

FIRST REGULAR SESSION  
[PERFECTED]  
HOUSE SUBSTITUTE FOR  
**HOUSE BILL NO. 736**  
**91ST GENERAL ASSEMBLY**

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Taken up for Perfection April 18, 2001.

House Substitute for House Bill No. 736 ordered Perfected and printed, as amended.

TED WEDEL, Chief Clerk

1799L.02P

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**AN ACT**

To repeal sections 95.280, 143.471, 148.064, 148.400, 301.600, 362.044, 362.105, 362.106, 362.119, 362.170, 362.270, 362.325, 362.335, 362.495, 362.935, 362.942, 408.052, 408.140 and 513.430, RSMo 2000, relating to banking, and to enact in lieu thereof nineteen new sections relating to the same subject, with penalty provisions.

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

Section A. Sections 95.280, 143.471, 148.064, 148.400, 301.600, 362.044, 362.105, 2 362.106, 362.119, 362.170, 362.270, 362.325, 362.335, 362.495, 362.935, 362.942, 408.052, 3 408.140 and 513.430, RSMo 2000, are repealed and nineteen new sections enacted in lieu 4 thereof, to be known as sections 95.280, 143.471, 148.064, 148.400, 301.600, 362.044, 362.105, 5 362.106, 362.119, 362.170, 362.270, 362.325, 362.335, 362.495, 362.935, 408.052, 408.140, 6 427.220 and 513.430, to read as follows:

95.280. **1.** Subject to the provisions of section 110.030, RSMo, the city council, at its 2 regular meetings in July of each year, may receive sealed proposals for the deposit of the city 3 funds from banking institutions doing business within the city that desire to be selected as the 4 depository of the funds of the city. Notice that bids will be received shall be published by the 5 city clerk not less than one nor more than four weeks before the meeting, in some newspaper 6 published in the city. Any banking institution doing business in the city, desiring to bid, shall 7 deliver to the city clerk, on or before the day of the meeting, a sealed proposal stating the rate 8 percent upon daily balances that the banking institution offers to pay to the city for the privilege

**EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

9 of being the depository of the funds of the city for the year next ensuing the date of the meeting;  
10 or, in the event that the selection is made for a less term than one year, as herein provided, then  
11 for the time between the date of the bid and the next regular time for the selection of a  
12 depository. It is a misdemeanor for the city clerk or other person to disclose directly or indirectly  
13 the amount of any bid to any person before the selection of the depository.

14 **2. Notwithstanding the provisions of subsection 1 of this section to the contrary, the**  
15 **city council of any third class city with a population of more than fifteen thousand and less**  
16 **than nineteen thousand that is located in any county of the fourth classification with a**  
17 **population of more than forty thousand and less than forty-eight thousand three hundred**  
18 **may receive sealed proposals for the deposit of city funds from banking institutions doing**  
19 **business within the city at any of the regular meetings of such city. The city shall send**  
20 **notice of bids to each banking institution in the city by regular mail at the time the notice**  
21 **is published in the newspaper in subsection 1 of this section. The banking institution**  
22 **selected as the depository shall be offered a depository contract for a maximum of three**  
23 **years. Any such city shall follow the bid procedure established in subsection 1 of this**  
24 **section, except as otherwise provided in this subsection.**

143.471. 1. An S corporation, as defined by Section 1361 (a)(1) of the Internal Revenue  
2 Code, shall not be subject to the taxes imposed by section 143.071, or other sections imposing  
3 income tax on corporations.

4 2. A shareholder of an S corporation shall determine such shareholder's S corporation  
5 modification and pro rata share, including its character, by applying the following:

6 (1) Any modification described in sections 143.121 and 143.141 which relates to an item  
7 of S corporation income, gain, loss, or deduction shall be made in accordance with the  
8 shareholder's pro rata share, for federal income tax purposes, of the item to which the  
9 modification relates. Where a shareholder's pro rata share of any such item is not required to be  
10 taken into account separately for federal income tax purposes, the shareholder's pro rata share  
11 of such item shall be determined in accordance with his pro rata share, for federal income tax  
12 purposes, of S corporation taxable income or loss generally;

13 (2) Each item of S corporation income, gain, loss, or deduction shall have the same  
14 character for a shareholder pursuant to sections 143.005 to 143.998 as it has for federal income  
15 tax purposes. Where an item is not characterized for federal income tax purposes, it shall have  
16 the same character for a shareholder as if realized directly from the source from which realized  
17 by the S corporation or incurred in the same manner as incurred by the S corporation.

18 3. A nonresident shareholder of an S corporation shall determine such shareholder's  
19 Missouri nonresident adjusted gross income and his or her nonresident shareholder modification  
20 by applying the provisions of this subsection. Items shall be determined to be from sources

21 within this state pursuant to regulations of the director of revenue in a manner consistent with  
22 the division of income provisions of section 143.451, section 143.461, or section 32.200, RSMo  
23 (Multistate Tax Compact). In determining the adjusted gross income of a nonresident  
24 shareholder of any S corporation, there shall be included only that part derived from or connected  
25 with sources in this state of the shareholder's pro rata share of items of S corporation income,  
26 gain, loss or deduction entering into shareholder's federal adjusted gross income, as such part is  
27 determined pursuant to regulations prescribed by the director of revenue in accordance with the  
28 general rules in section 143.181. Any modification described in subsections 2 and 3 of section  
29 143.121 and in section 143.141, which relates to an item of S corporation income, gain, loss, or  
30 deduction shall be made in accordance with the shareholder's pro rata share, for federal income  
31 tax purposes, of the item to which the modification relates, but limited to the portion of such item  
32 derived from or connected with sources in this state.

33 4. The director of revenue shall permit S corporations to file composite returns and to  
34 make composite payments of tax on behalf of its nonresident shareholders not otherwise required  
35 to file a return. If the nonresident shareholder's filing requirements result solely from one or  
36 more interests in any other partnerships or subchapter S corporations, that nonresident  
37 shareholder may be included in the composite return.

38 5. If an S corporation pays or credits amounts to any of its nonresident individual  
39 shareholders as dividends or as their share of the S corporation's undistributed taxable income  
40 for the taxable year, the S corporation shall either timely file with the department of revenue an  
41 agreement as provided in subsection 6 of this section or withhold Missouri income tax as  
42 provided in subsection 7 of this section. An S corporation that timely files an agreement as  
43 provided in subsection 6 of this section with respect to a nonresident shareholder for a taxable  
44 year shall be considered to have timely filed such an agreement for each subsequent taxable year.  
45 An S corporation that does not timely file such an agreement for a taxable year shall not be  
46 precluded from timely filing such an agreement for subsequent taxable years. An S corporation  
47 is not required to deduct and withhold Missouri income tax for a nonresident shareholder if:

48 (1) The nonresident shareholder not otherwise required to file a return agrees to have the  
49 Missouri income tax due paid as part of the S corporation's composite return;

50 (2) The nonresident shareholder not otherwise required to file a return had Missouri  
51 assignable federal adjusted gross income from the S corporation of less than twelve hundred  
52 dollars;

53 (3) The S corporation is liquidated or terminated;

54 (4) Income was generated by a transaction related to termination or liquidation; or

55 (5) No cash or other property was distributed in the current and prior taxable year.

56 6. The agreement referred to in subdivision (1) of subsection 5 of this section is an

57 agreement of a nonresident shareholder of the S corporation to:

58 (1) File a return in accordance with the provisions of section 143.481 and to make timely  
59 payment of all taxes imposed on the shareholder by this state with respect to income of the S  
60 corporation; and

61 (2) Be subject to personal jurisdiction in this state for purposes of the collection of  
62 income taxes, together with related interest and penalties, imposed on the shareholder by this  
63 state with respect to the income of the S corporation.

64

65 The agreement will be considered timely filed for a taxable year, and for all subsequent taxable  
66 years, if it is filed at or before the time the annual return for such taxable year is required to be  
67 filed pursuant to section 143.511.

68 7. The amount of Missouri income tax to be withheld is determined by multiplying the  
69 amount of dividends or undistributed income allocable to Missouri that is paid or credited to a  
70 nonresident shareholder during the taxable year by the highest rate used to determine a Missouri  
71 income tax liability for an individual, except that the amount of the tax withheld may be  
72 determined based on withholding tables provided by the director of revenue if the shareholder  
73 submits a Missouri withholding allowance certificate.

74 8. An S corporation shall be entitled to recover for a shareholder on whose behalf a tax  
75 payment was made pursuant to this section, if such shareholder has no tax liability.

76 9. With respect to S corporations that are banks or bank holding companies, a pro rata  
77 share of the tax credit for the tax payable pursuant to chapter 148, RSMo, shall be allowed  
78 against each S corporation shareholders' state income tax as follows, provided the bank otherwise  
79 complies with section 148.112:

80 (1) The credit allowed by this subsection shall be equal to the bank tax calculated  
81 pursuant to chapter 148, RSMo, based on bank income **and other tax returns** in 1999 and after,  
82 on a bank that makes an election pursuant to 26 U.S.C. Section 1362, and such credit shall be  
83 allocated to the qualifying shareholder according to stock ownership, determined by multiplying  
84 a fraction, where the numerator is the shareholder's stock, and the denominator is the total stock  
85 issued by such bank or bank holding company;

86 (2) The tax credit authorized in this subsection shall be permitted only to the  
87 shareholders that qualify as S corporation shareholders, provided the stock at all times during the  
88 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such  
89 stock is held by the shareholder during the taxable period. The credit created by this section on  
90 a yearly basis is available to each qualifying shareholder, including shareholders filing joint  
91 returns. A bank holding company is not allowed this credit, except that, such credit shall flow  
92 through to such bank holding company's qualified shareholders, and be allocated to such

93 shareholders under the same conditions; [and]

94 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable  
95 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser  
96 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri  
97 taxable income; and

98 (4) For the purpose of this subsection, the term "tax credit" shall include the  
99 amount determined pursuant to subdivision (1) of subsection 2 of section 148.030, RSMo,  
100 plus any amount actually paid pursuant to subdivision (2) of subsection 2 of section  
101 148.030, RSMo, and other tax credits permitted for S corporations in section 148.064,  
102 RSMo.

