

## HOUSE BILL No. 3022

By Committee on Federal and State Affairs

3-13

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AN ACT concerning business entities; amending K.S.A. 17-6102, 17-6201, 17-6202, 17-6301, 17-6302, 17-6305, 17-6402, 17-6407, 17-6410, 17-6412, 17-6417, 17-6418, 17-6420, 17-6422, 17-6423, 17-6424, 17-6425, 17-6426, 17-6501, 17-6503, 17-6504, 17-6505, 17-6506, 17-6507, 17-6508, 17-6509, 17-6510, 17-6511, 17-6512, 17-6513, 17-6514, 17-6517, 17-6518, 17-6519, 17-6520, 17-6604, 17-6801, 17-6805a, 17-6808, 17-6810, 17-6811, 17-6902, 17-6903, 17-6904, 17-6905, 17-6906, 17-6907, 17-6908, 17-6909, 17-6910, 17-6911, 17-7003, 17-7103, 17-7104, 17-7202, 17-7303, 17-7304, 17-7501, 17-7507, 17-7510, 17-7512 and 17-7514 and K.S.A. 2001 Supp. 17-6002, 17-6003, 17-6205, 17-6206, 17-6401, 17-6502, 17-6605, 17-6701, 17-6702, 17-6703, 17-6704, 17-6705, 17-6706, 17-6707, 17-6712, 17-6804, 17-7301, 17-7302, 17-7306, 17-7503, 17-7504, 17-7505, 17-7506 and 17-7508 and repealing the existing sections; also repealing K.S.A. 17-7513 and K.S.A. 2001 Supp. 17-7502.

*Be it enacted by the Legislature of the State of Kansas:*

Section 1. K.S.A. 2001 Supp. 17-6002 is hereby amended to read as follows: 17-6002. (a) The articles of incorporation shall set forth:

(1) The name of the corporation which, except for banks, shall contain one of the words "association," "church," "college," "company," "corporation," "club," "foundation," "fund," "incorporated," "institute," "society," "union," "syndicate" or "limited," or one of the abbreviations "co.," "corp.," "inc.," "ltd.," or words or abbreviations of like import in other languages if they are written in Roman characters or letters, and which shall be such as to distinguish it upon the records in the office of the secretary of state from the names of other corporations, limited liability companies and limited partnerships organized, reserved or registered under the laws of this state, unless there shall be obtained the written consent of such other corporation, limited liability company or limited partnership executed and filed in accordance with K.S.A. 17-6003, and amendments thereto. The name of every corporation heretofore organized, except for banks, may be changed to conform to the provisions of this section, but such change of name for existing corporations shall not be required, and nothing herein shall be construed as requiring any

1 corporation which is subject to special statutory regulation to include any  
2 of such names or abbreviations in the name of such corporation if such  
3 name or abbreviation would be inconsistent or in conflict with such spe-  
4 cial statutory regulation;

5 (2) the address, which shall include the street, number, city and zip  
6 code of the corporation's registered office in this state, and the name of  
7 its resident agent at such address;

8 (3) the nature of the business or purposes to be conducted or pro-  
9 moted. It shall be sufficient to state, either alone or with other businesses  
10 or purposes, that the purpose of the corporation is to engage in any lawful  
11 act or activity for which corporations may be organized under the Kansas  
12 general corporation code, and by such statement all lawful acts and ac-  
13 tivities shall be within the purposes of the corporation, except for express  
14 limitations, if any;

15 (4) if the corporation is to be authorized to issue only one class of  
16 stock, the total number of shares of stock which the corporation shall  
17 have authority to issue and the par value of each of such shares, or a  
18 statement that all such shares are to be without par value. If the corpo-  
19 ration is to be authorized to issue more than one class of stock, the articles  
20 of incorporation shall set forth the total number of shares of all classes of  
21 stock which the corporation shall have authority to issue and the number  
22 of shares of each class, and shall specify each class the shares of which  
23 are to be without par value, and each class the shares of which are to have  
24 a par value and the par value of the shares of each such class. The articles  
25 of incorporation shall also set forth a statement of the designations and  
26 the powers, preferences and rights, and the qualifications, limitations or  
27 restrictions thereof, which are permitted by K.S.A. 17-6401, and amend-  
28 ments thereto, in respect to any class or classes of stock or any series of  
29 any class of stock of the corporation and the fixing of which by the articles  
30 of incorporation is desired, and an express grant of such authority as it  
31 may then be desired to grant to the board of directors to fix by resolution  
32 or resolutions any thereof that may be desired but which shall not be  
33 fixed by the articles of incorporation. The provisions of this subsection  
34 shall not apply to corporations which are not organized for profit and  
35 which are not to have authority to issue capital stock. In the case of such  
36 corporations, the fact that they are not to have authority to issue capital  
37 stock shall be stated in the articles of incorporation. The conditions of  
38 membership of such corporations shall likewise be stated in the articles  
39 of incorporation or the articles may provide that the conditions of mem-  
40 bership shall be stated in the bylaws, and if a corporation not organized  
41 for profit is to have authority to issue capital stock, such fact shall be  
42 stated in the articles of incorporation;

43 (5) the name and mailing address of the incorporator or incorpora-

1 tors; and

2 (6) if the powers of the incorporator or incorporators are to terminate  
3 upon the filing of the articles of incorporation, the names and mailing  
4 addresses of the persons who are to serve as directors until the first annual  
5 meeting of stockholders or until their successors are elected and qualify.

6 (b) In addition to the matters required to be set forth in the articles  
7 of incorporation by subsection (a), the articles of incorporation may also  
8 contain any or all of the following matters:

9 (1) Any provision for the management of the business and for the  
10 conduct of the affairs of the corporation, and any provision creating, de-  
11 fining, limiting and regulating the sale or other disposition of stock and  
12 the powers of the corporation, the directors and the stockholders, or any  
13 class of the stockholders, or the members of a nonstock corporation, if  
14 such provisions are not contrary to the laws of this state. Any provision  
15 which is required or permitted by any section of this act to be stated in  
16 the bylaws may be stated instead in the articles of incorporation;

17 (2) the following provisions, in these words: "Whenever a compro-  
18 mise or arrangement is proposed between this corporation and its cred-  
19 itors or any class of them or between this corporation and its stockholders  
20 or any class of them, any court of competent jurisdiction within the state  
21 of Kansas, on the application in a summary way of this corporation or of  
22 any creditor or stockholder thereof or on the application of any receiver  
23 or receivers appointed for this corporation under the provisions of K.S.A.  
24 17-6808 and 17-6901, and amendments thereto, ~~or on the application of~~  
25 ~~trustees in dissolution or of any receiver or receivers appointed for this~~  
26 ~~corporation under the provisions of K.S.A. 17-6808, and amendments~~  
27 ~~thereto,~~ may order a meeting of the creditors or class of creditors, or of  
28 the stockholders or class of stockholders of this corporation, as the case  
29 may be, to be summoned in such manner as the court directs. If a majority  
30 in number representing  $\frac{3}{4}$  in value of the creditors or class of creditors,  
31 or of the stockholders or class of stockholders of this corporation, as the  
32 case may be, agree to any compromise or arrangement and to any reor-  
33 ganization of this corporation as consequence of such compromise or  
34 arrangement and the reorganization, if sanctioned by the court to which  
35 the application has been made, shall be binding on all the creditors or  
36 class of creditors, or on all the stockholders or class of stockholders, of  
37 this corporation, as the case may be, and also on this corporation";

38 (3) such provisions as may be desired granting to the holders of the  
39 stock of the corporation, or the holders of any class or series of a class  
40 thereof, the preemptive right to subscribe to any or all additional issues  
41 of stock of the corporation of any or all classes or series thereof, or to any  
42 securities of the corporation convertible into such stock. No stockholder  
43 shall have any preemptive right to subscribe to an additional issue of stock

1 or to any security convertible into such stock unless, and except to the  
2 extent that, such right is expressly granted to such stockholder in the  
3 articles of incorporation. All such rights in existence on July 1, 1972, shall  
4 remain in existence unaffected by this paragraph (3) unless and until  
5 changed or terminated by appropriate action which expressly provides for  
6 such change or termination;

7 (4) provisions requiring for any corporate action, the vote of a larger  
8 portion of the stock or of any class or series thereof, or of any other  
9 securities having voting power, or a larger number of the directors, than  
10 is required by this act;

11 (5) a provision limiting the duration of the corporation's existence to  
12 a specified date; otherwise, the corporation shall have perpetual existence;

13 (6) a provision imposing personal liability for the debts of the cor-  
14 poration on its stockholders or members to a specified extent and upon  
15 specified conditions; otherwise, the stockholders or members of a cor-  
16 poration shall not be personally liable for the payment of the corporation's  
17 debts except as they may be liable by reason of their own conduct or acts;

18 (7) the manner of adoption, alteration and repeal of bylaws; and

19 (8) a provision eliminating or limiting the personal liability of a di-  
20 rector to the corporation or its stockholders, policyholders or members  
21 for monetary damages for breach of fiduciary duty as a director, provided  
22 that such provision shall not eliminate or limit the liability of a director  
23 (A) for any breach of the director's duty of loyalty to the corporation or  
24 its stockholders, policyholders or members, (B) for acts or omissions not  
25 in good faith or which involve intentional misconduct or a knowing vio-  
26 lation of law, (C) under the provisions of K.S.A. 17-6424, and amend-  
27 ments thereto, or (D) for any transaction from which the director derived  
28 an improper personal benefit. No such provision shall eliminate or limit  
29 the liability of a director for any act or omission occurring prior to the  
30 date when such provision becomes effective. All references in this sub-  
31 section to a director shall be deemed also to refer to a member of the  
32 governing body of a corporation which is not authorized to issue capital  
33 stock.

34 (c) It shall not be necessary to set forth in the articles of incorporation  
35 any of the powers conferred on corporations by this act.

36 Sec. 2. K.S.A. 2001 Supp. 17-6003 is hereby amended to read as  
37 follows: 17-6003. (a) ~~Whenever~~ *When* any provision of this act requires  
38 any instrument to be filed with the secretary of state or in accordance  
39 with this section, such instrument shall be executed as follows:

40 (1) The articles of incorporation shall be signed by the incorporator  
41 or incorporators, and any other instrument to be filed before the election  
42 of the initial board of directors, if the initial directors were not named in  
43 the articles of incorporation, shall be signed by the incorporator or in-

1 corporators; ~~and. If any incorporator is not available by reason of death,~~  
2 ~~incapacity, refusal or neglect to act, then the instrument may be signed~~  
3 ~~by any person for whom or on whose behalf such incorporator was acting~~  
4 ~~as employee or agent. The instrument shall state that the incorporator is~~  
5 ~~not available and the reason therefor; that such incorporator was acting~~  
6 ~~as employee or agent for or on behalf of such person; and that such per-~~  
7 ~~son's signature is authorized.~~

8 (2) All other instruments shall be signed: (i) ~~By the chairperson or~~  
9 ~~vice chairperson of the board of directors, or by the president or a vice-~~  
10 ~~president, and attested by the secretary or an assistant secretary, or by~~  
11 ~~such officers as may be duly authorized to exercise the duties, respec-~~  
12 ~~tively, ordinarily exercised by the president or vice president and by the~~  
13 ~~secretary or assistant secretary of a any authorized officer of the corpo-~~  
14 ~~ration;~~ (ii) if it appears from the instrument that there are no such officers,  
15 by a majority of the directors or by such directors as may be designated  
16 by the board; (iii) if it appears from the instrument that there are no such  
17 officers or directors, by the holders of record, or such of them as may be  
18 designated by the holders of record, of a majority of all outstanding shares  
19 of stock; or (iv) by the holders of record of all outstanding shares of stock.

20 (b) The execution of any document *required to be filed with the*  
21 *secretary of state* pursuant to chapter 17 of the Kansas Statutes Annotated  
22 shall constitute an oath or affirmation, under the penalties of perjury, that  
23 the facts stated in the document are true.

24 (c) ~~Whenever~~ *When* any provision of this act requires any instrument  
25 to be filed with the secretary of state or in accordance with this section,  
26 such requirement means that:

27 (1) The original signed instrument, ~~together with a duplicate copy~~  
28 ~~which may be either a signed or conformed copy,~~ shall be delivered to  
29 the office of the secretary of state. Any signature on documents author-  
30 ized to be filed with the secretary of state under the provisions of this  
31 ~~chapter~~ *act* may be a facsimile, a conformed signature or an electronically  
32 transmitted signature;

33 (2) all taxes and fees authorized by law to be collected by the secretary  
34 of state in connection with the filing of the instrument shall be tendered  
35 to the secretary of state;

36 (3) upon delivery of the instrument, and upon tender of the required  
37 taxes and fees, the secretary of state shall certify that the instrument has  
38 been filed in the office of secretary of state by endorsing upon the original  
39 signed instrument the word "Filed" and the date and hour of its filing.  
40 This endorsement is the "filing date" of the instrument and is conclusive  
41 of the date and time of its filing in the absence of actual fraud. The  
42 secretary of state shall thereupon ~~file and index~~ *record* the endorsed in-  
43 strument *in an electronic medium*; and

1 (4) the secretary of state shall ~~compare the duplicate copy with the~~  
2 ~~original signed instrument, and if the secretary of state finds that they are~~  
3 ~~identical, the secretary of state shall certify the duplicate copy by making~~  
4 ~~upon it the same endorsement which is required to appear upon the~~  
5 ~~original, together with a further endorsement that the duplicate copy is~~  
6 ~~a true~~ *return the original instrument as a certified copy of the original*  
7 ~~signed recorded instrument, except this provision shall not apply to an-  
8 ~~nual reports.~~~~

9 (d) Any instrument filed in accordance with subsection (c) shall be  
10 effective upon its filing date. Except where it has been determined oth-  
11 erwise by a court of competent jurisdiction, any instrument filed in ac-  
12 cordance with subsections (c)(1) through (c)(4) prior to July 1, 1998, shall  
13 be deemed to be effective on the date it was so filed, unless a different  
14 effective date was specified for the instrument in accordance with this  
15 subsection, and the recording of such instrument with a register of deeds  
16 shall not be required in order for the instrument to take effect. Any  
17 instrument may provide that it is not to become effective until a specified  
18 date subsequent to its filing date, but such date shall not be later than 90  
19 days after its filing date. *If any instrument filed in accordance with sub-*  
20 *section (c) provides for a future effective date and the transaction is ter-*  
21 *minated or its terms are amended to change the future effective date prior*  
22 *to the future effective date, the instrument shall be terminated or amended*  
23 *by the filing, prior to the future effective date, of a certificate of termi-*  
24 *nation or a certificate of amendment of the original instrument, executed*  
25 *and filed in accordance with this section. The certificate shall identify the*  
26 *instrument which has been terminated or amended, and shall state that*  
27 *the instrument has been terminated or the manner in which it has been*  
28 *amended.*

29 (e) If another section of this act or any other law of this state specif-  
30 ically prescribes a manner of executing or filing a specified instrument or  
31 a time when such instrument shall become effective, which differs from  
32 the corresponding provisions of this section, then the provisions of such  
33 other section shall govern.

34 (f) ~~Whenever~~ *When* any instrument authorized to be filed with the  
35 secretary of state under any provision of this act has been so filed and is  
36 an inaccurate record of the corporate action therein referred to, or was  
37 defectively or erroneously executed, such instrument may be corrected  
38 by filing with the secretary of state a certificate of correction of such  
39 instrument which shall be executed and filed in accordance with this  
40 section. The certificate of correction shall specify the inaccuracy or defect  
41 to be corrected and shall set forth the portion of the instrument in cor-  
42 rected form. ~~The corrected instrument~~ *In lieu of filing a certificate of*  
43 *correction, the instrument may be corrected by filing with the secretary*

1 *of state a corrected instrument which shall be executed and filed in ac-*  
2 *cordance with this section. The corrected instrument shall be specifically*  
3 *designated as such in its heading, shall specify the inaccuracy or defect*  
4 *to be corrected, and shall set forth the entire instrument in corrected form.*

5 *An instrument corrected in accordance with this section shall be effective*  
6 *as of the date the original instrument was filed, except as to those persons*  
7 *who are substantially and adversely affected by the correction and as to*  
8 *those persons, the corrected instrument shall be effective from the filing*  
9 *date.*

10 (g) ~~Whenever~~ *When any corporation conveys any lands or interests*  
11 *therein by deed or other appropriate instrument of conveyance, such*  
12 *deed or instrument shall be executed on behalf of the corporation by the*  
13 ~~president, vice-president or presiding member or trustee~~ *any authorized*  
14 *officer of the corporation. Such deed or instrument, when acknowledged*  
15 *by such officer to be the act of the corporation, or proved in the same*  
16 *manner provided for other conveyances of lands, may be recorded in the*  
17 *same manner and with the same effect as other deeds. Corporations like-*  
18 *wise shall have power to convey by an agent or attorney so authorized*  
19 ~~under letter~~ *power of attorney or other instrument containing a power to*  
20 *convey real estate or any interest therein, which power of attorney shall*  
21 *be executed by the corporation in the same manner as herein provided*  
22 *for the execution of deeds or other instruments of conveyance.*

23 (h) *If any instrument authorized to be filed with the secretary of state*  
24 *is filed and is inaccurately, defectively or erroneously executed or other-*  
25 *wise defective in any respect, the secretary of state shall not be liable to*  
26 *any person for the preclearance for filing, the acceptance for filing or the*  
27 *filing and indexing such instrument.*

28 Sec. 3. K.S.A. 17-6102 is hereby amended to read as follows: 17-  
29 6102. Every domestic corporation subject to the provisions of this act  
30 shall have power to:

31 (1) Have perpetual succession by its corporate name, unless a limited  
32 period of duration is stated in its articles of incorporation;

33 (2) Sue and be sued in all courts and participate, as a party or oth-  
34 erwise, in any judicial, administrative, arbitrative or other proceeding, in  
35 its corporate name;

36 (3) Have a corporate seal, which may be altered at pleasure, and use  
37 the same by causing it, or a facsimile thereof, to be impressed or affixed  
38 or in any other manner reproduced;

39 (4) Purchase, receive, take by grant, gift, devise, bequest or other-  
40 wise, lease, or otherwise acquire, own, hold, improve, employ, use and  
41 otherwise deal in and with real or personal property, or any interest  
42 therein, wherever situated, and to sell, convey, lease, exchange, transfer  
43 or otherwise dispose of, or mortgage or pledge, all or any of its property

