

FIRST REGULAR SESSION  
[PERFECTED]  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 431**  
**94TH GENERAL ASSEMBLY**

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Reported from the Committee on Judiciary March 6, 2007 with recommendation that House Committee Substitute for House Bill No. 431 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

Reported from the Committee on Rules March 13, 2007 with recommendation that the House Committee Substitute Do Pass, with no time limit for debate on Perfection.

Taken up for Perfection March 27, 2007. House Committee Substitute ordered Perfected and printed, as amended.

D. ADAM CRUMBLISS, Chief Clerk

1163L.03P

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**AN ACT**

To repeal sections 347.137, 351.015, and 351.459, RSMo, and to enact in lieu thereof four new sections relating to business organizations.

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

Section A. Sections 347.137, 351.015, and 351.459, RSMo, are repealed and four new  
2 sections enacted in lieu thereof, to be known as sections 347.137, 351.015, 351.459, and 407.485  
3 to read as follows:

347.137. 1. A domestic limited liability company shall be dissolved upon the occurrence  
2 of any of the following:

3 (1) Upon the happening of the events specified in the operating agreement or in the  
4 articles of organization;

5 (2) Upon the written consent of all members;

6 (3) Except as otherwise provided in the operating agreement, an event of withdrawal of  
7 a member, if a majority, by number, of the remaining members agree within ninety days after the  
8 occurrence of the event of withdrawal to dissolve the limited liability company;

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

9           (4) [An event of withdrawal with respect to the sole remaining member] **At any time**  
10 **there are no members; provided, that the limited liability company is not dissolved and is**  
11 **not required to be wound up if:**

12           (a) **Unless otherwise provided in the operating agreement, within ninety days after**  
13 **such other period as is provided for in the operating agreement after the occurrence of the**  
14 **event that terminated the continued membership of the last remaining member, the**  
15 **personal representative, statutory or otherwise, of the last remaining member agrees in**  
16 **writing to continue the limited liability company and to the admission of such personal**  
17 **representative of such member or its nominee or designee to the limited liability company**  
18 **as a member, effective as of the occurrence of the event that terminated the continued**  
19 **membership of the last remaining member; provided, that the operating agreement may**  
20 **provide that the personal representative, statutory or otherwise, of the last remaining**  
21 **member shall be obligated to agree in writing to continue the limited liability company and**  
22 **to the admission of such personal representative of such member or its nominee or designee**  
23 **to the limited liability company as a member, effective as of the occurrence of the event that**  
24 **terminated the continued membership of the last remaining member; or**

25           (b) **A member is admitted to the limited liability company in the manner provided**  
26 **for in the operating agreement, effective as of the occurrence of the event that terminated**  
27 **the continued membership of the last remaining member, within ninety days or such other**  
28 **period as is provided for in the limited liability company agreement after the occurrence**  
29 **of the event that terminated the continued membership of the last remaining member,**  
30 **under a provision of the operating agreement that specifically provides for the admission**  
31 **of a member to the limited liability company after there is no longer a remaining member**  
32 **of the limited liability company;**

33           (5) Entry of a decree of dissolution under section 347.143; or

34           (6) When the limited liability company is not the surviving entity in a merger or  
35 consolidation.

36           2. As soon as possible following the occurrence of any of the events specified in  
37 subdivisions (1) to (4) of subsection 1 of this section effecting the dissolution of the limited  
38 liability company, the limited liability company shall file a notice of winding up with the  
39 secretary which discloses the dissolution of the limited liability company and the commencement  
40 of winding up of its business and affairs.

351.015. As used in this chapter, unless the context otherwise requires:

2           (1) "Articles of incorporation" includes the original articles of incorporation and all  
3 amendments thereto, and includes articles of merger or consolidation;

4           (2) "Authorized shares" means the aggregate number of shares of stock of all classes,  
5 whether with or without par value, which the corporation is authorized to issue. Shares of its  
6 own stock belonging to a corporation shall be deemed to be "issued" shares but not "outstanding"  
7 shares;

8           (3) "Certificate of stock" means a written instrument signed by or bearing the facsimile  
9 signature of the proper corporate officers, as required by this chapter, evidencing the fact that the  
10 person therein named is the holder of record of the share or shares therein described;