103 10. Notwithstanding other provisions of the law to the contrary, a resident  
104 shareholder of a nonresident S corporation bank or S corporation bank holding company,  
105 shall be permitted a tax credit similar to the tax credit that is permitted in subsection 9 of  
106 this section for resident shareholders of S corporation banks or bank holding companies,  
107 provided that:

108 (1) When such nonresident S corporation bank is located in part in Missouri, it is  
109 subject in part to Missouri taxes as provided in sections 148.010 to 148.112, RSMo;

110 (2) Such nonresident S corporation bank, directly, as part of a holding company,  
111 or in any other manner, pays the taxes for the S corporation shareholders as provided for  
112 in the foreign state law;

113 (3) The resident shareholders pay Missouri income taxes on such nonresident S  
114 corporation bank or bank holding company income and are limited to tax credits equal to  
115 the shareholders' pro rata share of the actual taxes paid by the Subchapter S bank to the  
116 foreign state; and

117 (4) Such tax credits determined by the payment of any category of income and  
118 franchise taxes paid by the nonresident bank as provided in subdivision (2) of this  
119 subsection, shall not exceed six percent of net income of such bank. The department of  
120 revenue may develop tax forms to facilitate granting of tax credits.

148.064. 1. Notwithstanding any law to the contrary, this section shall determine the  
2 ordering and limit reductions for certain taxes and tax credits which may be used as credits  
3 against various taxes paid or payable by banking institutions. Except as adjusted in subsections  
4 2, 3 and 6 of this section, such credits shall be applied in the following order until used against:

5 (1) The tax on banks determined under subdivision (2) of subsection 2 of section  
6 148.030;

7 (2) The tax on banks determined under subdivision (1) of subsection 2 of section  
8 148.030;

9 (3) The state income tax in section 143.071, RSMo.

10 2. The tax credits permitted against taxes payable pursuant to subdivision (2) of  
11 subsection 2 of section 148.030 shall be utilized first and include taxes referenced in  
12 subdivisions (2) and (3) of subsection 1 of this section, which shall be determined without  
13 reduction for any tax credits identified in subsection 5 of this section which are used to reduce  
14 such taxes. Where a banking institution subject to this section joins in the filing of a  
15 consolidated state income tax return under chapter 143, RSMo, the credit allowed under this  
16 section for state income taxes payable under chapter 143, RSMo, shall be determined based upon  
17 the consolidated state income tax liability of the group and allocated to a banking institution,  
18 without reduction for any tax credits identified in subsection 5 of this section which are used to  
19 reduce such consolidated taxes as provided in chapter 143, RSMo.

20 3. The taxes referenced in subdivisions (2) and (3) of subsection 1 of this section may  
21 be reduced by the tax credits in subsection 5 of this section without regard to any adjustments  
22 in subsection 2 of this section.

23 4. To the extent that certain tax credits which the taxpayer is entitled to claim are  
24 transferable, such transferability may include transfers among such taxpayers who are members  
25 of a single consolidated income tax return, and this subsection shall not impact other tax credit  
26 transferability.

27 5. For the purpose of this section, the tax credits referred to in subsections 2 and 3 shall  
28 include tax credits available for economic development, low-income housing and neighborhood  
29 assistance which the taxpayer is entitled to claim for the year, including by way of example and  
30 not of limitation, tax credits pursuant to the following sections: section 32.115, RSMo, section  
31 100.286, RSMo, and sections 135.110, 135.225, 135.352 and 135.403, RSMo.

32 6. For tax returns filed on or after January 1, 2001, including returns based on income  
33 in the year 2000, and after, a banking institution shall be entitled to an annual tax credit equal  
34 to one-sixtieth of one percent of its outstanding shares and surplus employed in this state if the  
35 outstanding shares and surplus exceed one million dollars, determined in the same manner as in  
36 section 147.010, RSMo. This tax credit shall be taken as a dollar-for-dollar credit against the  
37 bank tax provided for in subdivision (2) of subsection 2 of section 148.030; if such bank tax was  
38 already reduced to zero by other credits, then against the corporate income tax provided for in  
39 chapter 143, RSMo.

40 **7. In the event the corporation franchise tax in chapter 147, RSMo, is repealed by**  
41 **the general assembly, there shall also be a reduction in the taxation of banks as follows:**  
42 **in lieu of the loss of the corporation franchise tax credit reduction in subdivision (1) of**  
43 **subsection 2 of section 148.030, the bank shall receive a tax credit equal to one and one-half**  
44 **percent of net income as determined in this chapter. This subsection shall take effect at the**

45 same time the corporation franchise tax in chapter 147, RSMo, is repealed.

46 **8. An S corporation bank or bank holding company that otherwise qualifies to**  
47 **distribute tax credits to its shareholders, shall pass through any tax credits referred to in**  
48 **subsection 5 of this section to its shareholders as otherwise provided for in subsection 9 of**  
49 **section 143.471, RSMo, with no reductions or limitations resulting from the transfer**  
50 **through such S corporation, and on the same terms originally made available to the**  
51 **original taxpayer, subject to any original dollar or percentage limitations on such credits,**  
52 **and when such S corporation is the original taxpayer, treating such S corporation as**  
53 **having not elected Subchapter S status.**

54 **9. Notwithstanding any law to the contrary, in the event the corporation franchise**  
55 **tax in chapter 147, RSMo, is repealed by the general assembly, after such repeal all**  
56 **Missouri taxes of any nature and type imposed directly or used as a tax credit against the**  
57 **bank's taxes, shall be passed through to the S corporation bank or bank holding company**  
58 **shareholder in the form otherwise permitted by law, except for the following:**

59 **(1) Credits for taxes on real estate and tangible personal property owned by the**  
60 **bank and held for lease or rental to others;**

61 **(2) Contributions paid pursuant to the unemployment compensation tax law of**  
62 **Missouri; or**

63 **(3) State and local sales and use taxes collected by the bank on its sales of tangible**  
64 **personal property and the services enumerated in chapter 144, RSMo.**

148.400. All insurance companies or associations organized in or admitted to this state  
2 may deduct from premium taxes payable to this state, in addition to all other credits allowed by  
3 law, income taxes, franchise taxes, personal property taxes, valuation fees, registration fees and  
4 examination fees paid, including taxes and fees paid by the attorney in fact of a reciprocal or  
5 interinsurance exchange to the extent attributable to the principal business as such attorney in  
6 fact, under any law of this state. **Unless rejected by the general assembly by April 1, 2003,**  
7 **for all tax years beginning on or after January 1, 2003, a deduction for examination fees**  
8 **which exceeds an insurance company's or association's premium tax liability for the same**  
9 **tax year shall not be refundable, but may be carried forward to any subsequent tax year,**  
10 **not to exceed five years, until the full deduction is claimed.**

301.600. 1. Unless excepted by section 301.650, a lien or encumbrance on a motor  
2 vehicle or trailer, as defined by section 301.010, is not valid against subsequent transferees or  
3 lienholders of the motor vehicle or trailer who took without knowledge of the lien or  
4 encumbrance unless the lien or encumbrance is perfected as provided in sections 301.600 to  
5 301.660.

6 **2. Subject to the provisions of section 301.620, a lien or encumbrance on a motor**

7 vehicle or trailer is perfected by the delivery to the director of revenue of a notice of a lien in a  
8 format as prescribed by the director of revenue. **To perfect a subordinate lien, the notice of**  
9 **lien must be accompanied by the documents required to be delivered to the director**  
10 **pursuant to subdivision (3) of section 301.620.** The notice of lien is perfected as of the time  
11 of its creation if the delivery of such notice to the director of revenue is completed within thirty  
12 days thereafter, otherwise as of the time of the delivery. A notice of lien shall contain the name  
13 and address of the owner of the motor vehicle or trailer and the secured party, a description of  
14 the motor vehicle or trailer, including the vehicle identification number, and such other  
15 information as the department of revenue may prescribe. A notice of lien substantially  
16 complying with the requirements of this section is effective even though it contains minor errors  
17 which are not seriously misleading.

18 3. Liens may secure future advances. The future advances may be evidenced by one or  
19 more notes or other documents evidencing indebtedness and shall not be required to be executed  
20 or delivered prior to the date of the future advance lien securing them. The fact that a lien may  
21 secure future advances shall be clearly stated on the security agreement and noted as "subject to  
22 future advances" on the notice of lien and noted on the certificate of ownership if the motor  
23 vehicle or trailer is subject to only one notice of lien. To secure future advances when an  
24 existing lien on a motor vehicle or trailer does not secure future advances, the lienholder shall  
25 file a notice of lien reflecting the lien to secure future advances. A lien to secure future advances  
26 is perfected in the same time and manner as any other lien, except as follows: proof of the lien  
27 for future advances is maintained by the department of revenue; however, there shall be  
28 additional proof of such lien when the notice of lien reflects such lien for future advances, is  
29 receipted for by the department of revenue, and returned to the lienholder.

