	Silent	<ul style="list-style-type: none"> • Definition not included. However, several provisions cross-reference to § 13.1-707 for required vote (2/3 majority of each voting group, unless otherwise provided in articles or conditioned otherwise by the board of directors).
	Publicly Traded Corporation	Silent	<ul style="list-style-type: none"> • Statute does not include Model definition of “publicly traded corporation.”
	Specific Public Benefit	No	<ul style="list-style-type: none"> • The list is the same, except: <ul style="list-style-type: none"> ○ First sentence includes the following heading: “a benefit that serves one or more public welfare, religious, charitable, scientific, literary, or educational purposes, or other purpose or benefit beyond the strict interest of the shareholders of the benefit corporation”; ○ Provision (3) reflects “preserving or improving” instead of “protecting or restoring” the environment; and ○ Provision (6) states “public benefit purpose” instead of “purpose to benefit society or the environment.”
	Third-Party Standard	No	<ul style="list-style-type: none"> • Independence requirements for entity are not provided (states developed by a “person who is independent” instead). • Does not include any comprehensive or credibility provision. • Provision (2)(a) omits the phrase “overall social and environmental” before “performance.” • Provision (2)(c) replaces “the identity of the directors, officers, material owners and the governing body of the entity” with “identity of persons.” • Does not include either the process by which revisions to the standard are made in Model definition (4)(ii)(B) or financial support reporting requirements from Model definition (4)(ii)(C).
Formation (§ 13.1-784)	Substantially similar	<ul style="list-style-type: none"> • Provision states “formation” instead of “incorporation.” 	

	Election of Status (§ 13.1-785)	Amendment (§ 13.1-785)	Substantially similar	<ul style="list-style-type: none"> • Same, except cross-references § 13.1-707 which requires a 2/3 majority approval of all shareholders entitled to vote (usual requirements for amendment of articles for a business corporation apply).
		Fundamental Transactions	Silent	<ul style="list-style-type: none"> • Statute does not address fundamental transactions from Model § 104(b).
	Termination of Status (§ 13.1-786)	Amendment (§ 13.1-786)	Substantially similar	<ul style="list-style-type: none"> • Same, except cross-references § 13.1-707 which requires a 2/3 majority approval of all shareholders entitled to vote (usual requirements for amendment of articles for a business corporation apply).
		Fundamental Transactions	Silent	<ul style="list-style-type: none"> • Statute does not address fundamental transactions from Model § 105(b).
Corporate Purposes	Corporate Purposes (§ 13.1-787)	General Public Benefit Purpose (§ 13.1-787(A))	Same	<ul style="list-style-type: none"> • N/A
		Specific Public Benefit Purpose (§ 13.1-787(A))	Substantially similar	<ul style="list-style-type: none"> • Same, except a specific public benefit purpose may also be specified in the bylaws or otherwise adopted by the board of directors.
		Effect of Purposes (§ 13.1-787(B))	Same	<ul style="list-style-type: none"> • N/A
		Amendment (§ 13.1-787(C))	Substantially similar	<ul style="list-style-type: none"> • Same, except cross-references § 13.1-707 which requires a 2/3 majority approval of all shareholders entitled to vote (usual requirements for amendment of articles for a business corporation apply).
		Professional Corporations	Silent	<ul style="list-style-type: none"> • Statute does not address professional corporations.
Accountability	Standard of Conduct for Directors (§ 13.1-788)	Consideration of Interests (§ 13.1-788(A))	Substantially similar	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Includes cross-reference to § 13.1-690 (general standards of conduct for business corporation directors); ○ Does not include consideration of effects of “inaction”; ○ Provision (2)(a) adds as a permissive consideration “the resources; intent; and past, stated, and potential conduct of any person seeking to acquire control of the benefit corporation”; and ○ Provision (3) omits “articles of incorporation” from the middle of the sentence, and states “interests of a particular person” rather than “particular interest or factor.”
		Coordination with other Provisions of Law (§ 13.1-788(B))	Same	<ul style="list-style-type: none"> • N/A
		Exoneration from Personal Liability (§ 13.1-788(C))	Substantially similar	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Does not include exception for provisions in articles of incorporation or bylaws; ○ Adds language for direct or derivative suits to first sentence;

