



2008-12-08 Wall Street Journal

Summary:

Against the odds, North Dakota may be changing the face of corporate governance. North Dakota has passed legislation being hailed by the Wall Street Journal as “the nation’s most shareholder-friendly corporate-governance law.”

On the face of it, this wouldn’t seem to matter. Only two listed companies are incorporated in North Dakota. However, many expect this law to trigger legislation elsewhere, especially in Delaware, the state which most U.S. companies call home.

At four companies outside of North Dakota, shareholders have filed resolutions to shift incorporation to North Dakota. These resolutions aren’t expected to pass, but there is growing speculation that similar legislation in other states will require some of the same corporate governance features found in the North Dakota law, such as requiring say on pay and the election of a non-executive chairman.

Link to Original:

http://online.wsj.com/article/SB122852051008284099.html?mod=googlenews_wsj

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Original Title:

Shareholders Ponder North Dakota Law