30 4. If a motor vehicle or trailer is subject to a lien or encumbrance when brought into this  
31 state, the validity and effect of the lien or encumbrance is determined by the law of the  
32 jurisdiction where the motor vehicle or trailer was when the lien or encumbrance attached,  
33 subject to the following:

34 (1) If the parties understood at the time the lien or encumbrance attached that the motor  
35 vehicle or trailer would be kept in this state and it was brought into this state within thirty days  
36 thereafter for purposes other than transportation through this state, the validity and effect of the  
37 lien or encumbrance in this state is determined by the law of this state;

38 (2) If the lien or encumbrance was perfected pursuant to the law of the jurisdiction where  
39 the motor vehicle or trailer was when the lien or encumbrance attached, the following rules  
40 apply:

41 (a) If the name of the lienholder is shown on an existing certificate of title or ownership  
42 issued by that jurisdiction, the lien or encumbrance continues perfected in this state;



43 (b) If the name of the lienholder is not shown on an existing certificate of title or  
44 ownership issued by that jurisdiction, the lien or encumbrance continues perfected in this state  
45 three months after a first certificate of ownership of the motor vehicle or trailer is issued in this  
46 state, and also thereafter if, within the three-month period, it is perfected in this state. The lien  
47 or encumbrance may also be perfected in this state after the expiration of the three-month period;  
48 in that case perfection dates from the time of perfection in this state;

49 (3) If the lien or encumbrance was not perfected pursuant to the law of the jurisdiction  
50 where the motor vehicle or trailer was when the lien or encumbrance attached, it may be  
51 perfected in this state; in that case perfection dates from the time of perfection in this state;

52 (4) A lien or encumbrance may be perfected pursuant to paragraph (b) of subdivision (2)  
53 or subdivision (3) of this subsection either as provided in subsection 2 or 3 of this section or by  
54 the lienholder delivering to the director of revenue a notice of lien or encumbrance in the form  
55 the director of revenue prescribes and the required fee.

56 5. By rules and regulations, the director of revenue shall establish a security procedure  
57 for the purpose of verifying that an electronic notice of lien or notice of satisfaction of a lien on  
58 a motor vehicle or trailer given as permitted in sections 301.600 to 301.640 is that of the  
59 lienholder, verifying that an electronic notice of confirmation of ownership and perfection of a  
60 lien given as required in section 301.610 is that of the director of revenue, and detecting error  
61 in the transmission or the content of any such notice. A security procedure may require the use  
62 of algorithms or other codes, identifying words or numbers, encryption, callback procedures or  
63 similar security devices. Comparison of a signature on a communication with an authorized  
64 specimen signature shall not by itself be a security procedure.

362.044. 1. Stockholders' meetings may be held at such place, within this state, as may  
2 be prescribed in the bylaws. In the absence of any such provisions, all meetings shall be held at  
3 the principal banking house of the bank or trust company.

4 2. An annual meeting of stockholders for the election of directors shall be held on a day  
5 which each bank or trust company shall fix by its bylaws; and if no day be so provided, then on  
6 the second Monday of January.

7 3. Special meetings of the stockholders may be called by the directors or upon the written  
8 request of the owners of a majority of the stock.

9 4. Notice of annual or special stockholders' meetings shall state the place, day and hour  
10 of the meeting, and shall be published at least ten days prior to the meeting and once a week after  
11 the first publication with the last publication being not more than seven days before the day fixed  
12 for such meeting, in some daily or weekly newspaper printed and published in the city or town  
13 in which the bank or trust company is located, and if there be none, then in some newspaper  
14 printed and published in the county in which the bank or trust company is located, and if there

15 be none, then in some newspaper printed and published in an adjoining county. A written or  
16 printed copy of the notice shall be delivered personally or mailed to each stockholder at least ten  
17 but not more than fifty days prior to the day fixed for the meeting, and shall state, in addition to  
18 the place, day and hour, the purpose of any special meeting or an annual meeting at which the  
19 stockholders will consider a change in the par value of the corporation stock, the issuance of  
20 preferred shares, a change in the number of directors, an increase or reduction of the capital stock  
21 of the bank or trust company, a change in the length of the corporate life, an extension or change  
22 of its business, a change in its articles to avail itself of the privileges and provisions of this  
23 chapter, or any other change in its articles in any way not inconsistent with the provisions of this  
24 chapter. Any stockholder may waive notice by causing to be delivered to the secretary during,  
25 prior to or after the meeting a written, signed waiver of notice, or by attending such meeting  
26 except where a stockholder attends a meeting for the express purpose of objecting to the  
27 transaction of any business because the meeting is not lawfully called or convened.

28         5. Unless otherwise provided in the articles of incorporation, a majority of the  
29 outstanding shares entitled to vote at any meeting represented in person or by proxy shall  
30 constitute a quorum at a meeting of stockholders; provided, that in no event shall a quorum  
31 consist of less than a majority of the outstanding shares entitled to vote, but less than a quorum  
32 shall have the right successively to adjourn the meeting to a specified date no longer than ninety  
33 days after the adjournment, and no notice need be given of the adjournment to shareholders not  
34 present at the meeting. Every decision of a majority of the quorum shall be valid as a corporate  
35 act of the bank or trust company unless a larger vote is required by this chapter.

36         6. (1) The stockholders of the bank or trust company may approve business by proxy  
37 and cancel any stockholders' meeting, provided:

38             (a) The stockholders are sent notice of such stockholders' meeting and a proxy referred  
39 to in this section;

40             (b) Within such proxy the stockholders are given the opportunity to approve or  
41 disapprove the cancellation of such stockholders' meeting;

42             (c) At least eighty percent of such bank or trust company's stock is voted by proxy; and

43             (d) All stockholders voting by proxy vote to cancel such stockholders' meeting.

44         (2) No business shall be voted on by proxy other than that expressly set out and clearly  
45 explained by the proxy material. If such stockholders' meeting is canceled by proxy, notice of  
46 such cancellation shall be sent to all stockholders at least five days prior to the date originally  
47 set for such stockholders' meeting. The corporate secretary shall reflect all proxy votes by  
48 subject and in chronological order in the board of directors' minute book. The notice for such  
49 stockholders' meeting shall state the effective date of any of the following: new directors'  
50 election, change in corporate structure and any other change requiring stockholder approval.

51           **7. The voting shareholder or shareholders of the bank or trust company may**  
52 **transact all business required at an annual or special stockholders' meeting by unanimous**  
53 **written consent.**

          362.105. 1. Every bank and trust company created under the laws of this state may for  
2 a fee or other consideration, directly or through a subsidiary company, and upon complying with  
3 any applicable licensing statute:

4           (1) Conduct the business of receiving money on deposit and allowing interest thereon  
5 not exceeding the legal rate or without allowing interest thereon, and of buying and selling  
6 exchange, gold, silver, coin of all kinds, uncurrent money, of loaning money upon real estate or  
7 personal property, and upon collateral of personal security at a rate of interest not exceeding that  
8 allowed by law, and also of buying, investing in, selling and discounting negotiable and  
9 nonnegotiable paper of all kinds, including bonds as well as all kinds of commercial paper; and  
10 for all loans and discounts made, the corporation may receive and retain the interest in advance;

11           (2) Accept for payment, at a future date, drafts drawn upon it by its customers and to  
12 issue letters of credit authorizing the holders thereof to draw drafts upon it or upon its  
13 correspondents at sight or on time not exceeding one year; provided, that no bank or trust  
14 company shall incur liabilities under this subdivision to an amount equal at any time in the  
15 aggregate to more than its paid-up and unimpaired capital stock and surplus fund, except with  
16 the approval of the director under such general regulations as to amount of acceptances as the  
17 director may prescribe;

18           (3) Purchase and hold, for the purpose of becoming a member of a Federal Reserve  
19 Bank, so much of the capital stock thereof as will qualify it for membership in the reserve bank  
20 pursuant to an act of Congress, approved December 23, 1913, entitled "The Federal Reserve Act"  
21 and any amendments thereto; to become a member of the Federal Reserve Bank, and to have and  
22 exercise all powers, not in conflict with the laws of this state, which are conferred upon any  
23 member by the Federal Reserve Act and any amendments thereto. The member bank or trust  
24 company and its directors, officers and stockholders shall continue to be subject, however, to all  
25 liabilities and duties imposed upon them by any law of this state and to all the provisions of this  
26 chapter relating to banks or trust companies;

27           (4) Subscribe for and purchase such stock in the Federal Deposit Insurance Corporation  
28 and to make such payments to and to make such deposits with the Federal Deposit Insurance  
29 Corporation and to pay such assessments made by such corporation as will enable the bank or  
30 trust company to obtain the benefits of the insurance of deposits under the act of Congress known  
31 as "The Banking Act of 1933" and any amendments thereto;

32           (5) Invest in a bank service corporation as defined by the act of Congress known as the  
33 "Bank Service Corporation Act", Public Law 87-856, as approved October 23, 1962, to the same

34 extent as provided by that act or any amendment thereto;

35       (6) **Hold a noncontrolling equity interest in any business entity that conducts only**  
36 **activities that are financial in nature or incidental to financial activity or that is established**  
37 **pursuant to subdivision (16) of subsection 1 of this section where the majority of the stock**  
38 **or other interest is held by Missouri banks, Missouri trust companies, national banks**  
39 **located in Missouri, or any foreign bank with a branch or branches in Missouri, or any**  
40 **combination of these financial institutions; provided that if the entity is defined pursuant**  
41 **to Missouri law as any type of financial institution subsidiary or other type of entity subject**  
42 **to special conditions or regulations, those conditions and regulations shall remain**  
43 **applicable, and provided that such business entity may be formed as any type of business**  
44 **entity, in which each investor's liability is limited to the investment in and loans to the**  
45 **business entity as otherwise provided by law;**

46       (7) Receive upon deposit for safekeeping personal property of every description, and to  
47 own or control a safety vault and rent the boxes therein;

48       [(7)] (8) Purchase and hold the stock of one safe deposit company organized and  
49 existing under the laws of the state of Missouri and doing a safe deposit business on premises  
50 owned or leased by the bank or trust company at the main banking house and any branch  
51 operated by the bank or trust company; provided, that the purchasing and holding of the stock  
52 is first duly authorized by resolution of the board of directors of the bank or trust company and  
53 by the written approval of the director, and that all of the shares of the safe deposit company shall  
54 be purchased and held, and shall not be sold or transferred except as a whole and not be pledged  
55 at all, all sales or transfers or pledges in violation hereof to be void;

56       [(8)] (9) Act as the fiscal or transfer agent of the United States, of any state, municipality,  
57 body politic or corporation and in such capacity to receive and disburse money, to transfer,  
58 register and countersign certificates of stock, bonds and other evidences of indebtedness;