- 1 and assets, or any interest therein, wherever situated;
- 2 (5) Appoint such officers and agents as the business of the corpora-  
3 tion requires and to pay or otherwise provide for them suitable  
4 compensation;
- 5 (6) Adopt, amend and repeal bylaws;
- 6 (7) Wind up and dissolve itself in the manner provided in this act;
- 7 (8) Conduct its business, carry on its operations and have offices and  
8 exercise its powers within or without this state;
- 9 (9) Make donations for the public welfare or for charitable, scientific  
10 or educational purposes, and in time of war or other national emergency  
11 in aid thereof;
- 12 (10) Be an incorporator, promoter or manager of other corporations  
13 of any type or kind;
- 14 (11) Participate with others in any corporation, partnership, limited  
15 partnership, joint venture or other association of any kind, or in any trans-  
16 action, undertaking or arrangement which the participating corporation  
17 would have power to conduct by itself, whether or not such participation  
18 involves sharing or delegation of control with or to others;
- 19 (12) Transact any lawful business which the corporation's board of  
20 directors shall find to be in aid of governmental authority;
- 21 (13) Make contracts, including contracts of guaranty and suretyship,  
22 incur liabilities, borrow money at such rates of interest as the corporation  
23 may determine, issue its notes, bonds and other obligations, and secure  
24 any of its obligations by mortgage, pledge or other encumbrance of all or  
25 any of its property, franchises and income, and make contracts of guaranty  
26 and suretyship which are necessary or convenient to the conduct, pro-  
27 motion or attainment of the business of: (A) A corporation all of the  
28 outstanding stock of which is owned, directly or indirectly, by the con-  
29 tracting corporation; (B) a corporation which owns, directly or indirectly,  
30 all of the outstanding stock of the contracting corporation; or (C) a cor-  
31 poration all of the outstanding stock of which is owned, directly or indi-  
32 rectly, by a corporation which owns, directly or indirectly, all of the out-  
33 standing stock of the contracting corporation, which contracts of guaranty  
34 and suretyship shall be deemed to be necessary or convenient to the  
35 conduct, promotion or attainment of the business of the contracting cor-  
36 poration, and make other contracts of guaranty and suretyship which are  
37 necessary or convenient to the conduct, promotion or attainment of the  
38 business of the contracting corporation;
- 39 (14) Lend money for its corporate purposes, invest and reinvest its  
40 funds and take, hold and deal with real and personal property as security  
41 for the payment of funds so loaned or invested;
- 42 (15) Pay pension and establish and carry out pension, profit sharing,  
43 stock option, stock purchase, stock bonus, retirement, benefit, incentive



1 and compensation plans, trusts and provisions for any or all of its directors,  
2 officers, and employees, and for any or all of the directors, officers, and  
3 employees of its subsidiaries;

4 (16) Provide insurance for its benefit on the life of any of its directors,  
5 officers or employees, or on the life of any stockholder for the purpose  
6 of acquiring at ~~his~~ *such stockholder's* death shares of its stock owned by  
7 such stockholder-;

8 (17) *Renounce, in its certificate of incorporation or by action of its*  
9 *board of directors, any interest or expectancy of the corporation in, or in*  
10 *being offered an opportunity to participate in, specified business oppor-*  
11 *tunities or specified classes or categories of business opportunities that*  
12 *are presented to the corporation or one or more of its officers, directors*  
13 *or stockholders.*

14 Sec. 4. K.S.A. 17-6201 is hereby amended to read as follows: 17-  
15 6201. (a) Every corporation shall have and maintain in this state a regis-  
16 tered office which may, but need not be, the same as its place of business.

17 (b) Unless the context otherwise requires, whenever the term “cor-  
18 poration’s principal office or place of business in this state” or “principal  
19 office or place of business of the corporation in this state,” or other term  
20 of like import, is or has been used in a corporation’s articles of incorpo-  
21 ration, or in any other document, or in any statute *other than the Kansas*  
22 *uniform commercial code*, it shall be deemed to mean and refer to the  
23 corporation’s registered office required by this section; and it shall not be  
24 necessary for any corporation to amend its articles of incorporation or any  
25 other document to comply with this section.

26 Sec. 5. K.S.A. 17-6202 is hereby amended to read as follows: 17-  
27 6202. (a) Every corporation shall have and maintain in this state a resident  
28 agent, which agent may be either: *(1) The corporation itself; (2) an indi-*  
29 *vidual resident in this state whose business office is identical with the*  
30 *corporation’s registered office or; (3) a domestic corporation, which may*  
31 *be itself, having a business office identical with such registered office a*  
32 *domestic limited partnership, a domestic limited liability company or a*  
33 *domestic business trust; or (4) a foreign corporation, a foreign limited*  
34 *partnership or a foreign limited liability company authorized to transact*  
35 *business in this state, in each case having a business office identical with*  
36 *the office of such registered agent which is generally open during normal*  
37 *business hours to accept service of process and otherwise perform the*  
38 *functions of a registered agent.*

39 (b) Unless the context otherwise requires, whenever the term “resi-  
40 dent agent” or “registered agent” or “resident agent in charge of a cor-  
41 poration’s principal office or place of business in this state,” or other term  
42 of like import which refers to a corporation’s agent required by statute  
43 to be located in this state, is or has been used in a corporation’s articles

1 of incorporation, or in any other document, or in any statute, it shall be  
2 deemed to mean and refer to the corporation's resident agent required  
3 by this section; and it shall not be necessary for any corporation to amend  
4 its articles of incorporation or any other document to comply with this  
5 section.

6 Sec. 6. K.S.A. 2001 Supp. 17-6205 is hereby amended to read as  
7 follows: 17-6205. The resident agent of one or more corporations may  
8 resign and appoint a successor resident agent by filing ~~in duplicate~~ a  
9 certificate with the secretary of state, stating the name and address of the  
10 successor agent, in accordance with subsection (a)(2) of K.S.A. 17-6002  
11 and amendments thereto. There shall be attached to such certificate a  
12 statement of each affected corporation ratifying and approving such  
13 change of resident agent. Each such statement shall be executed in ac-  
14 cordance with K.S.A. 17-6003 and amendments thereto. Upon such filing,  
15 the successor resident agent shall become the resident agent of such  
16 corporations as have ratified and approved such substitution and the suc-  
17 cessor resident agent's address, as stated in such certificate, shall become  
18 the address of each such corporation's registered office in this state. ~~The~~  
19 ~~secretary of state shall then issue the secretary's certificate that the suc-~~  
20 ~~cessor resident agent has become the resident agent of the corporations~~  
21 ~~so ratifying and approving such change, and setting out the names of such~~  
22 ~~corporations. The certificate of the secretary of state shall be filed in~~  
23 ~~accordance with K.S.A. 17-6003 and amendments thereto, and the reg-~~  
24 ~~ister of deeds shall forthwith make a note of the change of registered~~  
25 ~~office and resident agent on the margin of the record of the articles of~~  
26 ~~incorporation of those corporations which have ratified and approved~~  
27 ~~such change.~~

28 Sec. 7. K.S.A. 2001 Supp. 17-6206 is hereby amended to read as  
29 follows: 17-6206. (a) The resident agent of one or more corporations may  
30 resign without appointing a successor by filing ~~in duplicate~~ a certificate  
31 *executed in accordance with K.S.A. 17-6003, and amendments thereto,*  
32 with the secretary of state; but such resignation shall not become effective  
33 until 60 days after the certificate is filed. There shall be attached to such  
34 certificate an affidavit of such resident agent, if an individual, or of the  
35 ~~president, a vice-president, or the secretary authorized officer~~ thereof, if  
36 a corporation *or any other entity designated pursuant to K.S.A. 17-6202,*  
37 *and amendments thereto* that at least 30 days prior to the date of the filing  
38 of such certificate, due notice was sent by certified or registered mail to  
39 the corporation for which such resident agent was acting, by mailing to  
40 the secretary of such corporation, as such secretary's name and address  
41 appears on the last annual report of such corporation filed with the sec-  
42 retary of state, or if no annual report has been filed, then as otherwise  
43 shown by the files and records of the secretary of state.

1 (b) After receipt of the notice of the resignation of its resident agent,  
2 provided for in subsection (a) ~~of this section~~, the corporation for which  
3 such resident agent was acting shall obtain and designate a new resident  
4 agent to take the place of the resident agent so resigning in the same  
5 manner as provided in K.S.A. 17-6203 and amendments thereto for  
6 change of resident agent. If such corporation, being a corporation of this  
7 state, fails to obtain and designate a new resident agent as aforesaid prior  
8 to the expiration of the period of 60 days after the filing by the resident  
9 agent of the certificate of resignation, the secretary of state shall declare  
10 the corporate existence of such corporation forfeited. If such corporation,  
11 being a foreign corporation, fails to obtain and designate a new resident  
12 agent as aforesaid prior to the expiration of the period of 60 days after  
13 the filing by the resident agent of the certificate of resignation, the sec-  
14 retary of state shall forfeit its authority to do business in this state.

15 (c) After the resignation of the resident agent shall have become ef-  
16 fective, as provided in this section, and if no new resident agent shall have  
17 been obtained and designated in the time and manner aforesaid, service  
18 of legal process against the corporation for which the resigned resident  
19 agent had been acting shall thereafter be upon the secretary of state in  
20 the manner prescribed by K.S.A. 60-304 and amendments thereto.

21 Sec. 8. K.S.A. 17-6301 is hereby amended to read as follows: 17-  
22 6301. (a) The business and affairs of every corporation shall be managed  
23 by or under the direction of a board of directors, except as may be oth-  
24 erwise provided in this act or in the articles of incorporation. If any such  
25 provision is made in the articles of incorporation, the powers and duties  
26 conferred or imposed upon the board of directors by this act shall be  
27 exercised or performed to such extent and by such person or persons as  
28 shall be provided in the articles of incorporation.

29 (b) The board of directors of a corporation shall consist of one or  
30 more members. The number of directors shall be fixed by, or in the  
31 manner provided in, the bylaws, unless the articles of incorporation es-  
32 tablish the number of directors, in which case a change in the number of  
33 directors shall be made only by amendment of the articles. Directors need  
34 not be stockholders unless so required by the articles of incorporation or  
35 the bylaws. The articles of incorporation or bylaws may prescribe other  
36 qualifications for directors. Each director shall hold office until a succes-  
37 sor is elected and qualified or until such director's earlier resignation or  
38 removal. Any director may resign at any time upon ~~written~~ notice *given*  
39 *in writing or by electronic transmission* to the corporation. A majority of  
40 the total number of directors shall constitute a quorum for the transaction  
41 of business unless the articles of incorporation or the bylaws require a  
42 greater number. Unless the articles of incorporation provide otherwise,  
43 the bylaws may provide that a number less than a majority shall constitute

1 a quorum which in no case shall be less than  $\frac{1}{3}$  of the total number of  
2 directors except that, when a board of one director is authorized under  
3 the provisions of this section, one director shall constitute a quorum. The  
4 vote of the majority of the directors present at a meeting at which a  
5 quorum is present shall be the act of the board of directors, unless the  
6 articles of incorporation or the bylaws shall require a vote of a greater  
7 number.

8 (c) (1) *All corporations incorporated prior to July 1, 2002, shall be*  
9 *governed by paragraph (2), except that any such corporation may by a*  
10 *resolution adopted by a majority of the whole board elect to be governed*  
11 *by paragraph (3), in which case paragraph (2) shall not apply to such*  
12 *corporation. All corporations incorporated on or after July 1, 2002, shall*  
13 *be governed by paragraph (3).*

14 (2) The board of directors may designate, by resolution passed by a  
15 majority of the whole board, one or more committees, each committee  
16 to consist of one or more of the directors of the corporation. The board  
17 may designate one or more directors as alternate members of any com-  
18 mittee, who may replace any absent or disqualified member at any meet-  
19 ing of the committee. The bylaws may provide that, in the absence or  
20 disqualification of a member of a committee, the member or members  
21 thereof present at any meeting and not disqualified from voting, whether  
22 or not such member or members constitute a quorum, may unanimously  
23 appoint another member of the board of directors to act at the meeting  
24 in the place of any such absent or disqualified member. Any such com-  
25 mittee, to the extent provided in the resolution of the board of directors,  
26 or in the bylaws of the corporation, shall have and may exercise all the  
27 powers and authority of the board of directors in the management of the  
28 business and affairs of the corporation and may authorize the seal of the  
29 corporation to be affixed to all papers which may require it; and a com-  
30 mittee, to the extent authorized in the resolution or resolutions providing  
31 for the issuance of shares of stock adopted by the board of directors as  
32 provided in K.S.A. 17-6401, and amendments thereto, may fix the des-  
33 ignations and any of the preferences or rights of such shares relating to  
34 dividends, redemption, dissolution, any distribution of assets of the cor-  
35 poration or the conversion into, or the exchange of such shares for, shares  
36 of any other class or classes or any other series of the same or any other  
37 class or classes of stock of the corporation or fix the number of shares of  
38 any series of stock or authorize the increase or decrease of the shares of  
39 any series; but no such committee shall have the power or authority in  
40 reference to amending the articles of incorporation, adopting an agree-  
41 ment of merger or consolidation pursuant to K.S.A. 17-6701 or 17-6702,  
42 and amendments thereto, recommending to the stockholders the sale,  
43 lease or exchange of all or substantially all of the corporation's property

1 and assets, recommending to the stockholders a dissolution of the cor-  
2 poration or a revocation of a dissolution, or amending the bylaws of the  
3 corporation; and, unless the resolution, bylaws or articles of incorporation  
4 expressly so provide, no such committee shall have the power or authority  
5 to declare a dividend or to authorize the issuance of stock or to adopt a  
6 certificate of ownership and merger pursuant to K.S.A. 17-6703, and  
7 amendments thereto.

8 (3) *The board of directors may designate one or more committees,*  
9 *each committee to consist of one or more of the directors of the corpo-*  
10 *ration. The board may designate one or more directors as alternate mem-*  
11 *bers of any committee, who may replace any absent or disqualified mem-*  
12 *ber at any meeting of the committee. The bylaws may provide that in the*  
13 *absence or disqualification of a member of a committee, the member or*  
14 *members present at any meeting and not disqualified from voting,*  
15 *whether or not such member or members constitute a quorum, may unan-*  
16 *imously appoint another member of the board of directors to act at the*  
17 *meeting in place of any such absent or disqualified member. Any such*  
18 *committee, to the extent provided in the resolution of the board of direc-*  
19 *tors, or in the bylaws of the corporation, shall have and may exercise all*  
20 *the powers and authority of the board of directors in the management of*  
21 *the business and affairs of the corporation, and may authorize the seal of*  
22 *the corporation to be affixed to all papers which may require it; but no*  
23 *such committee shall have the power or authority in reference to the*  
24 *following matters: (A) approving or adopting, or recommending to the*  
25 *stockholders, any action or matter expressly required by this act to be*  
26 *submitted to stockholders for approval; or (B) adopting, amending or*  
27 *repealing any bylaw of the corporation.*

28 (d) The directors of any corporation may be divided into one, two or  
29 three classes by the articles of incorporation or by an initial bylaw, or by  
30 a bylaw adopted by a vote of the stockholders; the term of office of those  
31 of the first class to expire at the annual meeting next ensuing; of the  
32 second class one year thereafter; of the third class two years thereafter;  
33 and at each annual election held after such classification and election,  
34 directors shall be chosen for a full term, as the case may be, to succeed  
35 those whose terms expire. The articles of incorporation may confer upon  
36 holders of any class or series of stock the right to elect one or more  
37 directors who shall serve for such term, and have such voting powers, as  
38 stated in the articles of incorporation. The terms of office and voting  
39 powers of the directors elected in the manner so provided in the articles  
40 of incorporation may be greater than or less than those of any other  
41 director or class of directors. If the articles of incorporation provide that  
42 directors elected by the holders of a class or series of stock shall have  
43 more or less than one vote per director on any matter, every reference

1 in this act to a majority or other proportion of directors shall refer to a  
2 majority or other proportion of the votes of such directors.

3 (e) A member of the board of directors ~~or governing body~~ of any  
4 corporation, or a member of any committee designated by the board of  
5 directors ~~or governing body~~, shall be fully protected in the performance  
6 of such member's duties in relying in good faith upon the records of the  
7 corporation and upon such information, opinions, reports or statements  
8 presented to the corporation by any of the corporation's officers or em-  
9 ployees, or committees of the board of directors, or by any other person  
10 as to matters the member reasonably believes are within such other per-  
11 son's professional or expert competence and who has been selected with  
12 reasonable care by or on behalf of the corporation.

13 (f) Unless otherwise restricted by the articles of incorporation or by-  
14 laws, any action required or permitted to be taken at any meeting of the  
15 board of directors, ~~or governing body~~, or of any committee thereof may  
16 be taken without a meeting if all members of the board ~~or governing body~~  
17 or committee, as the case may be, consent thereto in writing *or by elec-*  
18 *tronic transmission*, and the writing or writings *or electronic transmission*  
19 *or transmissions* are filed with the minutes of proceedings of the board,  
20 ~~governing body~~ or committee. *Such filing shall be in paper form if the*  
21 *minutes are maintained in paper form and shall be in electronic form if*  
22 *the minutes are maintained in electronic form.*

23 (g) Unless otherwise restricted by the articles of incorporation or by-  
24 laws, the board of directors ~~or governing body~~ of any corporation organ-  
25 ized under this act may hold its meetings, and have an office or offices,  
26 outside of this state.

27 (h) Unless otherwise restricted by the articles of incorporation or by-  
28 laws, the board of directors shall have the authority to fix the compen-  
29 sation of directors.

30 (i) Unless otherwise restricted by the articles of incorporation or by-  
31 laws, members of the board of directors ~~or the governing body~~ of any  
32 corporation, or any committee designated by such board ~~or body~~, may  
33 participate in a meeting of such board, ~~body~~ or committee by means of  
34 conference telephone or similar communications equipment by means of  
35 which all persons participating in the meeting can hear each other, and  
36 participation in a meeting pursuant to this subsection shall constitute  
37 presence in person at such meeting.

38 (j) The articles of incorporation of any corporation organized under  
39 this ~~chapter~~ *act* which is not authorized to issue capital stock may provide  
40 that less than  $\frac{1}{3}$  of the members of the governing body may constitute a  
41 quorum thereof and may otherwise provide that the business and affairs  
42 of the corporation shall be managed in a manner different from that  
43 provided in this section. Except as provided by the articles of incorpo-

1 ration, the provisions of this section shall apply to such a corporation and,  
2 when so applied, all references to the board of directors, to members  
3 thereof and to stockholders shall be deemed to refer to the governing  
4 body of the corporation, the members thereof and the members of the  
5 corporation respectively.

6 (k) Any ~~director~~ *number of directors* or the entire board of directors  
7 may be removed, with or without cause, by the holders of a majority of  
8 the *outstanding* shares then entitled to vote at an election of directors,  
9 except as follows:

10 (1) Unless the articles of incorporation otherwise provides, in the case  
11 of a corporation whose board is classified as provided in subsection (d),  
12 shareholders may effect such removal only for cause; or

13 (2) in the case of a corporation having cumulative voting for directors,  
14 if less than the entire board is to be removed, no director may be removed  
15 without cause if the ~~votes cast~~ *shares voted* against such director's removal  
16 would be sufficient to elect such director if then cumulatively voted at an  
17 election of the entire board of directors or, if there be classes of directors,  
18 at an election of the class of directors of which such director is a part.

19 Whenever the holders of any class or series are entitled to elect one or  
20 more directors by the provisions of the articles of incorporation, the pro-  
21 visions of this subsection shall apply, in respect to the removal without  
22 cause of a director or directors so elected, to the vote of the holders of  
23 the outstanding shares of that class or series and not to the vote of the  
24 outstanding shares as a whole.