11           (4) "Control share acquisition" means the acquisition, directly or indirectly, by any  
12 person of ownership of, or the power to direct the exercise of voting power with respect to,  
13 issued and outstanding control shares. For the purposes of this chapter, shares acquired within  
14 ninety days of any acquisition of shares or shares acquired pursuant to a plan to make a control  
15 share acquisition are considered to have been acquired in the same acquisition. For the purposes  
16 of this chapter, a person who acquires shares in the ordinary course of business for the benefit  
17 of others in good faith and not for the purpose of circumventing this chapter has voting power  
18 only of shares in respect of which that person would be able to exercise or direct the exercise of  
19 votes without further instruction from others. The acquisition of any shares of an issuing public  
20 corporation does not constitute a control share acquisition if the acquisition is consummated in  
21 any of the following circumstances:

22           (a) Prior to June 13, 1984;

23           (b) Pursuant to a contract in existence prior to June 13, 1984;

24           (c) Pursuant to a will or other testamentary disposition, the laws of descent and  
25 distribution or by intervivos gift where such gift is made in good faith and not for the purpose  
26 of circumventing section 351.407;

27           (d) Pursuant to a public offering, a private placement, or any other issuance of shares by  
28 an issuing public corporation;

29           (e) By, on behalf of, or pursuant to any benefit or other compensation plan or  
30 arrangement of an issuing public corporation;

31           (f) Pursuant to the conversion of debt securities into shares of an issuing public  
32 corporation under the terms of such debt securities;

33           (g) Pursuant to a binding contract, other than any contract created by, pursuant to, or in  
34 connection with a tender offer, whereby the holders of shares representing at least two-thirds of  
35 the voting power of an issuing public corporation, such holders acting simultaneously, agreed  
36 to sell such shares to any person;

37           (h) Pursuant to the satisfaction of a pledge or other security interest created in good faith  
38 and not for the purpose of circumventing section 351.407;

39 (i) Pursuant to a merger or consolidation effected in compliance with sections 351.410  
40 to 351.458 if the issuing public corporation is a party to the agreement of merger or  
41 consolidation;

42 (j) Pursuant to a binding contract or other arrangement with any individual, foreign or  
43 domestic corporation (whether or not for profit), partnership, limited liability company,  
44 unincorporated society or association, or other entity which, at any time within one year prior to  
45 the acquisition in question, owned shares representing more than fifty percent of the voting  
46 power of the issuing public corporation;

47 (k) By or from any person whose shares have been previously accorded voting rights  
48 pursuant to section 351.407; provided, the acquisition entitles the person making the acquisition,  
49 directly or indirectly, alone or as a part of a group, to exercise or direct the exercise of voting  
50 power of the corporation in the election of directors within a range of the voting power not in  
51 excess of the range of voting power associated with the shares to which voting rights have been  
52 previously accorded;

53 (5) "Control shares" means shares that, except for this chapter, would have voting power  
54 with respect to shares of an issuing public corporation that, when added to all other shares of the  
55 issuing public corporation owned by a person or in respect to which that person may exercise or  
56 direct the exercise of voting power, would entitle that person, immediately after acquisition of  
57 the shares, directly or indirectly, alone or as a part of a group, to exercise or direct the exercise  
58 of the voting power of the issuing public corporation in the election of directors within any of  
59 the following ranges of voting power:

60 (a) One-fifth or more but less than one-third of all voting power;

61 (b) One-third or more but less than a majority of all voting power;

62 (c) A majority or more of all voting power; provided, however, that shares which the  
63 person or the group have owned or of which the person or the group could have exercised or  
64 directed the voting for more than ten years shall not be deemed to be "control shares" and shall  
65 not be aggregated for the purpose of determining inclusion within the above-stated ranges;

66 (6) "Corporation" or "domestic corporation" includes corporations organized under this  
67 chapter or subject to some or all of the provisions of this chapter except a foreign corporation;

68 (7) "Foreign corporation" means a corporation for profit organized under laws other than  
69 the laws of this state;

70 (8) "Incorporator" means a signer of the original articles of incorporation;

71 (9) "Interested shares" means the shares of an issuing public corporation in respect of  
72 which any of the following persons may exercise or direct the exercise of the voting power of  
73 the corporation in the election of directors:

74 (a) An acquiring person or member of a group with respect to a control share acquisition;

75 (b) Any officer of the issuing public corporation elected or appointed by the directors of  
76 the issuing public corporation;

77 (c) Any employee of the issuing public corporation who is also a director of such  
78 corporation;