59       [(9)] (10) Purchase, lease, hold or convey real property for the following purposes:

60       (a) With the approval of the director, plots whereon there is or may be erected a building  
61 or buildings suitable for the convenient conduct of its functions or business or for customer or  
62 employee parking even though a revenue may be derived from portions not required for its own  
63 use, and as otherwise permitted by law;

64       (b) Real property conveyed to it in satisfaction or part satisfaction of debts previously  
65 contracted in the course of its business;

66       (c) Real property purchased at sales under judgment, decrees or liens held by it;

67       [(10)] (11) Purchase, hold and become the owner and lessor of personal property  
68 acquired upon the specific request of and for use of a customer; and, in addition, leases that  
69 neither anticipate full purchase price repayment on the leased asset, nor require the lease to cover

70 the physical life of the asset, other than those for motor vehicles which will not be used by bank  
71 or trust company personnel, and may incur such additional obligations as may be incident to  
72 becoming an owner and lessor of the property, subject to the following limitations:

73 (a) Lease transactions do not result in loans for the purpose of section 362.170, but the  
74 total amount disbursed under leasing obligations or rentals by any bank to any person,  
75 partnership, association, or corporation shall at no time exceed the legal loan limit permitted by  
76 statute except upon the written approval of the director of finance;

77 (b) Lease payments are in the nature of rent rather than interest, and the provisions of  
78 chapter 408, RSMo, are not applicable;

79 [(11)] (12) Contract with another bank or trust company, bank service corporation or  
80 other partnership, corporation, association or person, within or without the state, to render or  
81 receive services such as check and deposit sorting and posting, computation and posting of  
82 interest and other credits and charges, preparation and mailing of checks, statements, notices, and  
83 similar items, or any other clerical, bookkeeping, accounting, statistical, financial counseling,  
84 or similar services, or the storage, transmitting or processing of any information or data; except  
85 that, the contract shall provide, to the satisfaction of the director of finance, that the party  
86 providing such services to a bank or trust company will be subject to regulation and examination  
87 to the same extent as if the services were being performed by the bank or trust company on its  
88 own premises. This subdivision shall not be deemed to authorize a bank or trust company to  
89 provide any customer services through any system of electronic funds transfer at places other  
90 than bank premises;

91 [(12)] (13) Purchase and hold stock in a corporation whose only purpose is to purchase,  
92 lease, hold or convey real property of a character which the bank or trust company holding stock  
93 in the corporation could itself purchase, lease, hold or convey pursuant to the provisions of  
94 paragraph (a) of subdivision (9) of this subsection; provided, the purchase and holding of the  
95 stock is first duly authorized by resolution of the board of directors of the bank or trust company  
96 and by the written approval of the director, and that all of the shares of the corporation shall be  
97 purchased and held by the bank or trust company and shall not be sold or transferred except as  
98 a whole;

99 [(13)] (14) Purchase and sell investment securities, without recourse, solely upon order  
100 and for the account of customers; and establish and maintain one or more mutual funds and offer  
101 to the public shares or participations therein. Any bank which engages in such activity shall  
102 comply with all provisions of chapter 409, RSMo, regarding the licensing and registration of  
103 sales personnel for mutual funds so offered, provided that such banks shall register as a  
104 broker-dealer with the office of the commissioner of securities and shall consent to supervision  
105 and inspection by that office and shall be subject to the continuing jurisdiction of that office;

106        [(14)] **(15)** Make debt or equity investments in corporations or projects, whether for  
107 profit or not for profit, designed to promote the development of the community and its welfare,  
108 provided that the aggregate investment in all such corporations and in all such projects does not  
109 exceed five percent of the unimpaired capital of the bank, and provided that this limitation shall  
110 not apply to loans made under the authority of other provisions of law, and other provisions of  
111 law shall not limit this subdivision;

112        [(15)] **(16)** Offer through one or more subsidiaries any products and services which a  
113 national bank may offer through its financial subsidiaries, subject to the limitations that are  
114 applicable to national bank financial subsidiaries, and provided such bank or trust company  
115 meets the division of finance safety and soundness considerations. This subdivision is enacted  
116 to provide in part competitive equality with national banks' powers under the  
117 Gramm-Leach-Bliley Act of 1999, Public Law 106-102.

118        2. In addition to the power and authorities granted in subsection 1 of this section, and  
119 notwithstanding any limitations therein, a bank or trust company may:

120        **(1)** Invest up to its legal loan limit in a building or buildings suitable for the convenient  
121 conduct of its business, including, but not limited to, a building or buildings suitable for the  
122 convenient conduct of its functions, parking for bank, trust company and leasehold employees  
123 and customers and real property for landscaping. Revenue may be derived from renting or  
124 leasing a portion of the building or buildings and the contiguous real estate; provided that, such  
125 bank or trust company has assets of at least two hundred million dollars; **and**

126        **(2) Loan money on real estate and handle escrows, settlements and closings on real**  
127 **estate for the benefit of the bank's customers, as a core part of the banking business,**  
128 **notwithstanding any other provision of law to the contrary.**

129        3. In addition to the powers and authorities granted in subsection 1 of this section, every  
130 trust company created under the laws of this state shall be authorized and empowered to:

131        (1) Receive money in trust and to accumulate the same at such rate of interest as may be  
132 obtained or agreed upon, or to allow such interest thereon as may be prescribed or agreed;

133        (2) Accept and execute all such trusts and perform such duties of every description as  
134 may be committed to it by any person or persons whatsoever, or any corporation, and act as  
135 assignee, receiver, trustee and depository, and to accept and execute all such trusts and perform  
136 such duties of every description as may be committed or transferred to it by order, judgment or  
137 decree of any courts of record of this state or other states, or of the United States;

138        (3) Take, accept and hold, by the order, judgment or decree of any court of this state, or  
139 of any other state, or of the United States, or by gift, grant, assignment, transfer, devise or  
140 bequest of any person or corporation, any real or personal property in trust, and to execute and  
141 perform any and all the legal and lawful trusts in regard to the same upon the terms, conditions,

limitations and restrictions which may be declared, imposed, established or agreed upon in and by the order, judgment, decree, gift, grant, assignment, transfer, devise or bequest;

(4) Buy, invest in and sell all kinds of stocks or other investment securities;

(5) Execute, as principal or surety, any bond or bonds required by law to be given in any proceeding, in law or equity, in any of the courts of this state or other states, or of the United States;

(6) Act as trustee, personal representative, or conservator or in any other like fiduciary capacity;

(7) Act as attorney-in-fact or agent of any person or corporation, foreign or domestic, in the management and control of real or personal property, the sale or conveyance of same, the investment of money, and for any other lawful purpose.

4. (1) In addition to the powers and authorities granted in this section, the director of finance may, from time to time, with the approval of the state banking board, issue orders granting such other powers and authorities as have been granted to financial institutions subject to the supervision of the federal government to:

(a) State-chartered banks and trust companies which are necessary to enable such banks and trust companies to compete;

(b) State-chartered banks and trust companies to establish branches to the same extent that federal law permits national banks to establish branches;

(c) Subsidiaries of state-chartered banks and trust companies to the same extent powers are granted to national bank subsidiaries to enable such banks and trust companies to compete;

(d) State-chartered banks and trust companies to establish trust representative offices to the same extent national banks are permitted such offices.

(2) The orders shall be promulgated as provided in section 361.105, RSMo, and shall not be inconsistent with the constitution and the laws of this state.

5. As used in this section, the term "subsidiary" shall include one or more business entities of which the bank or trust company is the owner, provided the owner's liability is limited by the investment in and loans to the subsidiary as otherwise provided for by law.

**6. A bank or trust company to which authority is granted by regulation in subsection 4 of this section, based on the population of the political subdivision, may continue to exercise such authority for up to five years after the appropriate decennial census indicates that the population of the town in which such bank or trust company is located has exceeded the limits provided for by regulation pursuant to subsection 4 of this section.**

362.106. In addition to the powers authorized by section 362.105:

(1) A bank or trust company may exercise all powers necessary, proper [and] or

3 convenient to effect any [or all] of the purposes for which the bank or trust company has been  
4 formed **and any powers incidental to the business of banking;**

5 (2) A bank or trust company may offer any direct and indirect benefits to a bank  
6 customer for the purpose of attracting deposits or making loans, provided said benefit is not  
7 otherwise prohibited by law, and the income or expense of such activity is nominal;

8 (3) Notwithstanding any other law to the contrary, every bank or trust company created  
9 under the laws of this state may, for a fee or other consideration, directly or through a subsidiary  
10 company, and upon complying with any applicable licensing statute, acquire and hold the voting  
11 stock of one or more corporations the activities of which are managing or owning agricultural  
12 property, subdividing and developing real property and building residential housing or  
13 commercial improvements on such property, and owning, renting, leasing, managing, operating  
14 for income and selling such property; provided that, the total of all investments, loans and  
15 guarantees made pursuant to the authority of this subdivision shall not exceed five percent of the  
16 total assets of the bank or trust company as shown on the next preceding published report of such  
17 bank or trust company to the director of finance, unless the director of the division of finance  
18 approves a higher percentage by regulation, but in no event shall such percentage exceed that  
19 allowed national banks by the appropriate regulatory authority, and, in addition to the  
20 investments permitted by this subdivision, a bank or trust company may extend credit, not to  
21 exceed the lending limits of section 362.170, to each of the corporations in which it has invested.  
22 No provision of this section authorizes a bank or trust company to own or operate, directly or  
23 through a subsidiary company, a real estate brokerage company;

24 (4) **Notwithstanding any other law to the contrary except for bank regulatory**  
25 **powers in chapter 361, RSMo, powers incidental to the business of banking shall include**  
26 **the authority of every Missouri bank, for a fee or other consideration, and upon complying**  
27 **with any applicable licensing and registration law, to conduct any activity that national**  
28 **banks are expressly authorized by federal law to conduct, if such Missouri bank meets the**  
29 **prescribed standards, provided that powers conferred by this subdivision:**

30 (a) **Shall always be subject to the same limitations applicable to a national bank for**  
31 **conducting the activity;**

32 (b) **Shall be subject to applicable Missouri insurance law;**

33 (c) **Shall be subject to applicable Missouri licensing and registration law for the**  
34 **activity;**

35 (d) **Shall be subject to the same treatment prescribed by federal law; and any**  
36 **enabling federal law declared invalid by a court of competent jurisdiction or by the**  
37 **responsible federal chartering agency shall be invalid for the purposes of this subdivision;**  
38 **and**



39           (e) May be exercised by a Missouri bank after that institution has notified the  
40 director of its intention to exercise such specific power at the close of the notice period and  
41 the director, in response, has made a determination that the proposed activity is not an  
42 unsafe or unsound practice and such institution meets the prescribed standards required  
43 for the activity permitted national banks in the interpretive letter. The director may either  
44 take no action or issue an interpretive letter to the institution more specifically describing  
45 the activity permitted, and any limitations on such activity.