25 Sec. 9. K.S.A. 17-6302 is hereby amended to read as follows: 17-  
26 6302. (a) Every corporation organized under this act shall have such of-  
27 ficers with such titles and duties as shall be stated in the bylaws or in a  
28 resolution of the board of directors which is not inconsistent with the  
29 bylaws and as may be necessary to enable it to sign instruments and stock  
30 certificates which comply with subsection (a)(2) of K.S.A. 17-6003 and  
31 K.S.A. 17-6408, and amendments thereto. One of the officers shall have  
32 the duty to record the proceedings of the meetings of the stockholders  
33 and directors in a book to be kept for that purpose. Any number of offices  
34 may be held by the same person unless the articles of incorporation or  
35 bylaws otherwise provide.

36 (b) Officers shall be chosen in such manner and shall hold their of-  
37 fices for such terms as are prescribed by the bylaws or determined by the  
38 board of directors or other governing body. Each officer shall hold the  
39 office until such officer's successor is elected and qualified or until such  
40 officer's earlier resignation or removal. Any officer may resign at any time  
41 upon ~~written~~ *notice given in writing or by electronic transmission* to the  
42 corporation.

43 (c) The corporation may secure the fidelity of any or all of its officers

1 or agents by bond or otherwise.

2 (d) A failure to select a corporation's officers in accordance with the  
3 requirements of the bylaws or a resolution adopted by the board of di-  
4 rectors or other governing body shall not dissolve or otherwise affect a  
5 corporation.

6 (e) Any vacancy occurring in any office of the corporation by death,  
7 resignation, removal or otherwise shall be filled as the bylaws provide. In  
8 the absence of such provision, the vacancy shall be filled by the board of  
9 directors or other governing body.

10 Sec. 10. K.S.A. 17-6305 is hereby amended to read as follows: 17-  
11 6305. (a) A corporation shall have power to indemnify any person who  
12 was or is a party, or is threatened to be made a party, to any threatened,  
13 pending or completed action, suit or proceeding, whether civil, criminal,  
14 administrative or investigative, other than an action by or in the right of  
15 the corporation, by reason of the fact that such person is or was a director,  
16 officer, employee or agent of the corporation, or is or was serving at the  
17 request of the corporation as a director, officer, employee or agent of  
18 another corporation, partnership, joint venture, trust or other enterprise,  
19 against expenses, judgments, fines and amounts paid in settlement actu-  
20 ally and reasonably incurred by such person in connection with such ac-  
21 tion, suit or proceeding, including attorney fees, if such person acted in  
22 good faith and in a manner such person reasonably believed to be in or  
23 not opposed to the best interests of the corporation; and, with respect to  
24 any criminal action or proceeding, had no reasonable cause to believe  
25 such person's conduct was unlawful. The termination of any action, suit  
26 or proceeding by judgment, order, settlement, conviction, or upon a plea  
27 of *nolo contendere* or its equivalent, shall not, of itself, create a presump-  
28 tion that the person did not act in good faith and in a manner which such  
29 person reasonably believed to be in or not opposed to the best interests  
30 of the corporation, and, with respect to any criminal action or proceeding,  
31 had reasonable cause to believe that such person's conduct was unlawful.

32 (b) A corporation shall have power to indemnify any person who was  
33 or is a party, or is threatened to be made a party, to any threatened,  
34 pending or completed action or suit by or in the right of the corporation  
35 to procure a judgment in its favor by reason of the fact that such person  
36 is or was a director, officer, employee or agent of the corporation, or is  
37 or was serving at the request of the corporation as a director, officer,  
38 employee or agent of another corporation, partnership, joint venture,  
39 trust or other enterprise against expenses actually and reasonably incurred  
40 by such person in connection with the defense or settlement of such  
41 action or suit, including attorney fees, if such person acted in good faith  
42 and in a manner such person reasonably believed to be in or not opposed  
43 to the best interests of the corporation and except that no indemnification



1 shall be made in respect of any claim, issue or matter as to which such  
2 person shall have been adjudged to be liable to the corporation unless  
3 and only to the extent that the court in which such action or suit was  
4 brought shall determine upon application that, despite the adjudication  
5 of liability but in view of all the circumstances of the case, such person is  
6 fairly and reasonably entitled to indemnity for such expenses which the  
7 court shall deem proper.

8 (c) To the extent that a *present or former* director, officer, employee  
9 or agent of a corporation has been successful on the merits or otherwise  
10 in defense of any action, suit or proceeding referred to in subsections (a)  
11 and (b), or in defense of any claim, issue or matter therein, such director,  
12 officer, employee or agent shall be indemnified against expenses actually  
13 and reasonably incurred by such person in connection therewith, includ-  
14 ing attorney fees.

15 (d) Any indemnification under subsections (a) and (b), unless ordered  
16 by a court, shall be made by the corporation only as authorized in the  
17 specific case upon a determination that indemnification of the *present or*  
18 *former* director, officer, employee or agent is proper in the circumstances  
19 because such director, officer, employee or agent has met the applicable  
20 standard of conduct set forth in subsections (a) and (b). Such determi-  
21 nation shall be made, *with respect to a person who is a director or officer*  
22 *at the time of such determination:* (1) ~~by the board of directors~~ by a  
23 majority vote of a quorum consisting of the directors who were not parties  
24 to such action, suit or proceeding, ~~or (2) if such a quorum is not obtain-~~  
25 ~~able, or even if obtainable, a quorum of disinterested directors so directs,~~  
26 *even though less than a quorum;* (2) *by a committee of such directors*  
27 *designated by majority vote of such directors, even though less than a*  
28 *quorum;* (3) *if there are no such directors, or if such directors so direct,*  
29 *by independent legal counsel in a written opinion;* ~~or (3) (4) by the~~  
30 stockholders.

31 (e) Expenses, *including attorney fees*, incurred by a director or officer  
32 in defending a civil ~~or~~ criminal, *administrative or investigative* action,  
33 suit or proceeding may be paid by the corporation in advance of the final  
34 disposition of such action, suit or proceeding upon receipt of an under-  
35 taking by or on behalf of the director or officer to repay such amount if  
36 it is ultimately determined that the director or officer is not entitled to  
37 be indemnified by the corporation as authorized in this section. Such  
38 expenses, *including attorney fees, incurred by former directors and offi-*  
39 *cers* or incurred by other employees and agents may be so paid upon such  
40 terms and conditions, if any, as the board of directors deems appropriate.

41 (f) The indemnification and advancement of expenses provided by,  
42 or granted pursuant to, the other subsections of this section shall not be  
43 deemed exclusive of any other rights to which those seeking indemnifi-

1 cation or advancement of expenses may be entitled under any bylaw,  
2 agreement, vote of stockholders or disinterested directors or otherwise,  
3 both as to action in a person's official capacity and as to action in another  
4 capacity while holding such office.

5 (g) A corporation shall have power to purchase and maintain insur-  
6 ance on behalf of any person who is or was a director, officer, employee  
7 or agent of the corporation, or is or was serving at the request of the  
8 corporation as a director, officer, employee or agent of another corpo-  
9 ration, partnership, joint venture, trust or other enterprise against any  
10 liability asserted against such person and incurred by such person in any  
11 such capacity, or arising out of such person's status as such, whether or  
12 not the corporation would have the power to indemnify such person  
13 against such liability under the provisions of this section.

14 (h) For purposes of this section, references to "the corporation" shall  
15 include, in addition to the resulting corporation, any constituent corpo-  
16 ration (including any constituent of a constituent) absorbed in a consoli-  
17 dation or merger which, if its separate existence had continued, would  
18 have had power and authority to indemnify its directors, officers and  
19 employees or agents, so that any person who is or was a director, officer,  
20 employee or agent of such constituent corporation, or is or was serving  
21 at the request of such constituent corporation as a director, officer, em-  
22 ployee or agent of another corporation, partnership, joint venture, trust  
23 or other enterprise, shall stand in the same position under this section  
24 with respect to the resulting or surviving corporation as such person  
25 would have with respect to such constituent corporation if its separate  
26 existence had continued.

27 (i) For purposes of this section, references to "other enterprises" shall  
28 include employee benefit plans; references to "fines" shall include any  
29 excise taxes assessed on a person with respect to any employee benefit  
30 plan; and references to "serving at the request of the corporation" shall  
31 include any service as a director, officer, employee or agent of the cor-  
32 poration which imposes duties on, or involves services by, such director,  
33 officer, employee or agent with respect to an employee benefit plan, its  
34 participants or beneficiaries; and a person who acted in good faith and in  
35 a manner such person reasonably believed to be in the interest of the  
36 participants and beneficiaries of an employee benefit plan shall be  
37 deemed to have acted in a manner "not opposed to the best interests of  
38 the corporation" as referred to in this section.

39 (j) The indemnification and advancement of expenses provided by,  
40 or granted pursuant to, this section shall, unless otherwise provided when  
41 authorized or ratified, continue as to a person who has ceased to be a  
42 director, officer, employee or agent and shall inure to the benefit of the  
43 heirs, executors and administrators of such a person.

1 Sec. 11. K.S.A. 2001 Supp. 17-6401 is hereby amended to read as  
2 follows: 17-6401. (a) Every corporation, ~~whether or not organized for~~  
3 ~~profit~~, may issue one or more classes of stock or one or more series of  
4 stock within any class thereof, any or all of which classes may be of stock  
5 with par value or stock without par value and which classes or series may  
6 have such voting powers, full or limited, or no voting powers, and such  
7 designations, preferences and relative, participating, optional or other  
8 special rights, and qualifications, limitations or restrictions thereof, as  
9 shall be stated and expressed in the articles of incorporation or of any  
10 amendment thereto, or in the resolution or resolutions providing for the  
11 issue of such stock adopted by the board of directors pursuant to authority  
12 expressly vested in it by the ~~provisions of its~~ articles of incorporation. Any  
13 of the ~~voting~~ powers, designations, preferences, rights and qualifications,  
14 limitations or restrictions of any such class or series of stock may be made  
15 dependent upon facts ascertainable outside the articles of incorporation  
16 or of any amendment thereto, or outside the resolution or resolutions  
17 providing for the issue of such stock adopted by the board of directors  
18 pursuant to authority expressly vested in it by the ~~provisions of its~~ articles  
19 of incorporation, provided that the manner in which such facts shall op-  
20 erate upon the voting powers, designations, preferences, rights and qual-  
21 ifications, limitations or restrictions of such class or series of stock is  
22 clearly and expressly set forth in the articles of incorporation or in the  
23 resolution or resolutions providing for the issue of such stock adopted by  
24 the board of directors. *The term "facts," as used in this subsection, in-*  
25 *cludes, but is not limited to, the occurrence of any event, including a*  
26 *determination or action by any person or body, including the corporation.*  
27 The power to increase or decrease or otherwise adjust the capital stock  
28 as provided in this act shall apply to all or any such classes of stock.

29 (b) The stock of any class or series may be made subject to redemp-  
30 tion by the corporation at its option or at the option of the holders of  
31 such stock or upon the happening of a specified event, ~~except that at the~~  
32 ~~time of~~. *Immediately following any* such redemption the corporation shall  
33 have outstanding *one or more* shares of ~~at least one class~~ *one or more*  
34 *classes* or series of stock ~~with, which share, or shares together, shall have~~  
35 full voting powers ~~which shall not be subject to redemption~~. Notwith-  
36 standing the foregoing limitation:

37 (1) Any stock of a regulated investment company registered under  
38 the investment company act of 1940 (15 U.S.C. §§ 80a-1 *et seq.*), and  
39 amendments thereto, may be made subject to redemption by the cor-  
40 poration at its option or at the option of the holders of such stock; and

41 (2) any stock of a corporation which holds directly or indirectly a  
42 license or franchise from a governmental agency to conduct its business  
43 or is a member of a national securities exchange, which license, franchise

1 or membership is conditioned upon some or all of the holders of its stock  
2 possessing prescribed qualifications, may be made subject to redemption  
3 by the corporation to the extent necessary to prevent the loss of such  
4 license, franchise or membership or to reinstate it.

5 Any stock which may be made redeemable under this section may be  
6 redeemed for cash, property or rights, including securities of the same or  
7 another corporation, at such time or times, price or prices, or rate or  
8 rates, and with such adjustments, as shall be stated in the articles of  
9 incorporation or in the resolution or resolutions providing for the issue  
10 of such stock adopted by the board of directors pursuant to subsection  
11 (a).

12 (c) The holders of preferred or special stock of any class or of any  
13 series thereof shall be entitled to receive dividends at such rates, on such  
14 conditions and at such times as shall be stated in the articles of incorpo-  
15 ration or in the resolution or resolutions providing for the issue of such  
16 stock adopted by the board of directors as hereinabove provided, payable  
17 in preference to, or in such relation to, the dividends payable on any other  
18 class or classes or of any other series of stock, and cumulative or noncu-  
19 mulative as shall be so stated and expressed. When dividends upon the  
20 preferred and special stocks, if any, to the extent of the preference to  
21 which such stocks are entitled, shall have been paid or declared and set  
22 apart for payment, a dividend on the remaining class or classes or series  
23 of stock may then be paid out of the remaining assets of the corporation  
24 available for dividends as elsewhere in this act provided.

25 (d) The holders of the preferred or special stock of any class or of  
26 any series thereof shall be entitled to such rights upon the dissolution of,  
27 or upon any distribution of the assets of, the corporation as shall be stated  
28 in the articles of incorporation or in the resolution or resolutions providing  
29 for the issue of such stock adopted by the board of directors as hereina-  
30 bove provided.

31 (e) At the option of either the holder or the corporation or upon the  
32 happening of a specified event, any stock of any class or of any series  
33 thereof may be made convertible into or exchangeable for shares of any  
34 other class or classes or any other series of the same or any other class or  
35 classes of stock of the corporation, at such price or prices or at such rate  
36 or rates of exchange and with such adjustments as shall be stated in the  
37 articles of incorporation or in the resolution or resolutions providing for  
38 the issue of such stock adopted by the board of directors as hereinabove  
39 provided.

40 (f) If any corporation shall be authorized to issue more than one class  
41 of stock or more than one series of any class, the powers, designations,  
42 preferences and relative, participating, optional or other special rights of  
43 each class of stock or series thereof and the qualifications, limitations or

1 restrictions of such preferences or rights shall be set forth in full or sum-  
2 marized on the face or back of the certificate which the corporation shall  
3 issue to represent certificated shares of such class or series of stock. Ex-  
4 cept as otherwise provided in K.S.A. 17-6426, and amendments thereto,  
5 in lieu of the foregoing requirements, there may be set forth on the face  
6 or back of the certificate which the corporation issues to represent such  
7 class or series of stock, a statement that the corporation will furnish with-  
8 out charge to each stockholder who so requests the powers, designations,  
9 preferences and relative, participating, optional or other special rights of  
10 each class of stock or series thereof and the qualifications, limitations or  
11 restrictions of such preferences ~~or~~ *and/or* rights. Within a reasonable time  
12 after the issuance or transfer of uncertificated stock, the corporation shall  
13 send to the registered owner thereof a written notice containing the in-  
14 formation required to be set forth or stated on certificates pursuant to  
15 this section or K.S.A. 17-6406, subsection (a) of K.S.A. 17-6426 or sub-  
16 section (a) of K.S.A. 17-6508, and amendments thereto, or with respect  
17 to this section a statement that the corporation will furnish without charge  
18 to each stockholder who requests the powers, designations, preferences  
19 and relative participating, optional or other special rights of each class of  
20 stock or series thereof and the qualifications, limitations or restrictions of  
21 such preferences ~~or~~ *and/or* rights, ~~or both~~. Except as otherwise expressly  
22 provided by law, the rights and obligations of the holders of uncertificated  
23 stock and the rights and obligations of the holders of certificates repre-  
24 senting stock of the same class and series shall be identical.

25 (g) When any corporation desires to issue any shares of stock of any  
26 class or of any series of any class of which the ~~voting~~ powers, designations,  
27 preferences and relative, participating, optional or other rights, if any, or  
28 the qualifications, limitations or restrictions thereof, if any, shall not have  
29 been set forth in the articles of incorporation or in any amendment  
30 thereto, but shall be provided for in a resolution or resolutions adopted  
31 by the board of directors pursuant to authority expressly vested in it by  
32 ~~the provisions of~~ the articles of incorporation or any amendment thereto,  
33 a certificate of designations setting forth a copy of such resolution or  
34 resolutions and the number of shares of stock of such class or series shall  
35 be executed and filed in accordance with K.S.A. 17-6003, and amend-  
36 ments thereto. Unless otherwise provided in any such resolution or res-  
37 olutions, the number of shares of stock of any such series to which such  
38 resolution or resolutions apply may be increased, but not above the total  
39 number of authorized shares of the class, or decreased, but not below the  
40 number of shares thereof then outstanding, by a certificate likewise ex-  
41 ecuted and filed setting forth a statement that a specified increase or  
42 decrease had been authorized and directed by a resolution or resolutions  
43 likewise adopted by the board of directors. In case the number of such

1 shares shall be decreased, the number of shares specified in the certificate  
2 shall resume the status which they had prior to the adoption of the first  
3 resolution or resolutions. When no share of any such class or series are  
4 outstanding, either because none were issued or because no issued shares  
5 of any such class or series remain outstanding, a certificate setting forth  
6 a resolution or resolutions adopted by the board of directors that none of  
7 the authorized shares of such class or series are outstanding and that none  
8 will be issued may be executed and filed in accordance with K.S.A. 17-  
9 6003, and amendments thereto. When such certificate becomes effective,  
10 it shall have the effect of eliminating from the articles of incorporation  
11 all reference to such class or series of stock. Unless otherwise provided  
12 in the articles of incorporation, if no shares of stock have been issued of  
13 a class or series of stock established by a resolution of the board of di-  
14 rectors, the ~~voting~~ powers, designations, preferences and relative, partic-  
15 ipating, optional or other rights, if any, or the qualifications, limitations  
16 or restrictions thereof, may be amended by a resolution or resolutions  
17 adopted by the board of directors. A certificate which: (1) States that no  
18 shares of the class or series have been issued; (2) sets forth a copy of the  
19 resolution or resolutions; and (3) if the designation of the class or series  
20 is being changed, indicates the original designation and the new desig-  
21 nation; shall be executed and filed and shall become effective in accord-  
22 ance with K.S.A. 17-6003, and amendments thereto. When any certificate  
23 filed under this subsection becomes effective, it shall have the effect of  
24 amending the articles of incorporation, except that neither the filing of  
25 such certificate nor the filing of restated articles of incorporation pursuant  
26 to K.S.A. 17-6605, and amendments thereto, shall prohibit the board of  
27 directors from subsequently adopting such resolutions as authorized by  
28 this subsection.