79 (10) "Issuing public corporation", **unless the articles of incorporation provide**  
80 **otherwise as to the applicability of this section,** means **a corporation that has a class of**  
81 **voting stock registered with the securities and exchange commission under section 12 of the**  
82 **Exchange Act and is** either (a) a corporation incorporated under the laws of the state of  
83 Missouri, or, (b) subdivision (2) of section 351.690 notwithstanding, any insurance company  
84 organized pursuant to the laws of Missouri and doing business under the provisions of chapter  
85 376, RSMo, provided that the bylaws of such insurance company expressly state that such  
86 insurance company shall, for the purposes of this chapter, be included within the definition of  
87 "issuing public corporation"[, that has:

88 (a) One hundred or more shareholders;

89 (b) Its principal place of business, its principal office, or substantial assets within  
90 Missouri; and

91 (c) One of the following:

92 a. More than ten percent of its shareholders resident in Missouri;

93 b. More than ten percent of its shares owned by Missouri residents; or

94 c. Ten thousand shareholders resident in Missouri. The residence of a shareholder is  
95 presumed to be the address appearing in the records of the corporation. Shares held by banks  
96 (except as trustee or guardian), brokers or nominees shall be disregarded for purposes of  
97 calculating the percentages or numbers described above];

98 (11) "Net assets", for the purpose of determining the right of a corporation to purchase  
99 its own shares and of determining the right of a corporation to declare and pay dividends and the  
100 liabilities of directors therefor, shall not include shares of its own stock belonging to a  
101 corporation;

102 (12) "Paid-in surplus" means all that part of the consideration received by the corporation  
103 for, or on account of, all shares issued which does not constitute stated capital minus such formal  
104 reductions from said sum as may have been effected in a manner permitted by this chapter;

105 (13) "Person" includes, without limitation, an individual, a foreign or domestic  
106 corporation whether not for profit or for profit, a partnership, a limited liability company, an  
107 unincorporated society or association, two or more persons having a joint or common interest,  
108 or any other entity;

109 (14) "Registered office" means that office maintained by the corporation in this state, the  
110 address of which is on file in the office of the secretary of state;

111 (15) "Shareholder" means one who is a holder of record of shares in a corporation;

112 (16) "Shares" are the units into which the shareholders' rights to participate in the control  
113 of the corporation, in its surplus or profits, or in the distribution of its assets, are divided;

114 (17) "Stated capital" means at any particular time the sum of:

115 (a) The par value of all shares then issued having a par value; and

116 (b) The consideration received by the corporation for all shares then issued without par  
117 value except such part thereof as may have been allocated otherwise than to stated capital in a  
118 manner permitted by law; and

119 (c) Such amounts not included in paragraphs (a) and (b) of this subdivision as may have  
120 been transferred to the stated capital account of the corporation, whether upon the issue of shares  
121 as a share dividend or otherwise, minus such formal reductions from said sum as may have been  
122 effected in a manner permitted by this chapter;

123 (18) "Subscriber" means one who subscribes for shares in a corporation, whether before  
124 or after incorporation.

351.459. 1. For the purposes of this section, the following terms mean:

2 (1) "Affiliate", a person that directly, or indirectly through one or more intermediaries,  
3 controls, or is controlled by, or is under common control with, a specified person;

4 (2) "Announcement date", when used in reference to any business combination, means  
5 the date of the first public announcement of the final, definitive proposal for such business  
6 combination;

7 (3) "Associate", when used to indicate a relationship with any person, means any  
8 corporation or organization of which such person is an officer or partner or is, directly or  
9 indirectly, the beneficial owner of ten percent or more of any class of voting stock, any trust or  
10 other estate in which such person has a substantial beneficial interest or as to which such person  
11 serves as trustee or in a similar fiduciary capacity, and any relative or spouse of such person, or  
12 any relative of such spouse, who has the same home as such person;

13 (4) "Beneficial owner", when used with respect to any stock, means a person that:

14 (a) Individually or with or through any of its affiliates or associates, beneficially owns  
15 such stock, directly or indirectly; or

16 (b) Individually or with or through any of its affiliates or associates, has the right to  
17 acquire such stock, whether such right is exercisable immediately or only after the passage of  
18 time, pursuant to any agreement, arrangement or understanding, whether or not in writing, or  
19 upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise;  
20 provided, however, that a person shall not be deemed the beneficial owner of stock tendered  
21 pursuant to a tender or exchange offer made by such person or any of such person's affiliates or  
22 associates until such tendered stock is accepted for purchase or exchange; or the right to vote