46

47 The notice provided by the institution requesting such activity shall include copies of the  
48 specific law authorizing the power for national banks, and documentation indicating that  
49 such institution meets the prescribed standards. The notice period shall be thirty days but  
50 the director may extend it for an additional sixty days. After a determination has been  
51 made authorizing any activity pursuant to this subdivision, any Missouri bank may  
52 exercise such power as provided in subdivision (5) of this section without giving notice.

53           (5) When a determination is made pursuant to paragraph (e) of subdivision (4) of  
54 this section, the director shall issue a public interpretative letter or statement of no action  
55 regarding the specific power authorized pursuant to subdivision (4) of this section; such  
56 interpretative letters and statements of no action shall be made with the name of the  
57 specific institution and related identifying facts deleted. Such interpretative letters and  
58 statements of no action shall be published on the division of finance public Internet  
59 website, and filed with the office of the secretary of state for ten days prior to effectiveness.  
60 Any other Missouri bank may exercise any power approved by interpretative letter or  
61 statement of no action of the director pursuant to this subdivision; provided, the institution  
62 meets the requirements of the interpretative letter or statement of no action and the  
63 prescribed standards required for the activity permitted national banks in the interpretive  
64 letter. Such Missouri bank shall not be required to give the notice pursuant to paragraph  
65 (e) of subdivision (4) of this section.

66

67 For the purposes of this subdivision and subdivision (4) of this section, "activity" shall  
68 mean the offering of any product or service or the conducting of any other activity;  
69 "federal law" shall mean any federal statute or regulation or an interpretive letter issued  
70 by the Office of the Comptroller of the Currency; "Missouri bank" shall mean any bank  
71 or trust company created pursuant to the laws of this state.

362.119. Any bank organized [under] pursuant to the laws of this state may invest not  
2 to exceed five percent of its capital, surplus and undivided profits in shares of stock in any new  
3 or existing trust company or companies or any new or existing holding company or

4 **companies controlling a trust company or companies, provided that such holding company**  
5 **is either a bank holding company or is a holding company with the sole purpose of owning**  
6 **a trust company,** if the direct or indirect ownership of a majority of such stock or class of stock  
7 in such [trust company or companies] **entity or entities** is restricted to banks authorized to do  
8 business in the state of Missouri. For purposes of this section, the term "ownership of a majority  
9 of such stock or class of stock" does not mean or infer that such owner or owners have a  
10 controlling interest or voting interest in such trust company or companies, **and the term**  
11 **"entity" means a trust company, bank holding company or a holding company that is not**  
12 **a bank holding company but that has the sole purpose of owning a trust company.**

362.170. 1. As used in this section, the term "unimpaired capital" includes common and  
2 preferred stock, capital notes, the surplus fund, undivided profits and any reserves, not subject  
3 to known charges as shown on the next preceding published report of the bank or trust company  
4 to the director of finance.

5 2. No bank or trust company subject to the provisions of this chapter shall:

6 (1) Directly or indirectly, lend to any individual, partnership, corporation, limited  
7 liability company or body politic, either by means of letters of credit, by acceptance of drafts, or  
8 by discount or purchase of notes, bills of exchange, or other obligations of the individual,  
9 partnership, corporation, limited liability company or body politic an amount or amounts in the  
10 aggregate which will exceed fifteen percent of the unimpaired capital of the bank or trust  
11 company if located in a city having a population of one hundred thousand or over; twenty percent  
12 of the unimpaired capital of the bank or trust company if located in a city having a population  
13 of less than one hundred thousand and over seven thousand; and twenty-five percent of the  
14 unimpaired capital of the bank or trust company if located elsewhere in the state, with the  
15 following exceptions:

16 (a) The restrictions in this subdivision shall not apply to:

17 a. Bonds or other evidences of debt of the government of the United States or its  
18 territorial and insular possessions, or of the state of Missouri, or of any city, county, town,  
19 village, or political subdivision of this state;

20 b. Bonds or other evidences of debt, the issuance of which is authorized under the laws  
21 of the United States, and as to which the government of the United States has guaranteed or  
22 contracted to provide funds to pay both principal and interest;

23 c. Bonds or other evidences of debt of any state of the United States other than the state  
24 of Missouri, or of any county, city or school district of the foreign state, which county, city, or  
25 school district shall have a population of fifty thousand or more inhabitants, and which shall not  
26 have defaulted for more than one hundred twenty days in the payment of any of its general  
27 obligation bonds or other evidences of debt, either principal or interest, for a period of ten years

28 prior to the time of purchase of the investment and provided that the bonds or other evidences  
29 of debt shall be a direct general obligation of the county, city, or school district;

30 d. Loans to the extent that they are insured or covered by guaranties or by commitments  
31 or agreements to take over or purchase made by any department, bureau, board, commission, or  
32 establishment of the United States or of the state of Missouri, including any corporation, wholly  
33 owned, directly or indirectly, by the United States or of the state of Missouri, pursuant to the  
34 authority of any act of Congress or the Missouri general assembly heretofore or hereafter adopted  
35 or amended or pursuant to the authority of any executive order of the President of the United  
36 States or the governor of Missouri heretofore or hereafter made or amended under the authority  
37 of any act of Congress heretofore or hereafter adopted or amended, and the part of the loan not  
38 so agreed to be purchased or discounted is within the restrictive provisions of this section;

39 e. Obligations to any bank or trust company in the form of notes of any person,  
40 copartnership, association, corporation or limited liability company, secured by not less than a  
41 like amount of direct obligations of the United States which will mature in not exceeding five  
42 years from the date the obligations to the bank are entered into;

43 f. Loans to the extent they are secured by a segregated deposit account in the lending  
44 bank if the lending bank has obtained a perfected security interest in such account;

45 g. Evidences of debt which are direct obligations of, or which are guaranteed by, the  
46 Government National Mortgage Association, the Federal National Mortgage Association, the  
47 Student Loan Marketing Association, the Federal Home Loan Banks, the Federal Farm Credit  
48 Bank or the Federal Home Loan Mortgage Corporation, or evidences of debt which are fully  
49 collateralized by direct obligations of, and which are issued by, the Government National  
50 Mortgage Association, the Federal National Mortgage Association, the Student Loan Marketing  
51 Association, a Federal Home Loan Bank, the Federal Farm Credit Bank or the Federal Home  
52 Loan Mortgage Corporation;

53 (b) The total liabilities to the bank or trust company of any individual, partnership,  
54 corporation or limited liability company may equal but not exceed thirty-five percent of the  
55 unimpaired capital of the bank or trust company; provided, that all of the total liabilities in  
56 excess of the legal loan limit of the bank or trust company as defined in this subdivision are upon  
57 paper based upon the collateral security of warehouse receipts covering agricultural products or  
58 the manufactured or processed derivatives of agricultural products in public elevators and public  
59 warehouses subject to state supervision and regulation in this state or in any other state of the  
60 United States, under the following conditions: first, that the actual market value of the property  
61 held in store and covered by the receipt shall at all times exceed by at least fifteen percent the  
62 amount loaned upon it; and second, that the property covered by the receipts shall be insured to  
63 the full market value thereof against loss by fire and lightning, the insurance policies to be issued

64 by corporations or individuals licensed to do business by the state in which the property is  
65 located, and when the insurance has been used to the limit that it can be secured, then in  
66 corporations or with individuals licensed to do an insurance business by the state or country of  
67 their incorporation or residence; and all policies covering property on which the loan is made  
68 shall have endorsed thereon, "loss, if any, payable to the holder of the warehouse receipts"; and  
69 provided further, that in arriving at the amount that may be loaned by any bank or trust company  
70 to any individual, partnership, corporation or limited liability company on elevator or warehouse  
71 receipts there shall be deducted from the thirty-five percent of its unimpaired capital the total of  
72 all other liabilities of the individual, partnership, corporation or limited liability company to the  
73 bank or trust company;

74 (c) In computing the total liabilities of any individual to a bank or trust company there  
75 shall be included all liabilities to the bank or trust company of any partnership of which the  
76 individual is a member, and any loans made for the individual's benefit or for the benefit of the  
77 partnership; of any partnership to a bank or trust company there shall be included all liabilities  
78 of and all loans made for the benefit of the partnership; of any corporation to a bank or trust  
79 company there shall be included all loans made for the benefit of the corporation and of any  
80 limited liability company to a bank or trust company there shall be included all loans made for  
81 the benefit of the limited liability company;

82 (d) The purchase or discount of drafts, or bills of exchange drawn in good faith against  
83 actually existing values, shall not be considered as money borrowed within the meaning of this  
84 section; and the purchase or discount of negotiable or nonnegotiable [installment consumer]  
85 paper which carries the full recourse endorsements or guaranty or agreement to repurchase of the  
86 person, copartnership, association, corporation or limited liability company negotiating the same,  
87 shall not be considered as money borrowed by the endorser or guarantor or the repurchaser  
88 within the meaning of this section, provided that the files of the bank or trust company acquiring  
89 the paper contain the written certification by an officer designated for this purpose by its board  
90 of directors that the responsibility of the makers has been evaluated and the acquiring bank or  
91 trust company is relying primarily upon the makers thereof for the payment of the paper;