29 Sec. 12. K.S.A. 17-6402 is hereby amended to read as follows: 17-  
30 6402. The consideration, as determined pursuant to subsections (a) and  
31 (b) of K.S.A. 17-6403, and amendments thereto, for subscriptions to, or  
32 the purchase of, the capital stock to be issued by a corporation shall be  
33 paid in such form and in such manner as the board of directors shall  
34 determine. In the absence of actual fraud in the transaction, the judgment  
35 of the directors as to the value of such consideration shall be conclusive.  
36 *The board of directors may authorize shares to be issued for consideration*  
37 *consisting of any tangible or intangible property or benefit to the corpo-*  
38 *ration including cash, promissory notes, services performed, contracts for*  
39 *services to be performed or other securities of the corporation. Before the*  
40 *corporation issues shares, the board of directors must determine that the*  
41 *consideration received or to be received for shares to be issued is adequate.*  
42 *That determination by the board of directors is conclusive as to the ade-*  
43 *quacy of consideration for the issuance of shares.* The capital stock so

1 issued shall be deemed to be fully paid and nonassessable stock if: (a)  
2 The entire amount of such consideration has been received by the cor-  
3 poration in the form of cash, services rendered, personal property, real  
4 property, leases of real property, or a combination thereof *or forms au-*  
5 *thorized by the board of directors*; or (b) not less than the amount of the  
6 consideration determined to be capital pursuant to K.S.A. 17-6404, and  
7 amendments thereto, has been received by the corporation in ~~such~~ *the*  
8 *form or forms authorized by the board of directors* and the corporation  
9 has received a binding obligation of the subscriber or purchaser to pay  
10 the balance of the subscription or purchase price; provided, however,  
11 nothing contained herein shall prevent the board of directors from issuing  
12 partly paid shares under K.S.A. 17-6406, and amendments thereto.

13 Sec. 13. K.S.A. 17-6407 is hereby amended to read as follows: 17-  
14 6407. (a) Subject to any provisions in the articles of incorporation, every  
15 corporation may create and issue, whether or not in connection with the  
16 issue and sale of any shares of stock or other securities of the corporation,  
17 rights or options entitling the holders thereof to purchase from the cor-  
18 poration any shares of its capital stock of any class or classes, such rights  
19 or options to be evidenced by or in such instrument or instruments as  
20 shall be approved by the board of directors.

21 (b) The terms upon which, including the time or times, which may be  
22 limited or unlimited in duration, at or within which, and the price or  
23 prices, *including a formula by which such price or prices may be deter-*  
24 *mined*, at which any such shares may be purchased from the corporation  
25 upon the exercise of any such right or option, shall be such as shall be  
26 stated in the articles of incorporation, or in a resolution adopted by the  
27 board of directors providing for the creation and issue of such rights or  
28 options, and, in every case, shall be set forth or incorporated by reference  
29 in the instrument or instruments evidencing such rights or options. In the  
30 absence of actual fraud in the transaction, the judgment of the directors  
31 as to the consideration for the issuance of such rights or options and the  
32 sufficiency thereof shall be conclusive.

33 (c) *The board of directors, by resolution adopted by the board, may*  
34 *authorize one or more officers of the corporation to do one or both of the*  
35 *following: (1) designate officers and employees of the corporation or any*  
36 *of its subsidiaries to be recipients of such rights or options created by the*  
37 *corporation; and (2) determine the number of such rights or options to*  
38 *be received by such officers and employees. The resolution so authorizing*  
39 *such officer or officers shall specify the total number of rights or options*  
40 *such officer or officers may award. The board of directors may not au-*  
41 *thorize an officer to designate the officer's self as a recipient of any such*  
42 *rights or options.*

43 (d) In the event that the shares of stock in the corporation to be issued

1 upon the exercise of such rights or options shall be shares having a par  
2 value, the price or prices so to be received therefor shall not be less than  
3 the par value thereof. In case the shares of stock so to be issued shall be  
4 shares of stock without par value, the consideration therefor shall be de-  
5 termined in the manner provided in K.S.A. 17-6403, *and amendments*  
6 *thereto*.

7 Sec. 14. K.S.A. 17-6410 is hereby amended to read as follows: 17-  
8 6410. (a) Every corporation may purchase, *redeem*, receive, take or oth-  
9 erwise acquire, own and hold, sell, lend, exchange, transfer or otherwise  
10 dispose of, pledge, use and otherwise deal in and with its own shares;  
11 provided, however, that no corporation shall:

12 (1) Purchase or redeem its own shares of capital stock for cash or  
13 other property when the capital of the corporation is impaired or when  
14 such purchase or redemption would cause any impairment of the capital  
15 of the corporation, except that a corporation may purchase or redeem out  
16 of capital any of its own shares which are entitled upon any distribution  
17 of its assets, whether by dividend or in liquidation, to a preference over  
18 another class or series of its stock, *or, if no shares entitled to such a*  
19 *preference are outstanding, any of its own shares*, if such shares will be  
20 retired upon their acquisition and the capital of the corporation reduced  
21 in accordance with K.S.A. 17-6603 and 17-6604, and amendments  
22 thereto. Nothing in this subsection shall invalidate or otherwise affect a  
23 note, debenture or other obligation of a corporation given by it as con-  
24 sideration for its acquisition by purchase, redemption or exchange of its  
25 shares of stock if at the time such note, debenture or obligation was  
26 delivered by the corporation its capital was not then impaired or did not  
27 thereby become impaired;

28 (2) purchase, for more than the price at which they may then be  
29 redeemed, any of its shares which are redeemable at the option of the  
30 corporation; or

31 (3) redeem any of its shares unless their redemption is authorized by  
32 subsection (b) of K.S.A. 17-6401, and amendments thereto, and then only  
33 in accordance with such section and the articles of incorporation.

34 (b) Nothing in this section limits or affects a corporation's right to  
35 resell any of its shares theretofore purchased or redeemed out of surplus  
36 and which have not been retired, for such consideration as shall be fixed  
37 by the board of directors.

38 (c) Shares of its own capital stock belonging to the corporation or to  
39 another corporation, if a majority of the *shares entitled to vote in the*  
40 *election of directors of such* other corporation is held, directly or indi-  
41 rectly, by the corporation, shall neither be entitled to vote nor be counted  
42 for quorum purposes. Nothing in this section shall be construed as limi-  
43 ting the right of any corporation to vote stock, including but not limited



1 to its own stock, held by it in a fiduciary capacity.

2 (d) Shares which have been called for redemption shall not be  
3 deemed to be outstanding shares for the purpose of voting or determining  
4 the total number of shares entitled to vote on any matter on and after  
5 the date on which written notice of redemption has been sent to ~~the~~  
6 ~~holder~~ *holders* thereof and a sum sufficient to redeem such ~~share~~ *shares*  
7 has been irrevocably deposited or set aside to pay the redemption price  
8 to the holders of the shares upon surrender of certificates therefor.

9 Sec. 15. K.S.A. 17-6412 is hereby amended to read as follows: 17-  
10 6412. (a) When the whole of the consideration payable for shares of a  
11 corporation has not been paid in, and the assets shall be insufficient to  
12 satisfy the claims of its creditors, each holder of or subscriber for such  
13 shares shall be bound to pay on each share held or subscribed for by ~~him~~  
14 *such holder or subscriber* the sum necessary to complete the amount of  
15 the unpaid balance of the consideration for which such shares were issued  
16 or *are* to be issued by the corporation.

17 (b) The amounts which shall be payable as provided in subsection (a)  
18 of this section may be recovered as provided in K.S.A. 17-7101, *and*  
19 *amendments thereto*, after a writ of execution against the corporation has  
20 been returned unsatisfied as provided in ~~that~~ *such* section.

21 (c) Any person becoming an assignee or transferee of shares or of a  
22 subscription for shares in good faith and without knowledge or notice that  
23 the full consideration therefor has not been paid shall not be personally  
24 liable for any unpaid portion of such consideration, but the transferor  
25 shall remain liable therefor.

26 (d) No person holding shares in any corporation as collateral security  
27 shall be personally liable as a stockholder, but the person pledging such  
28 shares shall be considered the holder thereof and shall be so liable. No  
29 executor, administrator, guardian, trustee or other fiduciary shall be per-  
30 sonally liable as a stockholder, but the estate or funds held by such ex-  
31 ecutor, administrator, guardian, trustee or other fiduciary in such fidu-  
32 ciary capacity shall be so liable.

33 (e) Commencing with the date of issuance of the stock or the date of  
34 the subscription upon which the assessment is sought, the limitation of  
35 time prescribed by K.S.A. 60-511, *and amendments thereto*, shall be ap-  
36 plicable to any liability asserted under this section or under K.S.A. 17-  
37 7101, *and amendments thereto*.

38 (f) In any action by a receiver or trustee of an insolvent corporation  
39 or by a judgment creditor to obtain an assessment under this section, any  
40 stockholder or subscriber for stock of the insolvent corporation may ap-  
41 pear and contest the claim or claims of such receiver or trustee.

42 Sec. 16. K.S.A. 17-6417 is hereby amended to read as follows: 17-  
43 6417. A corporation may issue a new certificate of stock or uncertificated

1 shares in ~~the~~ place of any certificate theretofore issued by it, alleged to  
2 have been lost, stolen or destroyed, and the corporation may require the  
3 owner of the allegedly lost, stolen or destroyed certificate, or ~~his~~ *such*  
4 *owner's* legal representative, to give the corporation a bond sufficient to  
5 indemnify it against any claim that may be made against it on account of  
6 the alleged loss, theft or destruction of any such certificate or the issuance  
7 of such new certificate or uncertificated shares.

8 Sec. 17. K.S.A. 17-6418 is hereby amended to read as follows: 17-  
9 6418. (a) If a corporation refuses to issue *new uncertificated shares* or a  
10 new certificate of stock in place of ~~one~~ *a certificate* theretofore issued by  
11 it, or by any corporation of which it is the lawful successor, which certifi-  
12 cate is alleged to have been lost, stolen or destroyed, the owner of the  
13 lost, stolen or destroyed certificate or the owner's legal representative,  
14 may commence an action in district court for an order requiring the cor-  
15 poration to show cause why it should not issue new uncertificated shares  
16 or a new certificate of stock in place of the ~~one~~ *certificate* so lost, stolen  
17 or destroyed. The petition in such action shall state the name of the  
18 corporation, the number and date of the certificate, if known or ascer-  
19 tainable by the plaintiff, the number of shares of stock represented  
20 thereby and to whom issued, and a statement of the circumstances at-  
21 tending such loss, theft or destruction. Thereupon the court shall make  
22 an order requiring the corporation to show cause at a time and place  
23 therein designated, why it should not issue new uncertificated shares or  
24 a new certificate of stock in place of the one described in the complaint.  
25 A copy of the complaint and order shall be served upon the corporation  
26 at least five days before the time designated in the order.

27 (b) If, upon hearing, the court is satisfied that the plaintiff is the  
28 lawful owner of the number of shares of capital stock, or any part thereof,  
29 described in the petition, and that the certificate therefor has been lost,  
30 stolen or destroyed, and no sufficient cause has been shown why new  
31 uncertificated shares or a new certificate should not be issued in place  
32 thereof, it shall enter an order requiring the corporation to issue and  
33 deliver to the plaintiff new uncertificated shares or a new certificate for  
34 such shares. In its order the court shall direct that, prior to the issuance  
35 and delivery to the plaintiff of such new uncertificated shares or a new  
36 certificate, the plaintiff give the corporation a bond in such form and with  
37 such security as to the court appears sufficient to indemnify the corpo-  
38 ration against any claim that may be made against it on account of the  
39 alleged loss, theft or destruction of any such certificate or the issuance of  
40 such new uncertificated shares or new certificate. No corporation which  
41 has issued uncertificated shares or a certificate pursuant to an order of  
42 the court entered hereunder shall be liable in an amount in excess of the  
43 amount specified in such bond.

1 Sec. 18. K.S.A. 17-6420 is hereby amended to read as follows: 17-  
2 6420. (a) The directors of every corporation, subject to any restrictions  
3 contained in its articles of incorporation, may declare and pay dividends  
4 upon the shares of its capital stock, *or to its members if the corporation*  
5 *is a nonstock corporation*, either (1) out of its surplus, as defined in and  
6 computed in accordance with K.S.A. 17-6404 and 17-6604, and amend-  
7 ments thereto, or (2) in case there shall be no such surplus, out of its net  
8 profits for the fiscal year in which the dividend is declared ~~or~~ *and/or* the  
9 preceding fiscal year. If the capital of the corporation, computed in ac-  
10 cordance with K.S.A. 17-6404 and 17-6604, and amendments thereto,  
11 shall have been diminished by depreciation in the value of its property,  
12 or by losses, or otherwise, to an amount less than the aggregate amount  
13 of the capital represented by the issued and outstanding stock of all classes  
14 having a preference upon the distribution of assets, the directors of such  
15 corporation shall not declare and pay out of such net profits any dividends  
16 upon any shares of any classes of its capital stock until the deficiency in  
17 the amount of capital represented by the issued and outstanding stock of  
18 all classes having a preference upon the distribution of assets shall have  
19 been repaired. *Nothing in this subsection shall invalidate or otherwise*  
20 *affect a note, debenture or other obligation of the corporation paid by it*  
21 *as a dividend on shares of its stock, or any payment made thereon, if at*  
22 *the time such note, debenture or obligation was delivered by the corpo-*  
23 *ration, the corporation had either surplus or net profits as provided in*  
24 *clause (1) or (2) from which the dividend could lawfully have been paid.*

25 (b) Subject to any restrictions contained in its articles of incorpora-  
26 tion, the directors of any corporation engaged in the exploitation of wast-  
27 ing assets, including but not limited to a corporation engaged in the ex-  
28 ploitation of natural resources or other wasting assets, including patents,  
29 or engaged primarily in the liquidation of specific assets, may determine  
30 the net profits derived from the exploitation of such wasting assets or the  
31 net proceeds derived from such liquidation without taking into consid-  
32 eration the depletion of such assets resulting from lapse of time, con-  
33 sumption, liquidation or exploitation of such assets.

34 Sec. 19. K.S.A. 17-6422 is hereby amended to read as follows: 17-  
35 6422. A member of the board of directors, or a member of any committee  
36 designated by the board of directors, shall be fully protected in relying in  
37 good faith upon the records of the corporation and upon such informa-  
38 tion, opinions, reports or statements presented to the corporation by any  
39 of its officers or employees, or committees of the board of directors, or  
40 by any other person as to matters the director reasonably believes are  
41 within such other person's professional or expert competence and who  
42 has been selected with reasonable care by or on behalf of the corporation,  
43 as to the value and amount of the assets, liabilities ~~or~~ *and/or* net profits

1 of the corporation or any other facts pertinent to the existence and  
2 amount of surplus or other funds from which dividends might properly  
3 be declared and paid, or with which the corporation's stock might prop-  
4 erly be purchased or redeemed.

5 Sec. 20. K.S.A. 17-6423 is hereby amended to read as follows: 17-  
6 6423. No corporation shall pay dividends except in accordance with ~~the~~  
7 ~~provisions~~ of this act. Dividends may be paid in cash, in property or in  
8 shares of the corporation's capital stock. If the dividend is to be paid in  
9 shares of the corporation's theretofore unissued capital stock, the board  
10 of directors shall, by resolution, direct that there be designated as capital  
11 in respect of such shares an amount which is not less than the aggregate  
12 par value of par value shares being declared as a dividend and, in the case  
13 of shares without par value being declared as a dividend, such amount as  
14 shall be determined by the board of directors. *No such designation as*  
15 *capital shall be necessary if shares are being distributed by a corporation*  
16 *pursuant to a split-up or division of its stock rather than as payment of*  
17 *a dividend declared payable in stock of the corporation.*

18 Sec. 21. K.S.A. 17-6424 is hereby amended to read as follows: 17-  
19 6424. (a) In case of any willful or negligent violation of the provisions of  
20 K.S.A. 17-6410; or 17-6423 ~~or 17-6603~~, and amendments thereto, the  
21 directors under whose administration the same may happen shall be  
22 jointly and severally liable, at any time within three ~~(3)~~ years after paying  
23 such unlawful dividend or after such unlawful stock purchase or redemp-  
24 tion, to the corporation, and to its creditors in the event of its dissolution  
25 or insolvency, to the full amount of the dividend unlawfully paid, or to  
26 the full amount unlawfully paid for the purchase or redemption of the  
27 corporation's stock, with interest from the time such liability accrued. Any  
28 director who may have been absent when the same was done, or who  
29 may have dissented from the act or resolution by which the same was  
30 done, may ~~exonerate himself~~ *be exonerated* from such liability by causing  
31 ~~his~~ *such director's* dissent to be entered on the books containing the  
32 minutes of the proceedings of the directors at the time the same was  
33 done, or immediately after ~~he~~ *such director* has notice of the same.

34 (b) Any director against whom a claim is successfully asserted under  
35 this section shall be entitled to contribution from the other directors who  
36 voted for or concurred in the unlawful dividend, stock purchase or stock  
37 redemption.

38 (c) Any director against whom a claim is successfully asserted under  
39 this section shall be entitled, to the extent of the amount paid by ~~him~~  
40 *such director* as a result of such claim, to be subrogated to the rights of  
41 the corporation against stockholders who received the dividend on, or  
42 assets for the sale or redemption of, their stock with knowledge of facts  
43 indicating that such dividend, stock purchase or redemption was unlawful

1 under this act, in proportion to the amounts received by such stockholders  
2 respectively.

3 Sec. 22. K.S.A. 17-6425 is hereby amended to read as follows: 17-  
4 6425. Except as otherwise provided in this act, the transfer of stock and  
5 the certificates representing certificated *and uncertificated* shares of stock  
6 shall be governed by article 8 of the uniform commercial code, *and*  
7 *amendments thereto*.

8 Sec. 23. K.S.A. 17-6426 is hereby amended to read as follows: 17-  
9 6426. (a) A written restriction on the transfer or registration of transfer  
10 of a security of a corporation, *or on the amount of the corporation's se-*  
11 *curities that may be owned by any securities holder or a group of secu-*  
12 *rities holders*, if permitted by this section and noted conspicuously on the  
13 certificate representing the security, or, in the case of uncertificated  
14 shares, contained in the notice sent pursuant to *subsection (f) of K.S.A.*  
15 *17-6401*, and amendments thereto, may be enforced against the holder  
16 of the restricted security or any successor or transferee of the holder,  
17 including an executor, administrator, trustee, guardian or other fiduciary  
18 entrusted with like responsibility for the person or estate of the holder.  
19 Unless noted conspicuously on the certificate representing the security,  
20 or, in the case of uncertificated shares, contained in the notice sent pur-  
21 suant to *subsection (f) of K.S.A. 17-6401*, and amendments thereto, re-  
22 striction, even though permitted by this section, is ineffective except  
23 against a person with actual knowledge of the restriction.

24 (b) A restriction on the transfer or registration of transfer of securities  
25 of a corporation, *or on the amount of the corporation's securities that may*  
26 *be owned by any securities holder or a group of securities holders*, may  
27 be imposed either by the articles of incorporation or by the bylaws or by  
28 an agreement among any number of security holders or among such hold-  
29 ers and the corporation. No restriction so imposed shall be binding with  
30 respect to securities issued prior to the adoption of the restriction unless  
31 the holders of the securities are parties to an agreement or voted in favor  
32 of the restriction.