23 such stock pursuant to any agreement, arrangement or understanding, whether or not in writing;  
24 provided, however, that a person shall not be deemed the beneficial owner of any stock under  
25 this item if the agreement, arrangement or understanding to vote such stock arises solely from  
26 a revocable proxy or consent given in response to a proxy or consent solicitation made in  
27 accordance with the applicable rules and regulations under the Exchange Act and is not then  
28 reportable on a Schedule 13D under the Exchange Act, or any comparable or successor report;  
29 or

30 (c) Has any agreement, arrangement or understanding, whether or not in writing, for the  
31 purpose of acquiring, holding, voting, except voting pursuant to a revocable proxy or consent as  
32 described in paragraph (b) of this subdivision, or disposing of such stock with any other person  
33 that beneficially owns, or whose affiliates or associates beneficially own, directly or indirectly,  
34 such stock;

35 (5) "Business combination", when used in reference to any [resident] domestic  
36 corporation and any interested shareholder of such [resident] domestic corporation, means:

37 (a) Any merger or consolidation of such [resident] domestic corporation or any  
38 subsidiary of such [resident] domestic corporation with such interested shareholder or any other  
39 corporation, whether or not itself an interested shareholder of such [resident] domestic  
40 corporation, which is, or after such merger or consolidation would be, an affiliate or associate  
41 of such interested shareholder;

42 (b) Any sale, lease, exchange, mortgage, pledge, transfer or other disposition, in one  
43 transaction or a series of transactions to or with such interested shareholder or any affiliate or  
44 associate of such interested shareholder of assets of such [resident] domestic corporation or any  
45 subsidiary of such [resident] domestic corporation having an aggregate market value equal to ten  
46 percent or more of the aggregate market value of all the assets, determined on a consolidated  
47 basis, of such [resident] domestic corporation, having an aggregate market value equal to ten  
48 percent or more of the aggregate market value of all the outstanding stock of such [resident]  
49 domestic corporation, or representing ten percent or more of the earning power or net income,  
50 determined on a consolidated basis, of such [resident] domestic corporation;

51 (c) The issuance or transfer by such [resident] domestic corporation or any subsidiary  
52 of such [resident] domestic corporation, in one transaction or a series of transactions, of any  
53 stock of such [resident] domestic corporation or any subsidiary of such [resident] domestic  
54 corporation which has an aggregate market value equal to five percent or more of the aggregate  
55 market value of all the outstanding stock of such [resident] domestic corporation to such  
56 interested shareholder or any affiliate or associate of such interested shareholder except pursuant  
57 to the exercise of warrants or rights to purchase stock offered, or a dividend or distribution paid  
58 or made, pro rata to all shareholders of such [resident] domestic corporation;

59 (d) The adoption of any plan or proposal for the liquidation or dissolution of such  
60 [resident] domestic corporation proposed by, or pursuant to any agreement, arrangement or  
61 understanding, whether or not in writing, with such interested shareholder or any affiliate or  
62 associate of such interested shareholder;

63 (e) Any reclassification of securities, including, without limitation, any stock split, stock  
64 dividend, or other distributions of stock in respect of stock, or any reverse stock split, or  
65 recapitalization of such [resident] domestic corporation, or any merger or consolidation of such  
66 [resident] domestic corporation with any subsidiary of such [resident] domestic corporation, or  
67 any other transaction, whether or not with or into or otherwise involving such interested  
68 shareholder, proposed by, or pursuant to any agreement, arrangement or understanding, whether  
69 or not in writing, with such interested shareholder or any affiliate or associate of such interested  
70 shareholder, which has the effect, directly or indirectly, of increasing the proportionate share of  
71 the outstanding shares of any class or series of voting stock or securities convertible into voting  
72 stock of such [resident] domestic corporation or any subsidiary of such [resident] domestic  
73 corporation which is directly or indirectly owned by such interested shareholder or any affiliate  
74 or associate of such interested shareholder, except as a result of immaterial changes due to  
75 fractional share adjustments; or

76 (f) Any receipt by such interested shareholder or any affiliate or associate of such  
77 interested shareholder of the benefit, directly or indirectly, except proportionately as a  
78 shareholder of such [resident] domestic corporation, of any loans, advances, guarantees, pledges  
79 or other financial assistance or any tax credits or other tax advantages provided by or through  
80 such [resident] domestic corporation;