92 (e) For the purpose of this section, a loan guaranteed by an individual who does not  
93 receive the proceeds of the loan shall not be considered a loan to the guarantor;

94 (f) Investments in mortgage-related securities, as described in the Secondary Mortgage  
95 Market Enhancement Act of 1984, P.L. 98-440, excluding those described in subparagraph g.  
96 of paragraph (a) of subdivision (1) of subsection 2 of this section, shall be subject to the  
97 restrictions of this section, provided that a bank or trust company may invest up to two times its  
98 legal loan limit in any such securities that are rated in one of the two highest rating categories  
99 by at least one nationally recognized statistical rating organization;

100           (2) Nor shall any of its directors, officers, agents, or employees, directly or indirectly  
101 purchase or be interested in the purchase of any certificate of deposit, pass book, promissory  
102 note, or other evidence of debt issued by it, for less than the principal amount of the debt, without  
103 interest, for which it was issued. Every bank or trust company or person violating the provisions  
104 of this subdivision shall forfeit to the state the face value of the note or other evidence of debt  
105 so purchased;

106           (3) Make any loan or discount on the security of the shares of its own capital stock, or  
107 be the purchaser or holder of these shares, unless the security or purchase shall be necessary to  
108 prevent loss upon a debt previously contracted in good faith, and stock so purchased or acquired  
109 shall be sold at public or private sale, or otherwise disposed of, within six months from the time  
110 of its purchase or acquisition unless the time is extended by the finance director. Any bank or  
111 trust company violating any of the provisions of this subdivision shall forfeit to the state the  
112 amount of the loan or purchase;

113           (4) Knowingly lend, directly or indirectly, any money or property for the purpose of  
114 enabling any person to pay for or hold shares of its stock, unless the loan is made upon security  
115 having an ascertained or market value of at least fifteen percent more than the amount of the  
116 loan. Any bank or trust company violating the provision of this subdivision shall forfeit to the  
117 state the amount of the loan;

118           (5) No salaried officer of any bank or trust company shall use or borrow for himself or  
119 herself, directly or indirectly, any money or other property belonging to any bank or trust  
120 company of which the person is an officer, in excess of ten percent of the unimpaired capital of  
121 the bank or trust company, nor shall the total amount loaned to all salaried officers of any bank  
122 or trust company exceed twenty-five percent of the unimpaired capital of the bank or trust  
123 company. Where loans and a line of credit are made to salaried officers, the loans and line of  
124 credit shall first be approved by a majority of the board of directors or of the executive or  
125 discount committee, the approval to be in writing and the officer to whom the loans are made,  
126 not voting. The form of the approval shall be as follows:

127           We, the undersigned, constituting a majority of the ..... of the ..... (bank  
128 or trust company), do hereby approve a loan of \$..... or a line of credit of  
129 \$....., or both, to ....., it appearing that the loan or line of credit,  
130 or both, is not more than 10 percent of the unimpaired capital of ..... (bank  
131 or trust company); it further appearing that the loan (money actually advanced) will not make the  
132 aggregate of loans to salaried officers more than 25 percent of the unimpaired capital of the bank  
133 or trust company.

134           .....

135           .....

136 .....

137 .....

138 Dated this ..... day of ....., 20.....

139

140 Provided, if the officer owns or controls a majority of the stock of any other corporation, a loan  
141 to that corporation shall be considered for the purpose of this subdivision as a loan to the officer.  
142 Every bank or trust company or officer thereof knowingly violating the provisions of this  
143 subdivision shall, for each offense, forfeit to the state the amount lent;

144 (6) Invest or keep invested in the stock of any private corporation, except as provided  
145 in this chapter.

146 3. Provided, that the provisions in this section shall not be so construed as in any way  
147 to interfere with the rules and regulations of any clearinghouse association in this state in  
148 reference to the daily balances; and provided, that this section shall not apply to balances due  
149 from any correspondent subject to draft.

150 4. Provided, that a trust company which does not accept demand deposits shall be  
151 permitted to make loans secured by a first mortgage or deed of trust on real estate to any  
152 individual, partnership, corporation or limited liability company, and to deal and invest in the  
153 interest-bearing obligations of any state, or any city, county, town, village, or political  
154 subdivision thereof, in an amount not to exceed its unimpaired capital, the loans on real estate  
155 not to exceed sixty-six and two-thirds percent of the appraised value of the real estate.

156 5. Any officer, director, agent, clerk, or employee of any bank or trust company who  
157 willfully and knowingly makes or concurs in making any loan, either directly or indirectly, to any  
158 individual, partnership, corporation or limited liability company or by means of letters of credit,  
159 by acceptance of drafts, or by discount or purchase of notes, bills of exchange or other obligation  
160 of any person, partnership, corporation or limited liability company, in excess of the amounts set  
161 out in this section, shall be deemed guilty of a class C felony.

162 6. A trust company in existence on October 15, 1967, or a trust company incorporated  
163 thereafter which does not accept demand deposits, may invest in but shall not invest or keep  
164 invested in the stock of any private corporation an amount in excess of fifteen percent of the  
165 capital and surplus fund of the trust company; provided, however, that this limitation shall not  
166 apply to the ownership of the capital stock of a safe deposit company as provided in section  
167 362.105; nor to the ownership by a trust company in existence on October 15, 1967, or its  
168 stockholders of a part or all of the capital stock of one bank organized under the laws of the  
169 United States or of this state, nor to the ownership of a part or all of the capital of one  
170 corporation organized under the laws of this state for the principal purpose of receiving savings  
171 deposits or issuing debentures or loaning money on real estate or dealing in or guaranteeing the

172 payment of real estate securities, or investing in other securities in which trust companies may  
173 invest under this chapter; nor to the continued ownership of stocks lawfully acquired prior to  
174 January 1, 1915, **and the prohibition for investments in this subsection shall not apply to**  
175 **investments otherwise provided by law other than subdivision (4) of subsection 3 of section**  
176 **362.105.**

177 7. Any bank or trust company to which the provisions of subsection 2 of this section  
178 apply may continue to make loans pursuant to the provisions of subsection 2 of this section for  
179 up to five years after the appropriate decennial census indicates that the population of the city  
180 in which such bank or trust company is located has exceeded the limits provided in subsection  
181 2 of this section.

362.270. Within thirty days after the date on which the annual meeting of the  
2 stockholders is held the directors elected at such meeting shall, after subscribing the oath  
3 required in section 362.250, hold a meeting at which they shall elect a **chief executive officer**  
4 **which the board may designate as president or another appropriate title**, from their own  
5 number, one or more vice presidents, and such other officers as are provided for by the bylaws  
6 to be elected annually.

362.325. 1. Any bank or trust company may, at any time, and in any amount, increase  
2 or, with the approval of the director, reduce its capital stock (as to its authorized but unissued  
3 shares, its issued shares, and its capital stock as represented by such issued shares), including a  
4 reduction of capital stock by reverse stock split, change its name, change or extend its business  
5 or the length of its corporate life, avail itself of the privileges and provisions of this chapter or  
6 otherwise change its articles of agreement in any way not inconsistent with the provisions of this  
7 chapter, with the consent of the persons holding a majority of the stock of the bank or trust  
8 company, which consent shall be obtained at an annual meeting or at a special meeting of the  
9 shareholders called for that purpose. A bank or trust company may, but shall not be obligated  
10 to, issue a certificate for a fractional share, and, by action of its board of directors, may in lieu  
11 thereof, pay cash equal to the value of the fractional share.

12 2. The meeting shall be called and notice given as provided in section 362.044.

13 3. If, at any time and place specified in the notice, stockholders shall appear in person  
14 or by proxy, in number representing not less than a majority of all the shares of stock of the bank  
15 or trust company, they shall organize by choosing one of the directors chairman of the meeting,  
16 and a suitable person for secretary, and proceed to a vote of those present in person or by proxy.

17 4. If, upon a canvass of the vote at the meeting, it is ascertained that the proposition has  
18 carried, it shall be so declared by the president of the meeting and the proceedings entered of  
19 record.

20 5. When the full amount of the proposed increase has been bona fide subscribed and paid

21 in cash to the board of directors of the bank or trust company or the change has been duly  
22 authorized, then a statement of the proceedings, showing a compliance with the provisions of this  
23 chapter, the increase of capital actually subscribed and paid up or the change shall be made out,  
24 signed and verified by the affidavit of the president and countersigned by the cashier, or  
25 secretary, and such statement shall be acknowledged by the president and one certified copy filed  
26 in the public records of the division of finance.

27         6. Upon the filing of the certified copy the director shall promptly satisfy himself or  
28 herself that there has been a compliance in good faith with all the requirements of the law  
29 relating to the increase, decrease or change, and when he or she is so satisfied he or she shall  
30 issue a certificate that the bank or trust company has complied with the law made and provided  
31 for the increase or decrease of capital stock, and the amount to which the capital stock has been  
32 increased or decreased or for the change in the length of its corporate life or any other change  
33 provided for in this section. Thereupon, the capital stock of the bank or trust company shall be  
34 increased or decreased to the amount specified in the certificate or the length of the corporate life  
35 of the bank shall be changed or other authorized change made as specified in the certificate. The  
36 certificate, or certified copies thereof, shall be taken in all the courts of the state as evidence of  
37 the increase, decrease or change.

38         7. Provided, however, that if the change undertaken by the bank or trust company in its  
39 articles of agreement shall provide for the relocation of the bank or trust company in another  
40 community, the director shall make or cause to be made an examination to ascertain whether the  
41 convenience and needs of the new community wherein the bank desires to locate are such as to  
42 justify and warrant the opening of the bank therein and whether the probable volume of business  
43 at the new location is sufficient to ensure and maintain the solvency of the bank and the solvency  
44 of the then existing banks and trust companies at the location, without endangering the safety of  
45 any bank or trust company in the locality as a place of deposit of public and private moneys, and,  
46 if the director, as a result of the examination, be not satisfied in the particulars mentioned or  
47 either of them, he or she may refuse to issue the certificate applied for, in which event he or she  
48 shall forthwith give notice of his or her refusal to the bank applying for the certificate, which if  
49 it so desires may, within ten days thereafter, appeal from the refusal to the state banking board.

