299.240 Fixing amount and shares of capital stock -- Sale of stock.

(1) At the meeting to change the form of the company, if the proposed change is approved, the amount of the capital stock of the reorganized company shall be fixed within the limits prescribed by law for companies of the type to which the change is made, and the par value of the shares and the number of shares into which the capital stock is to be divided shall be determined.

(2) The policyholders of the assessment or cooperative company shall have the first right to subscribe for stock, subject to such equitable regulations as the directors may prescribe. All subscriptions for shares of stock shall be paid for in cash and at a price not less than par.

Effective: October 1, 1942

History: Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 681b-2, 681b-3.