81 (6) "Common stock", any stock other than preferred stock;

82 (7) "Consummation date", with respect to any business combination, means the date of  
83 consummation of such business combination, or, in the case of a business combination as to  
84 which a shareholder vote is taken, the later of the business day prior to the vote or twenty days  
85 prior to the date of consummation of such business combination;

86 (8) "Control", including the terms "controlling", "controlled by" and "under common  
87 control with", the possession, directly or indirectly, of the power to direct or cause the direction  
88 of the management and policies of a person, whether through the ownership of voting stock, by  
89 contract, or otherwise. A person's beneficial ownership of ten percent or more of a corporation's  
90 outstanding voting stock shall create a presumption that such person has control of such  
91 corporation. Notwithstanding the foregoing, a person shall not be deemed to have control of a  
92 corporation if such person holds voting stock, in good faith and not for the purpose of  
93 circumventing this section, as an agent, bank, broker, nominee, custodian or trustee for one or  
94 more beneficial owners who do not individually or as a group have control of such corporation;

95           (9) "**Domestic corporation**", a corporation incorporated under the laws of the state  
96 of Missouri;

97           (10) "Exchange Act", the act of Congress known as the "Securities Exchange Act of  
98 1934", as the same has been or hereafter may be amended from time to time;

99           [(10)] (11) "Interested shareholder", when used in reference to any [resident] domestic  
100 corporation, any person, other than such [resident] domestic corporation or any subsidiary of  
101 such resident domestic corporation, that:

102           (a) Is the beneficial owner, directly or indirectly, of twenty percent or more of the  
103 outstanding voting stock of such [resident] domestic corporation; or

104           (b) Is an affiliate or associate of such [resident] domestic corporation and at any time  
105 within the five-year period immediately prior to the date in question was the beneficial owner,  
106 directly or indirectly, of twenty percent or more of the then outstanding voting stock of such  
107 [resident] domestic corporation; provided that, for the purpose of determining whether a person  
108 is an interested shareholder, the number of shares of voting stock of such [resident] domestic  
109 corporation deemed to be outstanding shall include shares deemed to be beneficially owned by  
110 the person through application of subdivision (4) of this subsection but shall not include any  
111 other unissued shares of voting stock of such [resident] domestic corporation which may be  
112 issuable pursuant to any agreement, arrangement or understanding, or upon exercise of  
113 conversion rights, warrants or options, or otherwise;

114           [(11)] (12) "Market value", when used in reference to stock or property of any [resident]  
115 domestic corporation, means:

116           (a) In the case of stock, the highest closing sale price during the thirty-day period  
117 immediately preceding the date in question of a share of such stock on the composite tape for  
118 New York stock exchange listed stocks, or, if such stock is not quoted on such composite tape  
119 or if such stock is not listed on such exchange, on the principal United States securities exchange  
120 registered under the Exchange Act on which such stock is listed, or, if such stock is not listed on  
121 any such exchange, the highest closing bid quotation with respect to a share of such stock during  
122 the thirty-day period preceding the date in question on the National Association of Securities  
123 Dealers, Inc., Automated Quotations System or any system then in use, or if no such quotations  
124 are available, the fair market value on the date in question of a share of such stock as determined  
125 by the board of directors of such [resident] domestic corporation in good faith; and

126           (b) In the case of property other than cash or stock, the fair market value of such property  
127 on the date in question as determined by the board of directors of such [resident] domestic  
128 corporation in good faith;

129           [(12)] (13) "Preferred stock", any class or series of stock of a [resident] domestic  
130 corporation which under the bylaws or articles of incorporation of such [resident] domestic

131 corporation is entitled to receive payment of dividends prior to any payment of dividends on  
132 some other class or series of stock, or is entitled in the event of any voluntary liquidation,  
133 dissolution or winding up of the [resident] domestic corporation to receive payment or  
134 distribution of a preferential amount before any payments or distributions are received by some  
135 other class or series of stock;

136 [(13) "Resident domestic corporation", a corporation incorporated under the laws of the  
137 state of Missouri that has:

138 (a) One hundred or more shareholders;

139 (b) Its principal place of business, its principal office, or substantial assets within  
140 Missouri; and

141 (c) One of the following:

142 a. More than ten percent of its shareholders resident in Missouri;

143 b. More than ten percent of its shares owned by Missouri residents; or

144 c. Ten thousand shareholders resident in Missouri.