33 (c) A restriction on the transfer *or registration of transfer* of securities  
34 of a corporation *or on the amount of such securities that may be owned*  
35 *by any securities holder or group of securities holders* is permitted by this  
36 section if it:

37 (1) Obligates the holder of the restricted securities to offer to the  
38 corporation or to any other holders of securities of the corporation or to  
39 any other person or to any combination of the foregoing, a prior oppor-  
40 tunity, to be exercised within a reasonable time, to acquire the restricted  
41 securities; or

42 (2) Obligates the corporation or any holder of securities of the cor-  
43 poration or any other person or any combination of the foregoing, to

1 purchase the securities which are the subject of an agreement respecting  
2 the purchase and sale of the restricted securities; or

3 (3) Requires the corporation or the holders of any class or series of  
4 securities of the corporation to consent to any proposed transfer of the  
5 restricted securities or to approve the proposed transferee of the re-  
6 stricted securities; ~~or, or to approve the amount of securities of the cor-  
7 poration that may be owned by any securities holder or group of securities  
8 holders; or~~

9 (4) *Obligates the holder of the restricted securities to sell or transfer  
10 an amount of restricted securities to the corporation or to any other hold-  
11 ers of securities of the corporation or to any other person or to any com-  
12 bination of the foregoing, or causes or results in the automatic sale or  
13 transfer of an amount of restricted securities to the corporation or to any  
14 other holders of securities of the corporation or to any other person or to  
15 any combination of the foregoing; or*

16 ~~(4)~~ (5) Prohibits or restricts the transfer of the restricted securities  
17 to, or the ownership of restricted securities by, designated persons or  
18 classes of persons or groups of persons, and such designation is not man-  
19 ifestly unreasonable.

20 (d) ~~Any restriction on the transfer of the shares of a corporation for  
21 the purpose of maintaining its status as an electing small business cor-  
22 poration under subchapter S of the United States internal revenue code  
23 or of maintaining any other tax advantage to the corporation, is or the  
24 registration of transfer of the securities of a corporation, or on the amount  
25 of securities of a corporation that may be owned by a securities holder or  
26 group of securities holders, for any of the following purposes shall be  
27 conclusively presumed to be for a reasonable purpose: (1) Maintaining  
28 any local, state, federal or foreign tax advantage to the corporation or its  
29 stockholders, including without limitation: (A) Maintaining the corpora-  
30 tion's status as an electing small business corporation under subchapter  
31 S of the United States internal revenue code [26 U.S.C. §1371 et seq.], or  
32 (B) maintaining or preserving any tax attribute (including without limi-  
33 tation net operating losses), or (C) qualifying or maintaining the qualifi-  
34 cation of the corporation as a real estate investment trust pursuant to the  
35 United States internal revenue code or regulations adopted pursuant to  
36 the United States internal revenue code, or (2) maintaining any statutory  
37 or regulatory advantage or complying with any statutory or regulatory  
38 requirements under applicable local, state, federal or foreign law.~~

39 (e) Any other lawful restriction on transfer or registration of transfer  
40 of securities, or on the amount of securities that may be owned by any  
41 person or group of persons, is permitted by this section.

42 Sec. 24. K.S.A. 17-6501 is hereby amended to read as follows: 17-  
43 6501. (a) (1) Meetings of stockholders may be held at such place, either

1 within or without this state, as may be designated by or in the manner  
2 provided in the *articles of incorporation*, bylaws or, if not so designated,  
3 ~~at the registered office of the corporation in this state, as determined by~~  
4 *the board of directors. If the board of directors is authorized to determine*  
5 *the place of a meeting of stockholders, the board of directors, in its sole*  
6 *discretion, may determine that the meeting shall not be held at any place,*  
7 *but may instead be held solely by means of remote communication as*  
8 *authorized by paragraph (a)(2).*

9 (2) *If authorized by the board of directors in its sole discretion, and*  
10 *subject to such guidelines and procedures as the board of directors may*  
11 *adopt, stockholders and proxy holders not physically present at a meeting*  
12 *of stockholders may, by means of remote communication:*

13 (A) *Participate in a meeting of stockholders; and*

14 (B) *be deemed present in person and vote at a meeting of stockholders*  
15 *whether such meeting is to be held at a designated place or solely by*  
16 *means of remote communication, provided that: (i) The corporation shall*  
17 *implement reasonable measures to verify that each person deemed present*  
18 *and permitted to vote at the meeting by means of remote communication*  
19 *is a stockholder or proxy holder; (ii) the corporation shall implement rea-*  
20 *sonable measures to provide such stockholders and proxy holders a rea-*  
21 *sonable opportunity to participate in the meeting and to vote on matters*  
22 *submitted to the stockholders, including an opportunity to read or hear*  
23 *the proceedings of the meeting substantially concurrently with such pro-*  
24 *ceedings; and (iii) if any stockholder or proxy holder votes or takes other*  
25 *action at the meeting by means of remote communication, a record of*  
26 *such vote or other action shall be maintained by the corporation.*

27 (b) *Unless directors are elected by written consent in lieu of an annual*  
28 *meeting as permitted by this subsection, an annual meeting of stockhold-*  
29 *ers shall be held for the election of directors on a date and at a time*  
30 *designated by or in the manner provided in the bylaws. Stockholders,*  
31 *unless the articles of incorporation otherwise provide, may act by written*  
32 *consent to elect directors; provided, however, that, if such consent is less*  
33 *than unanimous, such action by written consent may be in lieu of holding*  
34 *an annual meeting only if all of the directorships to which directors could*  
35 *be elected at an annual meeting held at the effective time of such action*  
36 *are vacant and are filled by such action. Any other proper business may*  
37 *be transacted at the annual meeting.*

38 (c) (1) *If the articles of incorporation or bylaws of a corporation reg-*  
39 *istered under the investment company act of 1940 so provide, the cor-*  
40 *poration is only required to hold an annual meeting in any year in which*  
41 *the election of directors is required to be acted upon under the invest-*  
42 *ment company act of 1940.*

43 (2) *If a corporation is required under paragraph (1) to hold a meeting*

1 of stockholders to elect directors, the meeting shall be designated as the  
2 annual meeting of stockholders for that year.

3 (d) (1) A failure to hold any annual meeting ~~required by this act~~ at  
4 the designated time or to elect a sufficient number of directors to conduct  
5 the business of the corporation shall not affect otherwise valid corporate  
6 acts or work a forfeiture or dissolution of the corporation, except as may  
7 be otherwise specifically provided in this act. If the annual meeting for  
8 election of directors is not held on the date designated therefor *or action*  
9 *by written consent to elect directors, in lieu of an annual meeting, has not*  
10 *been taken*, the directors shall cause the meeting to be held as soon there-  
11 after as is convenient. If there be a failure to hold the annual meeting *or*  
12 *to take action by written consent to elect directors in lieu of an annual*  
13 *meeting* for a period of 30 days after the date designated ~~therefor for the~~  
14 ~~annual meeting~~, or if no date has been designated ~~for an annual meeting~~  
15 ~~required by this act~~, for a period of 13 months after the *latest to occur of*  
16 *the organization of the corporation or after, its last annual meeting or the*  
17 *last action by written consent to elect directors in lieu of an annual meet-*  
18 *ing*, the district court may summarily order a meeting to be held upon  
19 the application of any stockholder or director. The shares of stock rep-  
20 resented at such meeting, either in person or by proxy, and entitled to  
21 vote thereat, shall constitute a quorum for the purpose of such meeting,  
22 notwithstanding any provision of the articles of incorporation or bylaws  
23 to the contrary. The district court may issue such orders as may be ap-  
24 propriate, including, without limitation, orders designating the time and  
25 place of such meeting, the record date for determination of stockholders  
26 entitled to vote and the form of notice of such meeting.

27 (2) If a corporation is required under paragraph (1) of subsection (c)  
28 to hold a meeting of stockholders to elect directors, the meeting shall be  
29 held no later than 120 days after the occurrence of the event requiring  
30 the meeting.

31 (e) Special meetings of the stockholders may be called by the board  
32 of directors or by such person or persons as may be authorized by the  
33 articles of incorporation or by the bylaws.

34 (f) ~~Unless otherwise provided in the articles of incorporation,~~ All elec-  
35 tions of directors shall be by written ballot, *unless otherwise provided in*  
36 *the articles of incorporation. If authorized by the board of directors, such*  
37 *requirement of a written ballot shall be satisfied by a ballot submitted by*  
38 *electronic transmission, provided that any such electronic transmission*  
39 *must either set forth or be submitted with information from which it can*  
40 *be determined that the electronic transmission was authorized by the*  
41 *stockholder or proxy holder.*

42 Sec. 25. K.S.A. 2001 Supp. 17-6502 is hereby amended to read as  
43 follows: 17-6502. (a) Unless otherwise provided in the articles of incor-



1 poration and subject to the provisions of K.S.A. 17-6503, and amend-  
2 ments thereto, each stockholder shall be entitled to one vote for each  
3 share of capital stock held by such stockholder. If the articles of incor-  
4 poration provide for more or less than one vote for any share on any  
5 matter, every reference in this act to a majority or other proportion of  
6 stock shall refer to such majority or other proportion of the votes of such  
7 stock.

8 (b) ~~(1)~~ Each stockholder entitled to vote at a meeting of stockholders  
9 or to express consent or dissent to corporate action in writing without a  
10 meeting may authorize another person or persons to act for the stock-  
11 holder by proxy as provided in this subsection, but no such proxy shall be  
12 voted or acted upon after three years from its date, unless the proxy  
13 provides for a longer period.

14 ~~(2) (i) A stockholder may sign a writing authorizing another person~~  
15 ~~to act as proxy.~~

16 ~~—(ii) Signing (c) Without limiting the manner in which a stockholder~~  
17 ~~may authorize another person or persons to act for such stockholder as~~  
18 ~~proxy pursuant to subsection (b), the following shall constitute a valid~~  
19 ~~means by which a stockholder may grant such authority: (1) A stockholder~~  
20 ~~may execute a writing authorizing another person or persons to act for~~  
21 ~~such stockholder as proxy. Execution may be accomplished by the stock-~~  
22 ~~holder or the stockholder's authorized officer, director, employee or agent~~  
23 ~~signing the writing or causing the stockholder's signature to be affixed to~~  
24 ~~the writing by any reasonable means, including, but not limited to, fac-~~  
25 ~~simile signature.~~

26 ~~(3) (2) A stockholder may authorize another person or persons to act~~  
27 ~~as proxy by transmitting, or authorizing the transmission of, a telegram,~~  
28 ~~cablegram, or other means of electronic transmission, including tele-~~  
29 ~~phonic transmission, to the person authorized to act as who will be the~~  
30 ~~holder of the proxy or to a proxy solicitation firm, proxy support service~~  
31 ~~organization, or other person like agent duly authorized by the person~~  
32 ~~who will act as proxy to receive the transmission, provided that any such~~  
33 ~~telegram, cablegram or other means of electronic transmission must either~~  
34 ~~contain or be accompanied by set forth or be submitted with information~~  
35 ~~from which it can be determined that the stockholder authorized the~~  
36 ~~transmission.~~

37 ~~(4) (d) A copy, facsimile telecommunication, or other reliable repro-~~  
38 ~~duction of the writing or transmission authorized under paragraphs (2)~~  
39 ~~and (3) of this subsection (c)(1) and (c)(2) may be substituted for the~~  
40 ~~original writing or transmission for any purpose for which the original~~  
41 ~~writing or transmission could be used, provided that such copy, facsimile~~  
42 ~~telecommunication or other reproduction shall be a complete reproduc-~~  
43 ~~tion of the entire original writing or transmission.~~

1     ~~(e)~~ (e) A duly executed proxy shall be irrevocable if it states that it is  
2 irrevocable and if, and only as long as, it is coupled with an interest suf-  
3 ficient in law to support an irrevocable power. A proxy may be made  
4 irrevocable regardless of whether the interest with which it is coupled is  
5 an interest in the stock itself or an interest in the corporation generally.

6     Sec. 26. K.S.A. 17-6503 is hereby amended to read as follows: 17-  
7 6503. (a) In order that the corporation may determine the stockholders  
8 entitled to notice of or to vote at any meeting of stockholders or any  
9 adjournment thereof, the board of directors may fix a record date, which  
10 record date shall not precede the date upon which the resolution fixing  
11 the record date is adopted by the board of directors, and which record  
12 date shall not be more than 60 nor less than 10 days before the date of  
13 such meeting. If no record is fixed by the board of directors, the record  
14 date for determining stockholders entitled to notice of or to vote at a  
15 meeting of stockholders shall be at the close of business on the day next  
16 preceding the day on which notice is given, or, if notice is waived, at the  
17 close of business on the day next preceding the day on which the meeting  
18 is held. A determination of stockholders of record entitled to notice of or  
19 to vote at a meeting of stockholders shall apply to any adjournment of the  
20 meeting except that the board of directors may fix a new record date for  
21 the adjourned meeting.

22     (b) In order that the corporation may determine the stockholders  
23 entitled to consent to corporate action in writing without a meeting, the  
24 board of directors may fix a record date which record date shall not pre-  
25 ceede the date upon which the resolution fixing the record date is adopted  
26 by the board of directors, and which date shall not be more than 10 days  
27 after the date upon which the resolution fixing the record date is adopted  
28 by the board of directors. If no record date has been fixed by the board  
29 of directors, the record date for determining stockholders entitled to con-  
30 sent to corporate action in writing without a meeting, when no prior  
31 action by the board of directors is required by this act, shall be the first  
32 date on which a signed written consent setting forth the action taken or  
33 proposed to be taken is delivered to the corporation by delivery to its  
34 registered office in this state, its principal place of business, or an officer  
35 or agent of the corporation having custody of the book in which proceed-  
36 ings of meetings of stockholders are recorded. Delivery made to a cor-  
37 poration's registered office shall be by hand or by certified or registered  
38 mail, return receipt requested. If no record date has been fixed by the  
39 board of directors and prior action by the board of directors is required  
40 by this act, the record date for determining stockholders entitled to con-  
41 sent to corporate action in writing without a meeting shall be at the close  
42 of business on the day on which the board of directors adopts the reso-  
43 lution taking such prior action.

1 (c) In order that the corporation may determine the *stockholders en-*  
2 *titled to receive payment of any dividend or* other distribution or allot-  
3 *ment of any rights or the stockholders entitled to exercise any rights in*  
4 *respect of any change, conversion or exchange of stock, or for the purpose*  
5 *of any other lawful action, the board of directors may fix a record date,*  
6 *which record date shall not precede the date upon which the resolution*  
7 *fixing the record date is adopted, and which record date shall be not more*  
8 *than 60 days prior to such action. If no record date is fixed, the record*  
9 *date for determining stockholders for any such purpose shall be at the*  
10 *close of business on the day on which the board of directors adopts the*  
11 *resolution relating thereto.*

12 Sec. 27. K.S.A. 17-6504 is hereby amended to read as follows: 17-  
13 6504. The articles of incorporation of any corporation may provide that  
14 at all elections of directors of the corporation, or at elections held under  
15 specified circumstances, each holder of stock or of any class or classes or  
16 of a series or series thereof shall be entitled to as many votes as shall  
17 equal the number of votes which, except for such provision as to cumu-  
18 lative voting, such holder would be entitled to cast for the election of  
19 directors with respect to such holder's shares of stock multiplied by the  
20 number of directors to be elected by ~~each such~~ holder, and that such  
21 holder may cast all of such votes for a single director or may distribute  
22 them among the number to be voted for, or for any two or more of them  
23 as such holder may see fit, provided that this ~~act section~~ shall not apply  
24 to a corporation organized ~~prior to the effective date of this act~~ before  
25 *April 21, 1988*, unless the stockholders of such corporation shall amend  
26 its articles of incorporation to eliminate the requirements of cumulative  
27 voting in force at the time of its organization.

28 Sec. 28. K.S.A. 17-6505 is hereby amended to read as follows: 17-  
29 6505. (a) The provisions of K.S.A. 17-6501 to 17-6504 and K.S.A. 17-  
30 6506, and amendments thereto, shall not apply to corporations not au-  
31 thorized to issue stock, *except that subsection (a) of K.S.A. 17-6501 and*  
32 *subsection (c) and (d) of K.S.A. 17-6502, and amendments thereto, shall*  
33 *apply to such corporations, and, when so applied, all references therein*  
34 *to stockholders and to the board of directors shall be deemed to refer to*  
35 *the members and the governing body of a nonstock corporation,*  
36 *respectively.*

37 (b) Unless otherwise provided in the articles of incorporation of a  
38 nonstock corporation, each member shall be entitled at every meeting of  
39 members to one vote in person or by proxy, but no proxy shall be voted  
40 after three (3) years from its date, unless the proxy provides for a longer  
41 period.

42 (c) Unless otherwise provided in this act, the articles of incorporation  
43 or bylaws of a nonstock corporation may specify the number of members

1 having voting power who shall be present or represented by proxy at any  
2 meeting in order to constitute a quorum for, and the votes, *or portion*  
3 *thereof*, that shall be necessary for, the transaction of any business. In the  
4 absence of such specification in the articles of incorporation or bylaws of  
5 a nonstock corporation, ~~1/3 of the members of such corporation shall con-~~  
6 ~~stitute a quorum at a meeting of such members, and the members present~~  
7 ~~in person or represented by proxy after proper notice has been given shall~~  
8 ~~constitute a quorum at a meeting of such members. In all matters other~~  
9 ~~than the election of the governing body of the corporation, the affirmative~~  
10 ~~vote of a majority of such members present in person or represented by~~  
11 ~~proxy at the meeting and entitled to vote on the subject matter shall be~~  
12 ~~the act of the members, unless the vote of a greater number is required~~  
13 ~~by this chapter act, the articles of incorporation or bylaws.~~

14 (d) *Members of the governing body shall be elected by a plurality of*  
15 *the votes of the members of the corporation present in person or repre-*  
16 *sentated by proxy at the meeting and entitled to vote thereon.*

17 (e) If the election of the governing body of any nonstock corporation  
18 shall not be held ~~on the day~~ *within the time period* designated by the  
19 bylaws, the governing body shall cause the election to be held as soon  
20 thereafter as convenient. The failure to hold such an election ~~at the des-~~  
21 ~~ignated time~~ *within the time period* shall not work any forfeiture or dis-  
22 solution of the corporation, but the district court may summarily order  
23 such an election to be held upon the application of any member of the  
24 corporation. At any election pursuant to such order, the persons entitled  
25 to vote in such election who shall be present at such meeting, either in  
26 person or by proxy, shall constitute a quorum for such meeting, notwith-  
27 standing any provision of the articles of incorporation or the bylaws of  
28 the corporation to the contrary.