50         8. All certificates issued by the director of finance relating to amendments to the charter  
51 of any bank shall be provided to the bank or trust company and one certified copy filed in the  
52 public records of the division of finance.

53         **9. The board of directors may designate a chief executive officer, and such officer**  
54 **will replace the president for purposes of this section.**

362.335. 1. The directors may appoint and remove any cashier, secretary or other officer  
2 or employee at pleasure.



3           2. The cashier, secretary or any other officer or employee shall not endorse, pledge or  
4 hypothecate any notes, bonds or other obligations received by the corporation for money loaned,  
5 until such power and authority is given the cashier, secretary or other officer or employee by the  
6 board of directors, pursuant to a resolution of the board of directors, a written record of which  
7 proceedings shall first have been made; and a certified copy of the resolution, signed by the  
8 president and cashier or secretary with the corporate seal annexed, shall be conclusive evidence  
9 of the grant of this power; and all acts of endorsing, pledging and hypothecating done by the  
10 cashier, secretary or other officer or employee of the bank or trust company without the authority  
11 from the board of directors shall be null and void. **The board of directors may designate a**  
12 **chief executive officer who is not the president, but who shall perform all the duties of the**  
13 **president required by this section.**

          362.495. Whenever unusual withdrawals from any bank or trust company doing a  
2 banking business in this state, organized under the laws of this state are being made, or whenever  
3 in the judgment of the president and cashier or president and secretary of such bank or trust  
4 company and/or the board of directors thereof, unusual withdrawals are about to be made, such  
5 officers and/or directors are hereby authorized to suspend payment of checks of depositors and  
6 any and all other withdrawals of assets of such bank or trust company for a period of six banking  
7 days. **The board of directors may designate a chief executive officer who is not the**  
8 **president, but who shall perform all the duties of the president required by this section.**

          362.935. The director of finance shall administer and carry out the provisions of sections  
2 362.910 to 362.940 and may issue such regulations and orders as may be necessary to discharge  
3 this duty and to prevent evasion of subsection 1 of section 362.920 [or subsection 1 of section  
4 362.925].

          [362.942. 1. No bank holding company whose bank subsidiaries' operations  
2 are principally conducted in a state other than the state of Missouri, and which  
3 acquires control of a bank located in the state of Missouri, may acquire any other  
4 banks or establish branch banks for a two-year period beginning on the date such  
5 acquisition is consummated. During such two-year period, the bank holding  
6 company shall not be treated as a bank holding company whose bank subsidiaries'  
7 operations are principally conducted in the state of Missouri for purposes of  
8 acquiring other banks or establishing branch banks.

9           2. Notwithstanding any law to the contrary, nothing in this section shall limit  
10 the Missouri regional interstate banking law as contained in section 362.925.

11           3. The provisions of this section are severable. In the event that a court of  
12 competent jurisdiction shall enter a decision finding subsection 1 of this section  
13 unconstitutional or otherwise invalid and if such decision remains in force after all  
14 appeals therefrom have been exhausted, all remaining provisions of this section shall  
15 remain in full force and effect notwithstanding such decision and such decision shall  
16 not be given retroactive effect by any court and shall not invalidate any acquisitions

17 completed in reliance on any provisions of law prior to the date when all such appeals  
18 have been exhausted.]

408.052. 1. No lender shall charge, require or receive, on any residential real estate loan,  
2 any points or other fees of any nature whatsoever, excepting insurance, including insurance for  
3 involuntary unemployment coverage, and a one-percent origination fee, whether from the buyer  
4 or the seller or any other person, except that the lender may charge bona fide expenses paid by  
5 the lender to any other person or entity except to an officer, employee, or director of the lender  
6 or to any business in which any officer, employee or director of the lender owns any substantial  
7 interest for services actually performed in connection with a loan. In addition to the foregoing,  
8 if the loan is for the construction, repair, or improvement of residential real estate, the lender may  
9 charge a fee not to exceed one percent of the loan amount for inspection and disbursement of the  
10 proceeds of the loan to third parties. Notwithstanding the foregoing, the parties may contract for  
11 a default charge for any installment not paid in full within fifteen days of its scheduled due date.  
12 The restrictions of this section shall not apply:

13 (1) To any loan which is insured or covered by guarantee made by any department,  
14 board, bureau, commission, agency or establishment of the United States, pursuant to the  
15 authority of any act of Congress heretofore or hereafter adopted; and

16 (2) To any loan for which an offer or commitment or agreement to purchase has been  
17 received from and which is made with the intention of reselling such loan to the Federal Housing  
18 Administration, Farmers Home Administration, Federal National Mortgage Association,  
19 Government National Mortgage Association, Federal Home Loan Mortgage Corporation, or to  
20 any successor to the above-mentioned organizations, to any other state or federal governmental  
21 or quasi-governmental organization; and

22 (3) Provided that the 1994 reenactment of this section shall not be construed to be action  
23 taken in accordance with Public Law 96-221, Section 501(b)(4). Any points or fees received in  
24 excess of those permitted under this section shall be returned to the person from whom received  
25 upon demand.

26 2. Notwithstanding the language in subsection 1 of this section, a lender may pay to an  
27 officer, employee or director of the lender, or to any business in which such person has an  
28 interest, bona fide fees for services actually and necessarily performed in good faith in  
29 connection with a residential real estate loan, provided:

30 (1) Such services are individually listed by amount and payee on the loan-closing  
31 documents; and

32 (2) Such lender may use the preemption of Public Law 96-221, Section 501 with respect  
33 to the residential real estate loan in question. When fees charged need not be disclosed in the  
34 annual percentage rate required by Title 15, U.S.C. Sections 1601, et seq., and regulations  
35 thereunder because such fees are de minimus amounts or for other reasons, such fees need not

36 be included in the annual percentage rate for state examination purposes.

37       **3. The lender may charge and collect bona fide fees for services actually and**  
38 **necessarily performed in good faith in connection with a residential real estate loan as**  
39 **provided in subsection 2 of this section; however, the lender's board of directors shall**  
40 **determine whether such bona fide fees shall be paid to the lender or businesses related to**  
41 **the lender in subsection 2 of this section, but may allow current contractual relationships**  
42 **to continue for up to two years.**

43       **4.** If any points or fees are charged, required or received, which are in excess of those  
44 permitted by this section, or which are not returned upon demand when required by this section,  
45 then the person paying the same points or fees or his or her legal representative may recover  
46 twice the amount paid together with costs of the suit and reasonable attorney's fees, provided that  
47 the action is brought within five years of such payment.

48       **[4.] 5.** Any lender who knowingly violates the provisions of this section is guilty of a  
49 class B misdemeanor.

408.140. 1. No further or other charge or amount whatsoever shall be directly or  
2 indirectly charged, contracted for or received for interest, service charges or other fees as an  
3 incident to any such extension of credit except as provided and regulated by sections 367.100 to  
4 367.200, RSMo, and except:

5       (1) On loans for thirty days or longer which are other than "open-end credit" as such term  
6 is defined in the federal Consumer Credit Protection Act and regulations thereunder, a fee, not  
7 to exceed five percent of the principal amount loaned not to exceed fifty dollars may be charged  
8 by the lender; however, no such fee shall be permitted on any extension, refinance, restructure  
9 or renewal of any such loan, unless any investigation is made on the application to extend,  
10 refinance, restructure or renew the loan;

11       (2) The lawful fees actually and necessarily paid out by the lender to any public officer  
12 for filing, recording, or releasing in any public office any instrument securing the loan, which  
13 fees may be collected when the loan is made or at any time thereafter; however, premiums for  
14 insurance in lieu of perfecting a security interest required by the lender may be charged if the  
15 premium does not exceed the fees which would otherwise be payable;

16       (3) If the contract so provides, a charge for late payment on each installment or minimum  
17 payment in default for a period of not less than fifteen days in an amount not to exceed five  
18 percent of each installment due or the minimum payment due or twenty-five dollars, whichever  
19 is less; except that, a minimum charge of ten dollars may be made. If the contract so provides,  
20 a charge for late payment on each twenty-five dollars or less installment in default for a period  
21 of not less than fifteen days shall not exceed five dollars;

22       **(4) If the contract so provides, a charge for late payment for a single payment note**

23 **in default for a period of not less than fifteen days in an amount not to exceed five percent**  
24 **of the payment due; provided that, the late charge for a single payment note shall not**  
25 **exceed fifty dollars;**

26 (5) Charges or premiums for insurance written in connection with any loan against loss  
27 of or damage to property or against liability arising out of ownership or use of property as  
28 provided in section 367.170, RSMo; however, notwithstanding any other provision of law, with  
29 the consent of the borrower, such insurance may cover property all or part of which is pledged  
30 as security for the loan, and charges or premiums for insurance providing life, health, accident,  
31 or involuntary unemployment coverage;

32 [(5)] (6) Charges assessed by any institution for processing a refused instrument plus a  
33 handling fee of not more than fifteen dollars;

34 [(6)] (7) If the contract or promissory note, signed by the borrower, provides for attorney  
35 fees, and if it is necessary to bring suit, such attorney fees may not exceed fifteen percent of the  
36 amount due and payable under such contract or promissory note, together with any court costs  
37 assessed. The attorney fees shall only be applicable where the contract or promissory note is  
38 referred for collection to an attorney, and is not handled by a salaried employee of the holder of  
39 the contract;

40 [(7)] (8) Provided the debtor agrees in writing, the lender may collect a fee in advance  
41 for allowing the debtor to defer up to three monthly loan payments, so long as the fee is no more  
42 than the lesser of fifty dollars or ten percent of the loan payments deferred, no extensions are  
43 made until the first loan payment is collected and no more than one deferral in a twelve- month  
44 period is agreed to and collected on any one loan. This section applies to nonprecomputed loans  
45 only and does not affect any other sections.