145

146 For purposes of this section, reference to shareholders or ownership of shares shall refer to  
147 ownership of voting stock; the residence of a partnership, unincorporated association, trust or  
148 similar organization shall be the principal office of such organization; the residence of a  
149 shareholder shall otherwise be presumed to be the address appearing in the records of the  
150 corporation; and shares held by banks (except as trustee or guardian), brokers or nominees shall  
151 be disregarded for purposes of calculating the percentages or numbers described above. No  
152 resident domestic corporation, which is organized under the laws of this state, shall cease to be  
153 a resident domestic corporation by reason of events occurring or actions taken while such  
154 resident domestic corporation is subject to the provisions of this section;]

155 (14) "Stock" means:

156 (a) Any stock or similar security, any certificate of interest, any participation in any  
157 profit-sharing agreement, any voting trust certificate, or any certificate of deposit for stock; and

158 (b) Any security convertible, with or without consideration, into stock, or any warrant,  
159 call or other option or privilege of buying stock without being bound to do so, or any other  
160 security carrying any right to acquire, subscribe to or purchase stock;

161 (15) "Stock acquisition date", with respect to any person and any [resident] domestic  
162 corporation, means the date that such person first becomes an interested shareholder of such  
163 [resident] domestic corporation;

164 (16) "Subsidiary" of any [resident] domestic corporation, means any other corporation  
165 of which voting stock, having a majority of the outstanding voting stock of such other  
166 corporation, is owned, directly or indirectly, by such [resident] domestic corporation;

167 (17) "Voting stock", shares of capital stock of a corporation entitled to vote generally in  
168 the election of directors.

169 2. Notwithstanding anything to the contrary contained in this section, except the  
170 provisions of subsection 4 of this section, no [resident] domestic corporation shall engage in any  
171 business combination with any interested shareholder of such [resident] domestic corporation  
172 for a period of five years following such interested shareholder's stock acquisition date unless  
173 such business combination or the purchase of stock made by such interested shareholder on such  
174 interested shareholder's stock acquisition date is approved by the board of directors of such  
175 [resident] domestic corporation on or prior to such stock acquisition date. If a good faith  
176 proposal is made in writing to the board of directors of such [resident] domestic corporation  
177 regarding a business combination, the board of directors shall respond, in writing, within sixty  
178 days or such shorter period, if any, as may be required by the Exchange Act, setting forth its  
179 reasons for its decision regarding such proposal. If a good faith proposal to purchase stock is  
180 made in writing to the board of directors of such [resident] domestic corporation, the board of  
181 directors, unless it responds affirmatively in writing within sixty days or such shorter period, if  
182 any, as may be required by the Exchange Act, shall be deemed to have disapproved such stock  
183 purchase.

184 3. Notwithstanding anything to the contrary contained in this section, except the  
185 provisions of subsections 2 and 4 of this section, no [resident] domestic corporation shall engage  
186 at any time in any business combination with any interested shareholder of such [resident]  
187 domestic corporation other than any of the following business combinations:

188 (1) A business combination approved by the board of directors of such [resident]  
189 domestic corporation prior to such interested shareholder's stock acquisition date, or where the  
190 purchase of stock made by such interested shareholder on such interested shareholder's stock  
191 acquisition date had been approved by the board of directors of such [resident] domestic  
192 corporation prior to such interested shareholder's stock acquisition date;

193 (2) A business combination approved by the affirmative vote of the holders of a majority  
194 of the outstanding voting stock not beneficially owned by such interested shareholder or any  
195 affiliate or associate of such interested shareholder at a meeting called for such purpose no earlier  
196 than five years after such interested shareholder's stock acquisition date;

197 (3) A business combination that meets all of the following conditions:

198 (a) The aggregate amount of the cash and the market value as of the consummation date  
199 of consideration other than cash to be received per share by holders of outstanding shares of  
200 common stock of such [resident] domestic corporation in such business combination is at least  
201 equal to the higher of the following:

202           a. The highest per share price paid by such interested shareholder at a time when he was  
203 the beneficial owner, directly or indirectly, of five percent or more of the outstanding voting  
204 stock of such [resident] domestic corporation, for any shares of common stock of the same class  
205 or series acquired by it within the five-year period immediately prior to the announcement date  
206 with respect to such business combination, or within the five-year period immediately prior to,  
207 or in, the transaction in which such interested shareholder became an interested shareholder,  
208 whichever is higher; plus, in either case, interest compounded annually from the earliest date on  
209 which such highest per share acquisition price was paid through the consummation date at the  
210 rate for one-year United States treasury obligations from time to time in effect; less the aggregate  
211 amount of any cash dividends paid, and the market value of any dividends paid other than in  
212 cash, per share of common stock since such earliest date, up to the amount of such interest; and

213           b. The market value per share of common stock on the announcement date with respect  
214 to such business combination or on such interested shareholder's stock acquisition date,  
215 whichever is higher; plus interest compounded annually from such date through the  
216 consummation date at the rate for one-year United States treasury obligations from time to time  
217 in effect; less the aggregate amount of any cash dividends paid, and the market value of any  
218 dividends paid other than in cash, per share of common stock since such date, up to the amount  
219 of such interest;

220           (b) The aggregate amount of the cash and the market value as of the consummation date  
221 of consideration other than cash to be received per share by holders of outstanding shares of any  
222 class or series of stock, other than common stock, of such [resident] domestic corporation is at  
223 least equal to the highest of the following, whether or not such interested shareholder has  
224 previously acquired any shares of such class or series of stock:

225           a. The highest per share price paid by such interested shareholder at a time when he was  
226 the beneficial owner, directly or indirectly, of five percent or more of the outstanding voting  
227 stock of such [resident] domestic corporation, for any shares of such class or series of stock  
228 acquired by him within the five-year period immediately prior to the announcement date with  
229 respect to such business combination, or within the five-year period immediately prior to, or in,  
230 the transaction in which such interested shareholder became an interested shareholder, whichever  
231 is higher; plus, in either case, interest compounded annually from the earliest date on which such  
232 highest per share acquisition price was paid through the consummation date at the rate for  
233 one-year United States treasury obligations from time to time in effect; less the aggregate amount  
234 of any cash dividends paid, and the market value of any dividends paid other than in cash, per  
235 share of such class or series of stock since such earliest date, up to the amount of such interest;

236           b. The highest preferential amount per share to which the holders of shares of such class  
237 or series of stock are entitled in the event of any voluntary liquidation, dissolution or winding

238 up of such [resident] domestic corporation, plus the aggregate amount of any dividends declared  
239 or due as to which such holders are entitled prior to payment of dividends on some other class  
240 or series of stock, unless the aggregate amount of such dividends is included in such preferential  
241 amount; and

242 c. The market value per share of such class or series of stock on the announcement date  
243 with respect to such business combination or on such interested shareholder's stock acquisition  
244 date, whichever is higher; plus interest compounded annually from such date through the  
245 consummation date at the rate for one-year United States treasury obligations from time to time  
246 in effect; less the aggregate amount of any cash dividends paid, and the market value of any  
247 dividends paid other than in cash, per share of such class or series of stock since such date, up  
248 to the amount of such interest;

249 (c) The consideration to be received by holders of a particular class or series of  
250 outstanding stock, including common stock, of such [resident] domestic corporation in such  
251 business combination is in cash or in the same form as the interested shareholder has used to  
252 acquire the largest number of shares of such class or series of stock previously acquired by it, and  
253 such consideration shall be distributed promptly;

254 (d) The holders of all outstanding shares of stock of such [resident] domestic corporation  
255 not beneficially owned by such interested shareholder immediately prior to the consummation  
256 of such business combination are entitled to receive in such business combination cash or other  
257 consideration for such shares in compliance with paragraphs (a), (b) and (c) of this subdivision;

258 (e) After such interested shareholder's stock acquisition date and prior to the  
259 consummation date with respect to such business combination, such interested shareholder has  
260 not become the beneficial owner of any additional shares of voting stock of such [resident]  
261 domestic corporation except:

262 a. As part of the transaction which resulted in such interested shareholder becoming an  
263 interested shareholder;

264 b. By virtue of proportionate stock splits, stock dividends or other distributions of stock  
265 in respect of stock not constituting a business combination under paragraph (e) of subdivision  
266 (5) of subsection 1 of this section;

267 c. Through a business combination meeting all of the conditions of subsection 2 of this  
268 section and this subsection; or

269 d. Through purchase by such interested shareholder at any price which, if such price had  
270 been paid in an otherwise permissible business combination the announcement date and  
271 consummation date of which were the date of such purchase, would have satisfied the  
272 requirements of paragraphs (a), (b) and (c) of this subdivision.