29 (f) *If authorized by the governing body, any requirement of a written*  
30 *ballot shall be satisfied by a ballot submitted by electronic transmission,*  
31 *provided that such electronic transmission must either set forth or be*  
32 *submitted with information from which it can be determined that the*  
33 *electronic transmission was authorized by the member or proxy holder.*

34 Sec. 29. K.S.A. 17-6506 is hereby amended to read as follows: 17-  
35 6506. Subject to the provisions of this act with respect to the vote that  
36 shall be required for a specified action, the articles of incorporation or  
37 bylaws of any corporation *authorized to issue stock* may specify the num-  
38 ber of shares ~~or and/or~~ the amount of other securities ~~conferring~~ *having*  
39 voting power, the holders of which shall be present or represented by  
40 proxy at any meeting in order to constitute a quorum for, and the votes  
41 that shall be necessary for, the transaction of any business, but in no event  
42 shall a quorum ~~at the meeting consist of the holders of less than 1/3 of the~~  
43 ~~shares conferring voting powers~~ *consist of holders of less than 1/3 of the*

1 *shares entitled to vote at the meeting, except that, where a separate vote*  
2 *by the holders of a class or series or classes or series is required, a quorum*  
3 *shall consist of no less than 1/3 of the holders of the shares of such class*  
4 *or series or classes or series. In the absence of such specification in the*  
5 *articles of incorporation or bylaws of the corporation:*

6 (a) The holders of a majority of the shares ~~conferring voting powers~~  
7 *entitled to vote*, present in person or represented by proxy, shall constitute  
8 a quorum at a meeting of stockholders;

9 (b) in all matters other than the election of directors, the affirmative  
10 vote of the holders of a majority of shares who are present in person or  
11 represented by proxy at the meeting and entitled to vote on the subject  
12 matter shall be the act of the stockholders;

13 (c) directors shall be elected by a plurality of the votes of the ~~stock-~~  
14 ~~holders~~ *shares* present in person or represented by proxy at the meeting  
15 and entitled to vote on the election of directors; and

16 (d) where a separate vote by a class or classes ~~of stockholders or series~~  
17 is required, the holders of a majority of the outstanding shares of such  
18 class or classes *or series*, present in person or represented by proxy, shall  
19 constitute a quorum entitled to take action with respect to that vote on  
20 that matter and the affirmative vote of the holders of a majority of shares  
21 of such class or classes *or series* who are present in person or represented  
22 by proxy at the meeting shall be the act of such class *or classes or series*.

23 Sec. 30. K.S.A. 17-6507 is hereby amended to read as follows: 17-  
24 6507. (a) Persons holding stock in a fiduciary capacity shall be entitled to  
25 vote the shares so held. Persons whose stock is pledged shall be entitled  
26 to vote, unless in the transfer by the pledgor on the books of the corpo-  
27 ration ~~he~~ *such person* has expressly empowered the pledgee to vote  
28 thereon, in which case only the pledgee, or ~~his~~ *such pledgee's* proxy, may  
29 represent such stock and vote thereon.

30 (b) If shares or other securities having voting power stand of record  
31 in the names of two (~~2~~) or more persons, whether fiduciaries, members  
32 of a partnership, joint tenants, tenants in common, tenants by the entirety  
33 or otherwise, or if two (~~2~~) or more persons have the same fiduciary re-  
34 lationship respecting the same shares, unless the secretary of the corpo-  
35 ration is given written notice to the contrary and is furnished with a copy  
36 of the instrument or order appointing them or creating the relationship  
37 wherein it is so provided, their acts with respect to voting shall have the  
38 following effect:

39 (1) If only one votes, ~~his~~ *such person's* act binds all;  
40 (2) If more than one vote, the act of the majority so voting binds all;  
41 (3) If more than one vote, but the vote is evenly split on any particular  
42 matter, each ~~fraction~~ *fraction* may vote the securities in question propor-  
43 tionally, or any person voting the shares, or a beneficiary, if any, may

1 apply to the district court for the appointment of an additional person to  
2 act with the persons so voting the shares, which shall then be voted as  
3 determined by a majority of such persons and the person appointed by  
4 the court. If the instrument so filed shows that any such tenancy is held  
5 in unequal interests, a majority or even-split for the purpose of this sub-  
6 section shall be a majority or even-split in interest.

7 Sec. 31. K.S.A. 17-6508 is hereby amended to read as follows: 17-  
8 6508. (a) One or more stockholders, by agreement in writing, may *deposit*  
9 *capital stock of an original issue with or* transfer capital stock to any  
10 person or persons, or ~~corporation or corporations~~ *entity or entities* au-  
11 thorized to act as trustee, for the purpose of vesting in such person or  
12 persons, ~~corporation or corporations~~ *entity or entities*, who may be des-  
13 ignated voting trustee, or voting trustees, the right to vote thereon for  
14 any period of time determined by such agreement, ~~not exceeding 10~~  
15 ~~years,~~ upon the terms and conditions stated in such agreement. ~~The va-~~  
16 ~~lidity of a voting trust agreement, otherwise lawful, shall not be affected~~  
17 ~~during a period of 10 years from the date when it was created or last~~  
18 ~~extended, as provided in subsection (b), by the fact that under its terms~~  
19 ~~it will or may last beyond such 10-year period.~~ The agreement may con-  
20 tain any other lawful provisions not inconsistent with such purpose. After  
21 the filing of a copy of the agreement in the registered office of the cor-  
22 poration in this state, which copy shall be open to the inspection of any  
23 stockholder of the corporation, or any beneficiary of the trust under the  
24 agreement, daily during business hours, certificates of stock or uncerti-  
25 ficated stock shall be issued to the voting trustee or trustees to represent  
26 any stock of an original issue so deposited with such *voting* trustee or  
27 ~~such~~ trustees, and any certificates of stock or uncertificated stock so trans-  
28 ferred to the voting trustee or trustees shall be surrendered and canceled  
29 and new certificates or uncertificated stock therefor shall be issued to the  
30 voting trustee or trustees. In the certificates so issued, if any, it shall be  
31 stated that they are issued pursuant to such agreement, *or in the case of*  
32 *uncertificated shares, contained in the notice sent pursuant to subsection*  
33 *(f) of K.S.A. 17-6401, and amendments thereto,* and that fact shall also be  
34 stated in the stock ledger of the corporation. The voting trustee or trustees  
35 may vote the stock so issued or transferred during the period specified  
36 in the agreement. Stock standing in the name of the voting trustee or  
37 trustees may be voted either in person or by proxy, and in voting the  
38 stock, the voting trustee or trustees shall incur no responsibility as stock-  
39 holder, trustee or otherwise, except for such voting trustee's or trustees'  
40 individual malfeasance. In any case where two or more persons *or entities*  
41 are designated as voting trustees, and the right and method of voting any  
42 stock standing in their names at any meeting of the corporation are not  
43 fixed by the agreement appointing the trustees, the right to vote the stock

1 and the manner of voting it at the meeting shall be determined by a  
2 majority of the trustees, or if they be equally divided as to the right and  
3 manner of voting the stock in any particular case, the vote of the stock in  
4 such case shall be divided equally among the trustees.

5 ~~(b) At any time within two years prior to the time of expiration of any  
6 Any amendment to a voting trust agreement, as originally fixed or as last  
7 extended as provided in this subsection, one or more beneficiaries of the  
8 trust under the voting trust agreement, by written agreement and with  
9 the written consent of the voting trustee or trustees, may extend the  
10 duration of the voting trust agreement for an additional period not ex-  
11 ceeding 10 years from the expiration date of the trust as originally fixed  
12 or as last extended, as provided in this subsection. Prior to the time of  
13 expiration of any such voting trust agreement, as originally fixed or as  
14 previously extended, as the case may be, the voting trustee or trustees  
15 shall file shall be made by a written agreement, a copy of which shall be  
16 filed in the registered office of the corporation in this state a copy of such  
17 extension agreement and of such voting trustee's or trustees' consent  
18 thereto, and thereupon the duration of the voting trust agreement shall  
19 be extended for the period fixed in the extension agreement. No such  
20 extension agreement shall affect the rights or obligations of persons not  
21 parties thereto.~~

22 (c) *An agreement between two or more stockholders, if in writing and  
23 signed by the parties thereto, may provide that in exercising any voting  
24 rights, the shares held by them shall be voted as provided by the agree-  
25 ment, or as the parties may agree, or as determined in accordance with  
26 a procedure agreed upon by them.*

27 (d) This section shall not be deemed to invalidate ~~or otherwise affect~~  
28 any voting or other agreement among stockholders or any irrevocable  
29 proxy which is not otherwise illegal.

30 Sec. 32. K.S.A. 17-6509 is hereby amended to read as follows: 17-  
31 6509. (a) The officer who has charge of the stock ledger of a corporation  
32 shall prepare and make, at least 10 days before every meeting of stock-  
33 holders, a complete list of the stockholders entitled to vote at the meeting,  
34 arranged in alphabetical order, and showing the address of each stock-  
35 holder and the number of shares registered in the name of each stock-  
36 holder. *Nothing contained in this section shall require the corporation to  
37 include electronic mail addresses or other electronic contact information  
38 on such list.* Such list shall be open to the examination of any stockholder,  
39 for any purpose germane to the meeting, ~~during ordinary business hours,~~  
40 for a period of at least 10 days prior to the meeting, ~~either at a place  
41 within the city where the meeting is to be held, which place shall be  
42 specified in the notice of the meeting, or, if not so specified, at the place  
43 where :~~ (1) *On a reasonably accessible electronic network, provided that*

1 *the information required to gain access to such list is provided with the*  
2 *notice of the meeting; or (2) during ordinary business hours, at the prin-*  
3 *cipal place of business of the corporation. In the event the corporation*  
4 *determines to make the list available on an electronic network, the cor-*  
5 *poration may take reasonable steps to ensure that such information is*  
6 *available only to stockholders of the corporation. If the meeting is to be*  
7 *held ~~The~~ at a place, then the list shall also be produced and kept at the*  
8 *time and place of the meeting during the whole time thereof, and may*  
9 *be inspected by any stockholder who is present. If the meeting is to be*  
10 *held solely by means of remote communication, then the list shall also be*  
11 *open to the examination of any stockholder during the whole time of the*  
12 *meeting on a reasonably accessible electronic network, and the informa-*  
13 *tion required to access such list shall be provided with the notice of the*  
14 *meeting.*

15 (b) Upon the willful neglect or refusal of the directors to produce  
16 such a list at any meeting for the election of directors *held at a place, or*  
17 *to open such a list to examination on a reasonably accessible electronic*  
18 *network during any meeting for the election of directors held solely by*  
19 *means of remote communication, they shall be ineligible for election to*  
20 *any office at such meeting.*

21 (c) The stock ledger shall be the only evidence as to who are the  
22 stockholders entitled to examine the stock ledger, the list required by this  
23 section or the books of the corporation, or to vote in person or by proxy  
24 at any meeting of ~~the~~ stockholders.

25 Sec. 33. K.S.A. 17-6510 is hereby amended to read as follows: 17-  
26 6510. (a) As used in this section, “stockholder” means a stockholder of  
27 record of stock in a stock corporation and also a member of a nonstock  
28 corporation as reflected on the records of the nonstock corporation. As  
29 used in this section, the term “list of stockholders” includes lists of mem-  
30 bers in a nonstock corporation.

31 (b) Any stockholder, in person or by attorney or other agent, upon  
32 written demand under oath stating the purpose thereof, shall have the  
33 right during the usual hours for business to inspect for any proper purpose  
34 the corporation’s bylaws, stock register ledger, a list of its stockholders,  
35 ~~books of account, records of the proceedings of the stockholders and~~  
36 ~~directors and the corporation’s and its~~ other books and records, and to  
37 make copies or extracts therefrom. A proper purpose shall mean a pur-  
38 pose reasonably related to such person’s interest as a stockholder. In every  
39 instance where an attorney or other agent shall be the person who seeks  
40 the right ~~of~~ to inspection, the demand under oath shall be accompanied  
41 by a power of attorney or such other writing which authorizes the attorney  
42 or other agent to so act on behalf of the stockholder. The demand under  
43 oath shall be directed to the corporation at its registered office in this



1 state or at its principal place of business.

2 (c) If the corporation, or an officer or agent thereof, refuses to permit  
3 an inspection sought by a stockholder or attorney or other agent acting  
4 for the stockholder pursuant to subsection (b) or does not reply to the  
5 demand within five business days after the demand has been made, the  
6 stockholder may apply to the district court for an order to compel such  
7 inspection. The district court is hereby vested with exclusive jurisdiction  
8 to determine whether or not the person seeking inspection is entitled to  
9 the inspection sought. The court may summarily order the corporation to  
10 permit the stockholder to inspect ~~any such records or instruments~~ *the*  
11 *corporation's stock ledger, an existing list of stockholders, and its other*  
12 *books and records*, and to make copies or extracts therefrom; or the court  
13 may order the corporation to furnish to the stockholder a list of its stock-  
14 holders as of a specific date on condition that the stockholder first pay to  
15 the corporation the reasonable cost of obtaining and furnishing such list  
16 and on such other conditions as the court deems appropriate. Where the  
17 stockholder seeks to inspect the corporation's books and records, other  
18 than its stock ledger or list of stockholders, such stockholder shall first  
19 establish (1) that such stockholder has complied with ~~the provisions of~~  
20 ~~this section~~ respecting the form and manner of making demand for in-  
21 spection of such documents; and (2) that the inspection such stockholder  
22 seeks is for a proper purpose. Where the stockholder seeks to inspect the  
23 corporation's stock ledger or list of stockholders and such stockholder has  
24 complied with ~~the provisions of~~ this section respecting the form and man-  
25 ner of making demand for inspection of such documents, the burden of  
26 proof shall be upon the corporation to establish that the inspection such  
27 stockholder seeks is for an improper purpose. The court, in its discretion,  
28 may prescribe any limitations or conditions with reference to the inspec-  
29 tion, or award such other or further relief as the court may deem just and  
30 proper. The court may order books, documents and records, pertinent  
31 extracts therefrom, or duly authenticated copies thereof, to be brought  
32 within this state and kept in this state upon such terms and conditions as  
33 the order may prescribe.

34 (d) Any director, *including a member of the governing body of a non-*  
35 *stock corporation*, shall have the right to examine the corporation's stock  
36 ledger, a list of its stockholders and its other books and records for a  
37 purpose reasonably related to ~~such~~ *the* director's position as a director.  
38 The district court is hereby vested with the exclusive jurisdiction to de-  
39 termine whether a director is entitled to the inspection sought. The court  
40 may summarily order the corporation to permit the director to inspect  
41 any and all books and records, the stock ledger and the ~~stock~~ *list of stock-*  
42 *holders* and to make copies or extracts therefrom. The court may, in its  
43 discretion, prescribe any limitations or conditions with reference to the

1 inspection, or award such other and further relief as the court may deem  
2 just and proper.

3 Sec. 34. K.S.A. 17-6511 is hereby amended to read as follows: 17-  
4 6511. In its articles of incorporation, every corporation may confer upon  
5 the holders of any bonds, debentures or other obligations issued or to be  
6 issued by the corporation the power to vote in respect to the corporate  
7 affairs and management of the corporation to the extent and in the man-  
8 ner provided in the articles of incorporation, and ~~it~~ may confer upon such  
9 holders of bonds, debentures or other obligations the same right of in-  
10 spection of its books, accounts and other records, and also any other  
11 rights, which the stockholders of the corporation have or may have by  
12 reason of ~~the provisions of~~ this act or of its articles of incorporation. If  
13 the articles of incorporation so provide such holders of bonds, debentures  
14 or other obligations shall be deemed to be stockholders, and their bonds,  
15 debentures or other obligations shall be deemed to be shares of stock,  
16 for the purpose of any provision of this ~~chapter~~ *act* which requires the  
17 vote of stockholders as a prerequisite to any corporate action and the  
18 articles of incorporation may divest the holders of capital stock, in whole  
19 or in part, of their right to vote on any corporate matter whatsoever,  
20 except as set forth in K.S.A. 17-6602 and amendments thereto.

21 Sec. 35. K.S.A. 17-6512 is hereby amended to read as follows: 17-  
22 6512. (a) Whenever stockholders are required or permitted to take any  
23 action at a meeting, a written notice of the meeting shall be given which  
24 shall state the place, *if any*, date and hour of the meeting, *the means of*  
25 *remote communication, if any, by which stockholders and proxy holders*  
26 *may be deemed to be present in person and vote at such meeting*, and, in  
27 the case of a special meeting, the purpose or purposes for which the  
28 meeting is called.

29 (b) Unless otherwise provided in this act, the written notice of any  
30 meeting shall be given not less than 10 nor more than 60 days before the  
31 date of the meeting to each stockholder entitled to vote at such meeting.  
32 If mailed, notice is given when deposited in the United States mail, post-  
33 age prepaid, directed to the stockholder at ~~his~~ *such stockholder's* address  
34 as it appears on the records of the corporation. An affidavit of the sec-  
35 retary or an assistant secretary or of the transfer agent *or other agent* of  
36 the corporation that the notice has been given shall be prima facie evi-  
37 dence of the facts stated therein in the absence of fraud.

38 (c) When a meeting is adjourned to another time or place, unless the  
39 bylaws otherwise require, notice need not be given of the adjourned  
40 meeting if the time ~~and place thereof~~, *place, if any, thereof, and the*  
41 *means of remote communication, if any, by which stockholders and proxy*  
42 *holders may be deemed to be present in person and vote at such adjourned*  
43 *meeting* are announced at the meeting at which the adjournment is taken.

1 At the adjourned meeting the corporation may transact any business  
2 which might have been transacted at the original meeting. If the adjourn-  
3 ment is for more than 30 days, or if after the adjournment a new record  
4 date is fixed for the adjourned meeting, a notice of the adjourned meeting  
5 shall be given to each stockholder of record entitled to vote at the  
6 meeting.

7 Sec. 36. K.S.A. 17-6513 is hereby amended to read as follows: 17-  
8 6513. (a) Unless otherwise provided in the articles of incorporation or  
9 bylaws: (1) Vacancies and newly created directorships resulting from any  
10 increase in the authorized number of directors elected by all of the stock-  
11 holders having the right to vote as a single class may be filled by a majority  
12 of the directors then in office, although less than a quorum, or by a sole  
13 remaining director or; (2) whenever the holders of any class or classes of  
14 stock or series thereof are entitled to elect one or more directors by the  
15 articles of incorporation, vacancies and newly created directorships of  
16 such class or classes or series may be filled by a majority of the directors  
17 elected by such class or classes or series thereof then in office, or by a  
18 sole remaining director so elected.

19 If, at any time, by reason of death or resignation or other cause, a  
20 corporation should have no directors in office, then any *receiver*, officer  
21 or any stockholder or an executor, administrator, trustee or guardian of  
22 a stockholder, or other fiduciary entrusted with like responsibility for the  
23 person or estate of a stockholder, may call a special meeting of stock-  
24 holders in accordance with the provisions of the articles of incorporation  
25 or the bylaws, or may apply to the district court for a decree summarily  
26 ordering an election as provided in K.S.A. 17-6501, and amendments  
27 thereto.

