

FIRST REGULAR SESSION

[PERFECTED]

HOUSE BILL NO. 498

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES JONES (50) (Sponsor), CORNEJO, SWAN, MCGAUGH, WEBB,
DIEHL AND JONES (110) (Co-sponsors).

1202L.01P

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 351.210, RSMo, and to enact in lieu thereof one new section relating to the distribution of paid-in surplus.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 351.210, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 351.210, to read as follows:

351.210. 1. Paid-in surplus, whether created by reduction of stated capital or otherwise, may be distributed in cash or in kind to the shareholders entitled thereto, subject to the following restrictions and in the following manner:

(1) No such distribution shall be made to any class of shareholders unless all cumulative dividends accrued on preferred or special classes of shares entitled to preferred dividends shall have been fully paid;

(2) No such distribution shall be made to any class of shareholders when the net assets are less than its stated capital or when such distribution would reduce the net assets below the stated capital[;

(3) Each such distribution, when made, shall be identified as a liquidating dividend and the amount per share shall be disclosed to the shareholders receiving the same, concurrently with the payment thereof].

2. The corporation may by resolution of its board of directors apply any part or all of its paid-in surplus to the reduction or elimination of any deficit arising from operating or other losses, or from diminution in value of its assets.

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EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.