273 4. The provisions of this section shall not apply to:

274 (1) Any business combination of a [resident] domestic corporation that does not have  
275 a class of voting stock registered with the securities and exchange commission pursuant to  
276 Section 12 of the Exchange Act, unless the articles of incorporation provide otherwise; or

277 (2) Any business combination of a [resident] domestic corporation whose articles of  
278 incorporation have been amended to provide that such [resident] domestic corporation shall be  
279 subject to the provisions of this section, which did not have a class of voting stock registered  
280 with the securities and exchange commission pursuant to Section 12 of the Exchange Act on the  
281 effective date of such amendment, and which is a business combination with an interested  
282 shareholder whose stock acquisition date is prior to the effective date of such amendment; or

283 (3) Any business combination of a [resident] domestic corporation the original articles  
284 of incorporation of which contain a provision expressly electing not to be governed by this  
285 section, or which adopts an amendment to such [resident] domestic corporation's bylaws prior  
286 to August 1, 1986, expressly electing not to be governed by this section, or which adopts an  
287 amendment to such [resident] domestic corporation's bylaws, approved by the affirmative vote  
288 of the holders, other than interested shareholders and their affiliates and associates, expressly  
289 electing not to be governed by this section, provided that such amendment to the bylaws shall  
290 not be effective until eighteen months after such vote of such [resident] domestic corporation's  
291 shareholders and shall not apply to any business combination of such [resident] domestic  
292 corporation with an interested shareholder whose stock acquisition date is on or prior to the  
293 effective date of such amendment; or

294 (4) Any business combination of a [resident] domestic corporation with an interested  
295 shareholder of such [resident] domestic corporation which became an interested shareholder  
296 inadvertently, if such interested shareholder as soon as practicable, divests itself of a sufficient  
297 amount of the voting stock of such [resident] domestic corporation so that it no longer is the  
298 beneficial owner, directly or indirectly, of twenty percent or more of the outstanding voting stock  
299 of such [resident] domestic corporation, and would not at any time within the five-year period  
300 preceding the announcement date with respect to such business combination have been an  
301 interested shareholder but for such inadvertent acquisition;

302 (5) Any business combination with an interested shareholder who was the beneficial  
303 owner, directly or indirectly, of five percent or more of the outstanding voting stock of such  
304 [resident] domestic corporation on December 1, 1985, and remained so to such interested  
305 shareholder's stock acquisition date;

306 (6) Any business combination with an interested shareholder or any of its affiliates or  
307 associates, provided that such interested shareholder became an interested shareholder at a time  
308 when the restrictions contained in this section did not apply by reason of:

309 (a) Any of subdivisions (1) through (5) of this subsection; or

310 (b) The fact that the corporation was not then a [resident] domestic corporation,  
311 provided, however, that this subdivision shall not apply if, at the time such interested shareholder  
312 became an interested shareholder, the corporation's articles of incorporation contained a  
313 provision authorized by the last sentence of this subsection. This subdivision shall apply  
314 regardless of whether the stock acquisition date of such interested shareholder occurred prior to  
315 August 28, 1999.

316

317 Notwithstanding subdivisions (1), (2), (3), (4) and (5) of this subsection, a corporation, whether  
318 or not a [resident] domestic corporation, may elect by a provision of its original articles of  
319 incorporation or any amendment thereto to be governed by this section; provided that any such  
320 amendment to the articles of incorporation shall not apply to restrict a business combination  
321 between the corporation and an interested shareholder of the corporation or any of its affiliates  
322 or associates if the interested shareholder became such prior to the effective date of the  
323 amendment.

**407.485. It shall be an unfair business practice, in violation of section 407.020, for**  
2 **a for profit entity or natural person to collect donations of unwanted household items via**  
3 **a public receptacle and resell the donated items for profit unless the donation receptacle**  
4 **displays a statement in bold letters at least one inch high and one inch wide that the**  
5 **donations are not for charitable organizations and will be resold for profit. In the event**  
6 **such for profit entity or natural person does provide some or all of the proceeds from the**  
7 **sale to a not for profit entity, the donation receptacle shall display in bold letters at least**  
8 **one inch high and one inch wide the percentage of proceeds donated to the not for profit**  
9 **as well as the name of the not for profit beneficiary.**

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