28 If, at any time, in a corporation where the holders of any class or classes  
29 of stock or series thereof are entitled by the articles of incorporation to  
30 elect one or more directors, there is no director in office elected by the  
31 holders of any such class or series of stock, by reason of death or resig-  
32 nation or other cause, then any *receiver*, officer or any stockholder of  
33 such class or series, as the case may be, or an executor, administrator,  
34 trustee or guardian of any such stockholder, or other fiduciary entrusted  
35 with like responsibility for the person or estate of any such stockholder,  
36 may call a special meeting of stockholders of such class or series, in ac-  
37 cordance with the provisions of the articles of incorporation or bylaws for  
38 calling a special meeting of stockholders, or may apply to the district court  
39 for a decree summarily ordering an election, as provided in K.S.A. 17-  
40 6501, and amendments thereto.

41 (b) In the case of a corporation the directors of which are divided  
42 into classes, any directors chosen under subsection (a) shall hold office  
43 until the next election of the class for which such directors shall have

1 been chosen, and until their successors shall be elected and qualified.

2 (c) If, at the time of filling any vacancy or any newly created direc-  
3 torship, the directors then in office shall constitute less than a majority  
4 of the whole board, as constituted immediately prior to any such increase,  
5 the district court, upon application of any stockholder or stockholders  
6 holding at least 10% of the total number of the shares at the time out-  
7 standing having the right to vote for such directors, may summarily order  
8 an election to be held to fill any such vacancies or newly created direc-  
9 torships, or to replace the directors chosen by the directors then in office  
10 as aforesaid, which election shall be governed by the provisions of K.S.A.  
11 17-6501, and amendments thereto, as far as applicable.

12 (d) Unless otherwise provided in the articles of incorporation or by-  
13 laws, when one or more directors shall resign from the board, effective  
14 at a future date, a majority of the directors then in office, including those  
15 who have so resigned, shall have power to fill such vacancy or vacancies,  
16 the vote thereon to take effect when such resignation or resignations shall  
17 become effective, and each director so chosen shall hold office as pro-  
18 vided in this section in the filling of other vacancies.

19 Sec. 37. K.S.A. 17-6514 is hereby amended to read as follows: 17-  
20 6514. Any records maintained by a corporation in the regular course of  
21 its business, including its stock ledger, books of account and minute  
22 books, may be kept on, *or by means of*, or be in the form of, ~~punch cards,~~  
23 ~~magnetic tape, photographs, microphotographs or any other~~ information  
24 storage device, ~~if the reports or method provided that the records so kept~~  
25 can be converted into clearly legible ~~written paper~~ form within a reason-  
26 able time. Any corporation shall so convert any records so kept upon the  
27 request of any person entitled to inspect the same. ~~Where~~ *When* records  
28 are kept in such manner, a clearly legible ~~written paper~~ form produced  
29 from ~~the cards, tapes, photographs, microphotographs or other~~ *or by the*  
30 *means of the* information storage device *or method* shall be admissible in  
31 evidence and shall be accepted for all other purposes, to the same extent  
32 as an original ~~written paper~~ record of the same information would have  
33 been, ~~when said written provided the paper~~ form accurately portrays the  
34 record.

35 Sec. 38. K.S.A. 17-6517 is hereby amended to read as follows: 17-  
36 6517. (a) The district court, in any proceeding instituted under K.S.A. 17-  
37 6501, 17-6505 or 17-6515, *and amendments thereto*, may determine the  
38 right and power of persons claiming to own stock, or in the case of a  
39 corporation without capital stock, of the persons claiming to be members,  
40 to vote at any meeting of the stockholders or members.

41 (b) The court may appoint a master to hold any election provided for  
42 in K.S.A. 17-6501, 17-6505 or 17-6515, *and amendments thereto*, under  
43 such orders and powers as it deems proper; and it may punish any officer

1 or director for contempt in case of disobedience of any order made by  
2 the court; and, in case of disobedience by a corporation of any order made  
3 by the court, may enter a decree against such corporation for a penalty  
4 of not more than ~~five thousand dollars (\$5,000)~~ \$50,000.

5 Sec. 39. K.S.A. 17-6518 is hereby amended to read as follows: 17-  
6 6518. (a) Unless otherwise provided in the articles of incorporation, any  
7 action required by this act to be taken at any annual or special meeting  
8 of stockholders of a corporation, or any action which may be taken at any  
9 annual or special meeting of such stockholders, may be taken without a  
10 meeting, without prior notice and without a vote, if a consent *or consents*  
11 in writing, setting forth the action so taken, shall be signed by all the  
12 holders of outstanding stock entitled to vote thereon. *Such consents shall*  
13 *be delivered to the corporation by delivery to its registered office in this*  
14 *state, its principal place of business or an officer or agent of the corpo-*  
15 *ration having custody of the book in which proceedings of meetings of*  
16 *stockholders are recorded. Delivery shall be by return receipt delivery as*  
17 *defined in K.S.A. 60-303, and amendments thereto, or by hand.*

18 (b) *Unless otherwise provided in the articles of incorporation, any*  
19 *action required by this chapter to be taken at a meeting of the members*  
20 *of a nonstock corporation, or any action which may be taken at any meet-*  
21 *ing of the members of a nonstock corporation, may be taken without a*  
22 *meeting, without prior notice and without a vote, if a consent or consents*  
23 *in writing, setting forth the action so taken, shall be signed by members*  
24 *having not less than the minimum number of votes that would be neces-*  
25 *sary to authorize or take such action at a meeting at which all members*  
26 *having a right to vote thereon were present and voted and shall be deliv-*  
27 *ered to the corporation by delivery to its registered office in this state, its*  
28 *principal place of business or an officer or agent of the corporation having*  
29 *custody of the book in which proceedings of meetings of members are*  
30 *recorded. Delivery shall be by return receipt delivery as defined in K.S.A.*  
31 *60-303, and amendments thereto, or by hand.*

32 (c) *Every written consent shall bear the date of signature of each*  
33 *stockholder or member who signs the consent, and no written consent*  
34 *shall be effective to take the corporate action referred to therein unless,*  
35 *within 60 days of the earliest dated consent delivered in the manner re-*  
36 *quired by this section to the corporation, written consents signed by a*  
37 *sufficient number of holders or members to take action are delivered to*  
38 *the corporation by delivery to its registered office in this state, its principal*  
39 *place of business or an officer or agent of the corporation having custody*  
40 *of the book in which proceedings of meetings of stockholders or members*  
41 *are recorded. Delivery shall be by return receipt delivery as defined in*  
42 *K.S.A. 60-303, and amendments thereto, or by hand.*

43 (d) (1) *A telegram, cablegram or other electronic transmission con-*

1 *senting to an action to be taken and transmitted by a stockholder, member*  
2 *or proxy holder, or by a person or persons authorized to act for a stock-*  
3 *holder, member or proxy holder, shall be deemed to be written, signed*  
4 *and dated for the purposes of this section, provided that any such tele-*  
5 *gram, cablegram or other electronic transmission sets forth or is delivered*  
6 *with information from which the corporation can determine: (A) That the*  
7 *telegram, cablegram or other electronic transmission was transmitted by*  
8 *the stockholder, member or proxy holder or by a person or persons au-*  
9 *thorized to act for the stockholder, member or proxy holder; and (B) the*  
10 *date on which such stockholder, member or proxy holder or authorized*  
11 *person or persons transmitted such telegram, cablegram or electronic*  
12 *transmission. The date on which such telegram, cablegram or electronic*  
13 *transmission is transmitted shall be deemed to be the date on which such*  
14 *consent was signed. No consent given by telegram, cablegram or other*  
15 *electronic transmission shall be deemed to have been delivered until such*  
16 *consent is reproduced in paper form and until such paper form shall be*  
17 *delivered to the corporation by delivery to its registered office in this state,*  
18 *its principal place of business or an officer or agent of the corporation*  
19 *having custody of the book in which proceedings of meetings of stock-*  
20 *holders or members are recorded. Delivery shall be made by return receipt*  
21 *delivery as defined in K.S.A. 60-303, and amendments thereto, by hand*  
22 *or by certified or registered mail, return receipt requested. Notwithstand-*  
23 *ing the foregoing limitations on delivery, consents given by telegram, ca-*  
24 *blegram or other electronic transmission, may be otherwise delivered to*  
25 *the principal place of business of the corporation or to an officer or agent*  
26 *of the corporation having custody of the book in which proceedings of*  
27 *meetings of stockholders are recorded if, to the extent and in the manner*  
28 *provided by resolution of the board of directors or governing body of the*  
29 *corporation.*

30 (2) *Any copy, facsimile or other reliable reproduction of a consent in*  
31 *writing may be substituted or used in lieu of the original writing for any*  
32 *and all purposes for which the original writing could be used, provided*  
33 *that such copy, facsimile or other reproduction shall be a complete re-*  
34 *production of the entire original writing.*

35 (e) *Prompt notice of the taking of the corporate action without a meet-*  
36 *ing by less than unanimous written consent shall be given to those stock-*  
37 *holders or members who have not consented in writing and who, if the*  
38 *action had been taken at a meeting, would have been entitled to notice of*  
39 *the meeting if the record date for such meeting had been the date that*  
40 *written consents signed by a sufficient number of holders or members to*  
41 *take the action were delivered to the corporation as provided in subsection*  
42 *(c). In the event that the action which is consented to is such as would*  
43 *have required the filing of a certificate under any other section of this*

1 ~~code~~ act, if such action had been voted ~~upon~~ *on* by stockholders *or by*  
2 *members* at a meeting thereof, the certificate filed under such other sec-  
3 tion shall state, in lieu of any statement required by such section con-  
4 cerning ~~a~~ *any* vote of stockholders *or members*, that written consent has  
5 been given in accordance with the provisions of this section.

6 Sec. 40. K.S.A. 17-6519 is hereby amended to read as follows: 17-  
7 6519. Whenever notice is required to be given under any provision of this  
8 act or ~~of~~ the articles of incorporation or bylaws, a written waiver ~~thereof~~,  
9 signed by the person entitled to notice, *or a waiver by electronic trans-*  
10 *mission by the person entitled to notice*, whether before or after the time  
11 stated therein shall be deemed equivalent to notice. Attendance of a per-  
12 son at a meeting shall constitute a waiver of notice of such meeting, except  
13 when the person attends a meeting for the express purpose of objecting,  
14 at the beginning of the meeting, to the transaction of any business because  
15 the meeting is not lawfully called or convened. Neither the business to  
16 be transacted at, nor the purpose of, any regular or special meeting of  
17 the stockholders, directors or members of a committee of directors need  
18 be specified in any written waiver of notice *or any waiver by electronic*  
19 *transmission* unless so required by the articles of incorporation or the  
20 bylaws.

21 Sec. 41. K.S.A. 17-6520 is hereby amended to read as follows: 17-  
22 6520. (a) Whenever notice is required to be given, under any provision  
23 of this act or of the articles of incorporation or bylaws of any corporation,  
24 to any person with whom communication is unlawful, the giving of such  
25 notice to such person shall not be required and there shall be no duty to  
26 apply to any governmental authority or agency for a license or permit to  
27 give such notice to such person. Any action or meeting which shall be  
28 taken or held without notice to any such person with whom communi-  
29 cation is unlawful shall have the same force and effect as if such notice  
30 had been duly given. In the event that the action taken by the corporation  
31 is such as to require the filing of a certificate under any of the other  
32 sections of this act, the certificate shall state, if such is the fact and if  
33 notice is required, that notice was given to all persons entitled to receive  
34 notice except such persons with whom communication is unlawful.

35 (b) Whenever notice is required to be given, under any provision of  
36 this act or the articles of incorporation or bylaws of any corporation, to  
37 any stockholder or, if the corporation is a nonstock corporation, to any  
38 member, to whom (1) notice of two consecutive annual meetings, and all  
39 notices of meetings or of the taking of action by written consent without  
40 a meeting to such person during the period between such two consecutive  
41 annual meetings, or (2) all, and at least two payments, if sent by first class  
42 mail, of dividends or interest on securities during a 12-month period, have  
43 been mailed addressed to such person at ~~the~~ *such person's* address as

1 shown on the records of the corporation and have been returned unde-  
2 liverable, the giving of such notice to such person shall not be required.  
3 Any action or meeting which shall be taken or held without notice to such  
4 person shall have the same force and effect as if such notice had been  
5 duly given. If any such person shall deliver to the corporation a written  
6 notice setting forth ~~the~~ *such person's* then current address, the require-  
7 ment that notice be given to such person shall be reinstated. In the event  
8 that the action taken by the corporation is such as to require the filing of  
9 a certificate under any of the other sections of this chapter, the certificate  
10 need not state that notice was not given to persons to whom notice was  
11 not required to be given pursuant to this subsection.

12 *(c) The exception in subsection (b)(1) to the requirement that notice*  
13 *be given shall not be applicable to any notice returned as undeliverable*  
14 *if the notice was given by electronic transmission.*

15 New Sec. 42. (a) In advance of any meeting of stockholders, the cor-  
16 poration shall appoint one or more inspectors to act at the meeting and  
17 make a written report thereof. The corporation may designate one or  
18 more persons as alternate inspectors to replace any inspector who fails to  
19 act. If no inspector or alternate is able to act at a meeting of stockholders,  
20 the person presiding at the meeting shall appoint one or more inspectors  
21 to act at the meeting. Before entering upon the discharge of the duties  
22 of inspector, each inspector shall take and sign an oath faithfully to ex-  
23 ecute the duties of inspector with strict impartiality and according to the  
24 best of such inspector's ability.

25 (b) The inspectors shall:

26 (1) Ascertain the number of shares outstanding and the voting power  
27 of each;

28 (2) determine the shares represented at a meeting and the validity of  
29 proxies and ballots;

30 (3) count all votes and ballots;

31 (4) determine and retain for a reasonable period a record of the dis-  
32 position of any challenges made to any determination by the inspectors;  
33 and

34 (5) certify their determination of the number of shares represented  
35 at the meeting, and their count of all votes and ballots. The inspectors  
36 may appoint or retain other persons or entities to assist the inspectors in  
37 the performance of the duties of the inspectors.

38 (c) The date and time of the opening and the closing of the polls for  
39 each matter upon which the stockholders will vote at a meeting shall be  
40 announced at the meeting. No ballot, proxies or votes, nor any revocations  
41 thereof or changes thereto, shall be accepted by the inspectors after the  
42 closing of the polls unless the district court upon application by a stock-  
43 holder determines otherwise.



1 (d) In determining the validity and counting of proxies and ballots,  
2 the inspectors shall be limited to an examination of the proxies, any en-  
3 velopes submitted with those proxies, any information provided in ac-  
4 cordance with subsection (f) of K.S.A. 17-6501 or subsection (c)(2) of 17-  
5 6502, and amendments thereto, or any information provided pursuant to  
6 subsection (a)(2)(B)(i) or (iii) of K.S.A. 17-6501, and amendments  
7 thereto, ballots and the regular books and records of the corporation,  
8 except that the inspectors may consider other reliable information for the  
9 limited purpose of reconciling proxies and ballots submitted by or on  
10 behalf of banks, brokers, their nominees or similar persons which rep-  
11 resent more votes than the holder of a proxy is authorized by the record  
12 owner to cast or more votes than the stockholder holds of record. If the  
13 inspectors consider other reliable information for the limited purpose  
14 permitted herein, the inspectors at the time they make their certification  
15 pursuant to subsection (b)(5) shall specify the precise information con-  
16 sidered by them including the person or persons from whom they ob-  
17 tained the information, when the information was obtained, the means  
18 by which the information was obtained and the basis for the inspectors'  
19 belief that such information is accurate and reliable.

20 (e) Unless otherwise provided in the articles of incorporation or by-  
21 laws, this section shall not apply to a corporation that does not have a  
22 class of voting stock that is:

- 23 (1) Listed on a national securities exchange;
- 24 (2) authorized for quotation on an interdealer quotation system of a  
25 registered national securities association; or
- 26 (3) held of record by more than 2,000 stockholders.

27 (f) This section shall be part of and supplemental to article 65 of  
28 chapter 17 of the Kansas Statutes Annotated, and amendments thereto.

29 New Sec. 43. (a) Without limiting the manner by which notice oth-  
30 erwise may be given effectively to stockholders, any notice to stockholders  
31 given by the corporation under any provisions of this act, the articles of  
32 incorporation, or the bylaws shall be effective if given by a form of elec-  
33 tronic transmission consented to by the stockholders to whom the notice  
34 is given. Any such consent shall be revocable by the stockholder by written  
35 notice to the corporation. Any such consent shall be deemed revoked if:  
36 (1) The corporation is unable to deliver by electronic transmission two  
37 consecutive notices given by the corporation in accordance with such  
38 consent; and (2) such inability becomes known to the secretary or an  
39 assistant secretary of the corporation or to the transfer agent, or other  
40 person responsible for the giving of notice. The inadvertent failure to  
41 treat such inability as a revocation shall not invalidate any meeting or  
42 other action.

43 (b) Notice given pursuant to subsection (a) shall be deemed given:

1 (1) If by facsimile telecommunication, when directed to a number at  
2 which the stockholder has consented to receive notice; (2) if by electronic  
3 mail, when directed to an electronic mail address at which the stockholder  
4 has consented to receive notice; (3) if by a posting on an electronic net-  
5 work together with separate notice to the stockholder of such specific  
6 posting, upon the later of (A) such posting and (B) the giving of such  
7 separate notice; and (4) if by any other form of electronic transmission,  
8 when directed to the stockholder. An affidavit of the secretary or an as-  
9 sistant secretary or of the transfer agent or other agent of the corporation  
10 that the notice has been given by a form of electronic transmission, in the  
11 absence of fraud, shall be prima facie evidence of the facts stated therein.

12 (c) For purposes of this act, "electronic transmission" means any form  
13 of communication, not directly involving the physical transmission of pa-  
14 per, that creates a record that may be retained, retrieved and reviewed  
15 by a recipient thereof, and that may be directly reproduced in paper form  
16 by such a recipient through an automated process.

17 (d) This section shall apply to a corporation organized under this act  
18 that is not authorized to issue capital stock, and when so applied, all  
19 references to stockholders shall be deemed to refer to members of such  
20 a corporation.

21 (e) This section shall not apply to K.S.A. 17-6414, 17-6906, 17-7001  
22 or 17-7002, and amendments thereto.

23 (f) This section shall be a part of and supplemental to article 65 of  
24 chapter 17 of the Kansas Statutes Annotated, and amendments thereto.

25 Sec. 44. K.S.A. 17-6604 is hereby amended to read as follows: 17-  
26 6604. (a) A corporation, by resolution of its board of directors, may reduce  
27 its capital in any of the following ways by:

28 (1) Reducing or eliminating the capital represented by shares of cap-  
29 ital stock which have been retired;

30 (2) applying to an otherwise authorized purchase or redemption of  
31 outstanding shares of its capital stock some or all of the capital repre-  
32 sented by the shares being purchased or redeemed, or any capital that  
33 has not been allocated to any particular class of its capital stock;

34 (3) *applying to an otherwise authorized conversion or exchange of*  
35 *outstanding shares of its capital stock some or all of the capital represented*  
36 *by the shares being converted or exchanged, or some or all of any capital*  
37 *that has not been allocated to any particular class of its capital stock, or*  
38 *both, to the extent that such capital in the aggregate exceeds the total*  
39 *aggregate par value or the stated capital of any previously unissued shares*  
40 *issuable upon such conversion or exchange; or*

41 (4) transferring to surplus: (A) Some or all of the capital not repre-  
42 sented by any particular class of its capital stock; (B) some or all of the  
43 capital represented by issued shares of its par value capital stock, which

1 capital is in excess of the aggregate par value of such shares; or (C) some  
2 of the capital represented by issued shares of its capital stock without par  
3 value.