			<ul style="list-style-type: none"> ○ Provision (C)(1) omits “inaction” from sentence; and ○ Provision (C)(2) omits phrase “pursue or” before “create general public benefit.”
	Limitation on Standing	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 301(d) regarding change of benefit director reporting requirements.
	Business Judgments	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 301(e) regarding the application of the business judgment rule to director decisions.
Benefit Director	General Rule	Silent	<ul style="list-style-type: none"> • N/A – Benefit director concept not included in statute.
	Election, Removal and Qualifications	Silent	<ul style="list-style-type: none"> • N/A
	Annual Compliance Statement	Silent	<ul style="list-style-type: none"> • N/A
	Status of Actions	Silent	<ul style="list-style-type: none"> • N/A
	Exoneration from Personal Liability	Silent	<ul style="list-style-type: none"> • N/A
	Alternative Governance Arrangements	Silent	<ul style="list-style-type: none"> • N/A
	Professional Corporations	Silent	<ul style="list-style-type: none"> • N/A
Standard of Conduct for Officers (§ 13.1-789)	General Rule	Silent	<ul style="list-style-type: none"> • Officers are not required to consider the interests listed in § 13.1-788 in the manner provided in Model § 303.
	Coordination with Other Provisions of Law	Silent	<ul style="list-style-type: none"> • N/A
	Exoneration from Personal Liability (§ 13.1-789)	No	<ul style="list-style-type: none"> • Officers shall not have liability if they act, in good faith business judgment, in accordance with the benefit corporation’s purpose(s) and the requirements of the third-party standard then in effect.
	Limitation on Standing	Silent	<ul style="list-style-type: none"> • N/A
	Business Judgments (§ 13.1-789)	No	<ul style="list-style-type: none"> • See “Exoneration from Personal Liability” above for business judgment qualifier.
Benefit Officer	Designation and Functions	Silent	<ul style="list-style-type: none"> • N/A – Benefit officer concept not included.
Right of Action (§ 13.1-790)	Limitations (§ 13.1-790(A))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Provision states an action may be brought to (i) enforce director and officer duties, (ii) the preparation and availability of the annual benefit report, and (iii) the general and specific public benefit purposes of the corporation; and ○ Does not include the provision from Model § 305(a)(2) limiting liability of the benefit corporation for monetary damages for failure to pursue or create public benefits.

		Standing (§ 13.1-790(B))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Provision (B)(2)(a) does not include language regarding 2% beneficial owners from Model § 305(b)(2)(i) (has “shareholder” instead); and ○ Omits Model § 305(b)(2)(iii) providing standing for 5% owners of entity of which the benefit corp. is a subsidiary.
		Beneficial Ownership	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 305(c) provision defining beneficial ownership.
Transparency	Annual Benefit Report (§ 13.1-791)	Contents (§ 13.1-791(A))	No	<ul style="list-style-type: none"> • Same, except: <ul style="list-style-type: none"> ○ Provision (A)(2) omits “overall” before “social and environmental performance”; ○ Provision (A)(2)(b)(3) adds any disclosure that is required by the adopted third-party standard; ○ Does not include Model § 401(a)(iv) regarding the process and rationale for selecting or changing the third-party standard; ○ Does not include Model § 401(a)(2)(ii)(B) regarding explanation of change of third-party standard from immediately prior report; ○ Does not include Model § 401(a)(3) regarding name and address of benefit director and officer; ○ Does not include Model § 401(a)(4) regarding compensation of directors; and ○ Does not include Model § 401(a)(6) regarding the statement of any connection between the organization that established the third-party standard and the benefit corporation.
		Change of Benefit Director	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 401(b) regarding change of benefit director reporting requirements.
		Audit not Required	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 401(c) removing the need for the assessment to be audited or certified by a third-party standards provider.
		Timing of Report (§ 13.1-791(B))	Substantially similar	<ul style="list-style-type: none"> • Does not include “the earlier of” language preceding the timing standard.
		Internet Website Posting (§ 13.1-791(C))	No	<ul style="list-style-type: none"> • Only most recent annual benefit report is required to be posted.
		Availability of Copies (§ 13.1-791(C))	No	<ul style="list-style-type: none"> • Does not include phrase “without charge.” • Adds that proprietary, confidential and individual compensation information may only be omitted from the report as permitted by the adopted third-party standard.
		Filing of Report	Silent	<ul style="list-style-type: none"> • Statute does not include Model § 402(d) regarding filing of report.

Provisions Not in the Model	N/A			<ul style="list-style-type: none">• N/A
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