46 2. Other provisions of law to the contrary notwithstanding, an open-end credit contract  
47 under which a credit card is issued by a company, financial institution, savings and loan or other  
48 credit issuing company whose credit card operations are located in Missouri may charge an  
49 annual fee, provided that no finance charge shall be assessed on new purchases other than cash  
50 advances if such purchases are paid for within twenty-five days of the date of the periodic  
51 statement therefor.

52 3. Notwithstanding any other provision of law to the contrary, in addition to charges  
53 allowed pursuant to section 408.100, an open-end credit contract provided by a company,  
54 financial institution, savings and loan or other credit issuing company which is regulated  
55 pursuant to this chapter may charge an annual fee not to exceed fifty dollars.

**427.220. 1. Commissions paid to properly licensed employees or individual agents**  
2 **of a depository institution or a related entity shall not be more limited than commissions**  
3 **paid to employees or agents or any other properly licensed insurance agency, but shall be**

4 disclosed at least quarterly to the board of directors of the depository institution if earned  
5 under a contract with the depository institution to facilitate the sale of insurance; provided  
6 this subsection shall not apply to commissions based on the sale of credit insurance  
7 regulated by chapter 385, RSMo.

8       2. Consideration given under a contract between a depository institution and a  
9 related entity to facilitate the sale of insurance shall not be more limited than under such  
10 a contract between a depository institution and a nonrelated entity, except that the  
11 consideration from the related entity, other than an operating subsidiary, must be at least  
12 equal to the fair market value of the consideration from the depository institution. The  
13 depository institution may establish the value of rights under a contract by obtaining  
14 written bid commitments based on a nonrelated entity's bid for a contract; provided:

15       (1) There is a rebuttable presumption that the consideration given by the related  
16 entity is equal to the fair market value of the consideration given in return if the contract  
17 is not longer than one year and the related entity gives as consideration an amount equal  
18 to at least twenty percent of the insurance commissions generated as a result of such  
19 contract;

20       (2) The parties to the contract may, in the alternative, demonstrate fair market  
21 value by illustrating the costs and benefits of the contract a number of ways, including but  
22 not limited to the following: providing a full accounting of the calculations and  
23 compensation, including gross commissions to be received by each party to the contract,  
24 and any fees or other payments made to any bank officers, directors, employees and agents  
25 as a result of the contract, as well as specifically disclosing the services, such as standard  
26 light, heat, telephone, space plus office personnel and filing space, and providing an  
27 accounting of new business to be generated, with a comparison of depository institution  
28 and agency business, for the parties to the contract;

29       (3) Information provided pursuant to this subsection, shall be considered  
30 proprietary and confidential pursuant to sections 361.070 and 361.080, RSMo.

31       3. If the division determines enforcement action is necessary to protect the safety  
32 and soundness of an institution that it regulates, it may take enforcement action as  
33 otherwise permitted by law and may limit insurance commissions or other payments to an  
34 amount other than permitted in this section; provided the division has made a finding that  
35 enforcement action was required to protect the safety and soundness of such institution.  
36 Nothing in this section shall limit the application of sections 382.190 and 382.195, RSMo,  
37 to transactions between insurers and their affiliates.

38       4. For the purposes of this section, the following terms shall mean:

39       (1) "Commissions", in addition to insurance commissions, this term shall include

40 any other compensation received for the sale of insurance products whether such  
41 compensation is classified within the depository institution as salary, bonus or other  
42 remuneration;

43 (2) "Contract", any contract or arrangement;

44 (3) "Division", the division of finance or the division of credit union supervision;

45 (4) "Fair market value", the value of an asset or service, which may include  
46 determinable costs and a profit reasonable for the market and shall not be limited to a  
47 specific rate of profit;

48 (5) "Operating subsidiary", any subsidiary of a depository institution that is not  
49 a financial subsidiary as otherwise defined by law;

50 (6) "Related entity", any holding company, affiliate or subsidiary of the depository  
51 institution or any entity controlled by common ownership with the depository institution  
52 or by an individual or individuals who are executive officers or directors of the depository  
53 institution.

513.430. 1. The following property shall be exempt from attachment and execution to  
2 the extent of any person's interest therein:

3 (1) Household furnishings, household goods, wearing apparel, appliances, books,  
4 animals, crops or musical instruments that are held primarily for personal, family or household  
5 use of such person or a dependent of such person, not to exceed one thousand dollars in value  
6 in the aggregate;

7 (2) Jewelry held primarily for the personal, family or household use of such person or  
8 a dependent of such person, not to exceed five hundred dollars in value in the aggregate;

9 (3) Any other property of any kind, not to exceed in value four hundred dollars in the  
10 aggregate;

11 (4) Any implements, professional books or tools of the trade of such person or the trade  
12 of a dependent of such person not to exceed two thousand dollars in value in the aggregate;

13 (5) Any motor vehicle, not to exceed one thousand dollars in value;

14 (6) Any mobile home used as the principal residence, not to exceed one thousand dollars  
15 in value;

16 (7) Any one or more unmatured life insurance contracts owned by such person, other  
17 than a credit life insurance contract;

18 (8) The amount of any accrued dividend or interest under, or loan value of, any one or  
19 more unmatured life insurance contracts owned by such person under which the insured is such  
20 person or an individual of whom such person is a dependent; provided, however, that if  
21 proceedings under Title 11 of the United States Code are commenced by or against such person,  
22 the amount exempt in such proceedings shall not exceed in value [five] **two hundred fifty**

23 thousand dollars in the aggregate less any amount of property of such person transferred by the  
24 life insurance company or fraternal benefit society to itself in good faith if such transfer is to pay  
25 a premium or to carry out a nonforfeiture insurance option and is required to be so transferred  
26 automatically under a life insurance contract with such company or society that was entered into  
27 before commencement of such proceedings. No amount of any accrued dividend or interest  
28 under, or loan value of, any such life insurance contracts shall be exempt from any claim for  
29 child support. Notwithstanding anything to the contrary, no such amount shall be exempt in such  
30 proceedings under any such insurance contract which was purchased by such person within six  
31 months prior to the commencement of such proceedings;

32 (9) Professionally prescribed health aids for such person or a dependent of such person;

33 (10) Such person's right to receive:

34 (a) A Social Security benefit, unemployment compensation or a local public assistance  
35 benefit;

36 (b) A veteran's benefit;

37 (c) A disability, illness or unemployment benefit;

38 (d) Alimony, support or separate maintenance, not to exceed five hundred dollars a  
39 month;

40 (e) Any payment under a stock bonus plan, pension plan, disability or death benefit plan,  
41 profit-sharing plan, nonpublic retirement plan or any similar plan described, defined, or  
42 established pursuant to section 456.072, RSMo, the person's right to a participant account in any  
43 deferred compensation program offered by the state of Missouri or any of its political  
44 subdivisions, or annuity or similar plan or contract on account of illness, disability, death, age  
45 or length of service, to the extent reasonably necessary for the support of such person and any  
46 dependent of such person unless:

47 a. Such plan or contract was established by or under the auspices of an insider that  
48 employed such person at the time such person's rights under such plan or contract arose;

49 b. Such payment is on account of age or length of service; and

50 c. Such plan or contract does not qualify under Section 401(a), 403(a), 403(b), 408, 408A  
51 or 409 of the Internal Revenue Code of 1986, as amended, (26 U.S.C. 401(a), 403(a), 403(b),  
52 408, 408A or 409);

53 except that any such payment to any person shall be subject to attachment or execution pursuant  
54 to a qualified domestic relations order, as defined by Section 414(p) of the Internal Revenue  
55 Code of 1986, as amended, issued by a court in any proceeding for dissolution of marriage or  
56 legal separation or a proceeding for disposition of property following dissolution of marriage by  
57 a court which lacked personal jurisdiction over the absent spouse or lacked jurisdiction to  
58 dispose of marital property at the time of the original judgment of dissolution;

59 (f) Any money or assets, payable to a participant or beneficiary from, or any interest of  
60 any participant or beneficiary in, a retirement plan which is qualified under Section 401(k),  
61 403(a)(3), 403(b), 408, 408A or 409 of the Internal Revenue Code of 1986, as amended, except  
62 as provided in this paragraph. Any plan or arrangement described in this paragraph shall not be  
63 exempt from the claim of an alternate payee under a qualified domestic relations order; however,  
64 the interest of any and all alternate payees under a qualified domestic relations order shall be  
65 exempt from any and all claims of any creditor, other than the state of Missouri through its  
66 division of family services. As used in this paragraph, the terms "alternate payee" and "qualified  
67 domestic relations order" have the meaning given to them in Section 414(p) of the Internal  
68 Revenue Code of 1986, as amended.

69 If proceedings under Title 11 of the United States Code are commenced by or against such  
70 person, no amount of funds shall be exempt in such proceedings under any such plan, contract,  
71 or trust which is fraudulent as defined in section 456.630, RSMo, and for the period such person  
72 participated within three years prior to the commencement of such proceedings. For the purposes  
73 of this section, when the fraudulently conveyed funds are recovered and after, such funds shall  
74 be deducted and then treated as though the funds had never been contributed to the plan, contract,  
75 or trust;

76 (11) The debtor's right to receive, or property that is traceable to, a payment on account  
77 of the wrongful death of an individual of whom the debtor was a dependent, to the extent  
78 reasonably necessary for the support of the debtor and any dependent of the debtor.

79 2. Nothing in this section shall be interpreted to exempt from attachment or execution  
80 for a valid judicial or administrative order for the payment of child support or maintenance any  
81 money or assets, payable to a participant or beneficiary from, or any interest of any participant  
82 or beneficiary in, a retirement plan which is qualified pursuant to Section 408A of the Internal  
83 Revenue Code of 1986, as amended.