4 (b) Notwithstanding the other provisions of this section, no reduction  
5 of capital shall be made or effected unless the assets of the corporation  
6 remaining after such reduction shall be sufficient to pay any debts of the  
7 corporation for which payment has not been otherwise provided. No re-  
8 duction of capital shall release any liability of any stockholder whose  
9 shares have not been fully paid.

10 Sec. 45. K.S.A. 2001 Supp. 17-6605 is hereby amended to read as  
11 follows: 17-6605. (a) Whenever it is desired, a corporation may integrate  
12 into a single instrument all of the provisions of its articles of incorporation  
13 which are then in effect and operative as a result of there having been  
14 filed with the secretary of state one or more certificates or other instru-  
15 ments pursuant to any of the sections referred to in K.S.A. 17-6004, and  
16 amendments thereto. Such corporation may at the same time also further  
17 amend its articles of incorporation by adopting a restated articles of  
18 incorporation.

19 (b) If the restated articles of incorporation merely restate and inte-  
20 grate but do not further amend the articles of incorporation, as thereto-  
21 fore amended or supplemented by any instrument that was filed pursuant  
22 to any of the sections mentioned in K.S.A. 17-6004, and amendments  
23 thereto, such restated articles may be adopted by the board of directors  
24 without a vote of the stockholders, or they may be proposed by the di-  
25 rectors and submitted by them to the stockholders for adoption, in which  
26 case the procedure and vote required by K.S.A. 17-6602, and amend-  
27 ments thereto, for amendment of the articles of incorporation shall be  
28 applicable. If the restated articles of incorporation restate and integrate  
29 and also further amend in any respect the articles of incorporation, as  
30 theretofore amended or supplemented, they shall be proposed by the  
31 directors and adopted by the stockholders in the manner and by the vote  
32 prescribed by K.S.A. 17-6602, and amendments thereto, or, if the cor-  
33 poration has not received any payment for any of its stock, in the manner  
34 and by the vote prescribed by K.S.A. 17-6601, and amendments thereto.

35 (c) Any restated articles of incorporation shall be specifically desig-  
36 nated as such in its heading. They shall state, either in the heading or in  
37 an introductory paragraph, the corporation's present name, and, if it has  
38 been changed, the name under which it was originally incorporated, and  
39 the date of filing of its original articles of incorporation with the secretary  
40 of state. Any restated articles shall also state that they were duly adopted  
41 by the directors or stockholders, as the case may be, in accordance with  
42 the provisions of this section. If they were adopted by the board of di-  
43 rectors without a vote of the stockholders unless it was adopted pursuant

1 to the provisions of K.S.A. 17-6601, and amendments thereto, they shall  
2 state that they only restate and integrate and do not further amend the  
3 provisions of the corporation's articles of incorporation as theretofore  
4 amended or supplemented, and that there is no discrepancy between  
5 those provisions and the provisions of the restated articles. A restated  
6 articles of incorporation may omit: (1) Such provisions of the original  
7 articles of incorporation which named the incorporator or incorporators,  
8 the initial board of directors, and the original subscribers for shares; and  
9 (2) such provisions contained in any amendment to the articles of incor-  
10 poration as were necessary to effect a change, exchange, reclassification,  
11 *subdivision*, *combination* or cancellation of stock if such change,  
12 exchange, reclassification, *subdivision*, *combination* or cancellation has  
13 become effective. Any such omissions shall not be deemed a further  
14 amendment.

15 (d) Any restated articles of incorporation shall be executed and filed  
16 in accordance with K.S.A. 17-6003, and amendments thereto. Upon filing  
17 with the secretary of state, the corporation's original articles of incorpo-  
18 ration, as theretofore amended or supplemented, shall be superseded;  
19 and thenceforth the restated articles, including any further amendments  
20 or changes made thereby, shall be the articles of incorporation of the  
21 corporation, but the original date of incorporation shall remain  
22 unchanged.

23 (e) Any amendment or change effected in connection with the re-  
24 statement and integration of the articles of incorporation shall be subject  
25 to any other provisions of this act, not inconsistent with this section, which  
26 would apply if a separate certificate of amendment were filed to effect  
27 such amendment or change.

28 Sec. 46. K.S.A. 2001 Supp. 17-6701 is hereby amended to read as  
29 follows: 17-6701. (a) Any two or more corporations existing under the  
30 laws of this state and authorized to issue capital stock may merge into a  
31 single corporation, which may be any one of the constituent corporations  
32 or they may consolidate into a new corporation formed by the consoli-  
33 dation, pursuant to an agreement of merger or consolidation, as the case  
34 may be, complying and approved in accordance with this section.

35 (b) The board of directors of each corporation which desires to merge  
36 or consolidate shall adopt a resolution approving an agreement of merger  
37 or consolidation. The agreement shall state: (1) The terms and conditions  
38 of the merger or consolidation; (2) the mode of carrying the same into  
39 effect; (3) in the case of a merger, such amendments or changes in the  
40 articles of incorporation of the surviving corporation as are desired to be  
41 effected by the merger or, if no such amendments or changes are desired,  
42 a statement that the articles of incorporation of the surviving corporation  
43 shall be its articles of incorporation; (4) in the case of consolidation, that

1 the articles of incorporation of the resulting corporation shall be as is set  
2 forth in an attachment to the agreement; (5) the manner of converting  
3 the shares of each of the constituent corporations into shares or other  
4 securities of the corporation surviving or resulting from the merger or  
5 consolidation, and, if any shares of any of the constituent corporations are  
6 not to be converted solely into shares or other securities of the surviving  
7 or resulting corporation, the cash, property, rights or securities of any  
8 other corporation *or entity* which the holders of such shares are to receive  
9 in exchange for, or upon conversion of, such shares and the surrender of  
10 ~~the~~ *any* certificates evidencing certificated shares, which cash, property,  
11 rights or securities of any other corporation *or entity* may be in addition  
12 to or in lieu of shares or other securities of the surviving or resulting  
13 corporation; and (6) such other details or provisions as are deemed de-  
14 sirable, including, without limiting, the generality of the foregoing, a pro-  
15 vision for the payment of cash in lieu of the issuance or recognition of  
16 fractional shares, interests or rights, or for any other arrangement with  
17 respect thereto, consistent with the provisions of K.S.A. 17-6405, and  
18 amendments thereto. The agreement adopted as provided in this subsec-  
19 tion shall be executed in accordance with K.S.A. 17-6003, and amend-  
20 ments thereto. Any terms of the agreement of merger or consolidation  
21 may be made dependent upon facts ascertainable outside of such agree-  
22 ment, provided that the manner in which such facts shall operate upon  
23 the terms of the agreement is clearly and expressly set forth in the agree-  
24 ment of merger or consolidation. *The term "facts," as used in the preced-*  
25 *ing sentence, includes, but is not limited to, the occurrence of any event,*  
26 *including a determination or action by any person or body, including the*  
27 *corporation.*

28 (c) The agreement required by subsection (b) shall be submitted to  
29 the stockholders of each constituent corporation at an annual or special  
30 meeting thereof for the purpose of acting on the agreement. *The terms*  
31 *of the agreement may require that the agreement be submitted to the*  
32 *stockholders whether or not the board of directors determines at any time*  
33 *subsequent to declaring its advisability that the agreement is no longer*  
34 *advisable and recommends that the stockholders reject it.* Due notice of  
35 the time, place and purpose of the meeting shall be mailed to each holder  
36 of stock of the corporation, whether voting or nonvoting, at the stock-  
37 holder's address as it appears on the records of the corporation, at least  
38 20 days prior to the date of the meeting. *The notice shall contain a copy*  
39 *of the agreement or a brief summary thereof, as the directors deem ad-*  
40 *visable.* At the meeting the agreement shall be considered and a vote  
41 taken for its adoption or rejection. If a majority of the outstanding stock  
42 of the corporation entitled to vote thereon shall be voted for the adoption  
43 of the agreement, that fact shall be certified on the agreement by the

1 secretary or assistant secretary of the corporation. If the agreement is  
2 adopted and certified by each constituent corporation, it shall then be  
3 executed and filed, and shall become effective, in accordance with K.S.A.  
4 17-6003, and amendments thereto. In lieu of filing the agreement of  
5 merger or consolidation, the surviving or resulting corporation may file a  
6 certificate of merger or consolidation, executed in accordance with K.S.A.  
7 17-6003, and amendments thereto, which states: (1) The name and state  
8 of incorporation of each of the constituent corporations; (2) that an agree-  
9 ment of merger or consolidation has been approved, adopted, certified  
10 and executed by each of the constituent corporations in accordance with  
11 this section; (3) the name of the surviving or resulting corporation; (4) in  
12 the case of a merger, such amendments or changes in the articles of  
13 incorporation of the surviving corporation as are desired to be effected  
14 by the merger or, if no such ~~changes or~~ amendments *or changes* are  
15 desired, a statement that the articles of incorporation of one of the ~~sur-~~  
16 ~~viving constituent~~ corporations shall be the articles of incorporation *of the*  
17 *surviving corporation*; (5) in the case of a consolidation, that the articles  
18 of incorporation of the resulting corporation shall be as is set forth in an  
19 attachment to the certificate; (6) that the executed agreement of consol-  
20 idation or merger is on file at the principal place of business of the sur-  
21 viving or resulting corporation, stating the address thereof; and (7) that a  
22 copy of the agreement of consolidation or merger will be furnished by  
23 the surviving or resulting corporation, on request and without cost, to any  
24 stockholder of any constituent corporation.

25 (d) Any agreement of merger or consolidation may contain a provi-  
26 sion that at any time prior to the ~~filing of time that~~ the agreement ,or  
27 certificate in lieu thereof, *filed* with the secretary of state *becomes effective*  
28 *in accordance with K.S.A. 17-6003, and amendments thereto*, the agree-  
29 ment may be terminated by the board of directors of any constituent  
30 corporation notwithstanding approval of the agreement by the stockhold-  
31 ers of all or any of the constituent corporations; *in the event the agreement*  
32 *of merger or consolidation is terminated after the filing of the agreement,*  
33 *or a certificate, with the secretary of state but before the agreement, or*  
34 *certificate, has become effective, a certificate of termination of merger or*  
35 *consolidation shall be filed in accordance with K.S.A. 17-6003, and*  
36 *amendments thereto*. Any agreement of merger or consolidation may con-  
37 tain a provision that the boards of directors of the constituent corporations  
38 may amend the agreement at any time prior to the filing of the agreement,  
39 or a certificate in lieu thereof, with the secretary of state, except that an  
40 amendment made subsequent to the adoption of the agreement by the  
41 stockholders of any constituent corporation shall not: (1) Alter or change  
42 the amount or kind of shares, securities, cash, property ~~or~~ *and/or* rights,  
43 ~~or any of the proceedings, to be received~~ in exchange for or on conversion

1 of all or any of the shares of any class or series thereof of such constituent  
2 corporation; (2) alter or change any term of the articles of incorporation  
3 of the surviving or resulting corporation to be effected by the merger or  
4 consolidation; or (3) alter or change any of the terms and conditions of  
5 the agreement if such alteration or change would adversely affect the  
6 holders of any class or series thereof of such constituent corporation; *in*  
7 *the event the agreement of merger or consolidation is amended after the*  
8 *filing thereof with the secretary of state but before the agreement has*  
9 *become effective, a certificate of amendments of merger or consolidation*  
10 *shall be filed in accordance with K.S.A. 17-6003, and amendments thereto.*

11 (e) In the case of a merger, the articles of incorporation of the sur-  
12 viving corporation shall automatically be amended to the extent, if any,  
13 that changes in the articles of incorporation are set forth in the agreement  
14 of merger.

15 (f) Notwithstanding the requirements of subsection (c), unless re-  
16 quired by its articles of incorporation, no vote of stockholders of a con-  
17 stituent corporation surviving a merger shall be necessary to authorize a  
18 merger if: (1) The agreement of merger does not amend in any respect  
19 the articles of incorporation of such constituent corporation; (2) each  
20 share of stock of such constituent corporation outstanding immediately  
21 prior to the effective date of the merger is to be an identical outstanding  
22 or treasury share of the surviving corporation after the effective date of  
23 the merger; and (3) either no shares of common stock of the surviving  
24 corporation and no shares, securities or obligations convertible into such  
25 stock are to be issued or delivered under the plan of merger, or the  
26 authorized unissued shares or the treasury shares of common stock of the  
27 surviving corporation to be issued or delivered under the plan of merger  
28 plus those initially issuable upon conversion of any other shares, securities  
29 or obligations to be issued or delivered under such plan do not exceed  
30 20% of the shares of common stock of such constituent corporation out-  
31 standing immediately prior to the effective date of the merger.

32 No vote of stockholders of a constituent corporation shall be necessary  
33 to authorize a merger or consolidation if no shares of the stock of such  
34 corporation shall have been issued prior to the adoption by the board of  
35 directors of the resolution approving the agreement of merger or con-  
36 solidation. If an agreement of merger is adopted by the constituent cor-  
37 poration surviving the merger, by action of its board of directors and  
38 without any vote of its stockholders pursuant to this subsection, the sec-  
39 retary or assistant secretary of that corporation shall certify on the agree-  
40 ment that the agreement has been adopted pursuant to this subsection  
41 and: ~~(1)~~ (i) If it has been adopted pursuant to the first sentence of this  
42 subsection, that the conditions specified in that sentence have been sat-  
43 isfied, or ~~(2)~~ (ii) if it has been adopted pursuant to the second sentence

1 of this subsection, that no shares of stock of such corporation were issued  
2 prior to the adoption by the board of directors of the resolution approving  
3 the agreement of merger or consolidation.

4 The agreement adopted and certified shall then be executed and filed,  
5 and shall become effective, in accordance with K.S.A. 17-6003, and  
6 amendments thereto. Such filing shall constitute a representation by the  
7 person who executes the agreement that the facts stated in the certificate  
8 remain true immediately prior to such filing.

9 (g) Notwithstanding the requirements of subsection (c) ~~of this sec-~~  
10 ~~tion~~, unless expressly required by its articles of incorporation, no vote of  
11 stockholders of a constituent corporation shall be necessary to authorize  
12 a merger with or into a single direct or indirect wholly-owned subsidiary  
13 of such constituent corporation if:

14 (1) Such constituent corporation and the direct or indirect wholly-  
15 owned subsidiary of such constituent corporation are the only constituent  
16 ~~corporations~~ *entities* to the merger;

17 (2) each share or fraction of a share of the capital stock of the con-  
18 stituent corporation outstanding immediately prior to the effective time  
19 of the merger is converted in the merger into a share or equal fraction  
20 of share of capital stock of a holding company having the same designa-  
21 tions, rights, powers and preferences, and the qualifications, limitations  
22 and restrictions thereof, as the share of stock of the constituent corpo-  
23 ration being converted in the merger;

24 (3) the holding company and ~~each of the constituent corporations are~~  
25 ~~corporations to the merger are corporations~~ of this state *and the direct*  
26 *or indirect wholly-owned subsidiary that is the other constituent entity*  
27 *to the merger is a corporation or limited liability company of this state;*

28 (4) the articles of incorporation and bylaws of the holding company  
29 immediately following the effective time of the merger contain provisions  
30 identical to the articles of incorporation and bylaws of the constituent  
31 corporation immediately prior to the effective time of the merger, other  
32 than provisions, if any, regarding the incorporator or incorporators, the  
33 corporate name, the registered office and agent, the initial board of di-  
34 rectors and the initial subscribers for shares and such provisions contained  
35 in any amendment to the articles of incorporation as were necessary to  
36 effect a change, exchange, reclassification, *subdivision, combination* or  
37 cancellation of stock, if such change, exchange, reclassification, *subdivi-*  
38 *sion, combination* or cancellation has become effective;

39 (5) as a result of the merger the constituent corporation or its suc-  
40 cessor ~~corporation~~ becomes or remains a direct or indirect wholly-owned  
41 subsidiary of the holding company;

42 (6) the directors of the constituent corporation become or remain the  
43 directors of the holding company upon the effective time of the merger;



1 *and*

2 (7) ~~the articles of incorporation~~ *organizational documents* of the sur-  
3 ~~ving corporation~~ *entity* immediately following the effective time of the  
4 merger ~~are contain provisions~~ identical to the articles of incorporation of  
5 the constituent corporation immediately prior to the effective time of the  
6 merger; ( other than provisions, if any, regarding the incorporator or in-  
7 corporators, the corporate *or entity* name, the registered office and agent,  
8 the initial board of directors and the initial subscribers for shares, *refer-*  
9 *ences to members rather than stockholders or shareholders, references to*  
10 *interests, units or the like rather than stock or shares, references to man-*  
11 *agers, managing members or other members of the governing body rather*  
12 *than directors* and such provisions contained in any amendment to the  
13 articles of incorporation as were necessary to effect a change, exchange,  
14 reclassification, *subdivision, combination* or cancellation of stock, if such  
15 change, exchange, reclassification, *subdivision, combination* or cancella-  
16 tion has become effective; ~~except that (i) the articles of incorporation of~~  
17 ~~the surviving corporation~~). (A) *If the organizational documents of the*  
18 *surviving entity do not contain the following provisions, they* shall be  
19 amended in the merger to contain ~~a provision~~ *provisions* requiring that:  
20 (i) any act *or transaction by or involving the surviving entity*, other than  
21 the election or removal of directors ~~of the surviving corporation, or trans-~~  
22 ~~action by or involving the surviving corporation~~ *or managers, managing*  
23 *members or other members of the governing body of the surviving entity,*  
24 that requires for its adoption under this ~~article or its articles of incorpo-~~  
25 ~~ration act or its organizational documents~~ the approval of the stockholders  
26 *or members of the surviving corporation* ~~entity~~ shall, by specific reference  
27 to this subsection, require, in addition, the approval of the stockholders  
28 of the holding company, or any successor by merger, by the same vote as  
29 is required by this ~~article or by the articles of incorporation of the sur-~~  
30 ~~ving corporation, or both, and (ii) the articles of incorporation of the~~  
31 ~~surviving corporation may be amended in the merger to reduce the num-~~  
32 ~~ber of classes and shares of capital stock that the surviving corporation is~~  
33 ~~authorized to issue; and (8) the stockholders of the constituent corpora-~~  
34 ~~tion do not recognize gain or loss for United States federal income tax~~  
35 ~~purposes as determined by the board of directors of the constituent cor-~~  
36 ~~poration. Neither subsection (g)(7)(i) nor any provision of a surviving~~  
37 ~~corporation's articles of incorporation required by subsection (g)(7)(i)~~  
38 ~~shall be deemed or construed to require approval of the stockholders of~~  
39 ~~the holding company to elect or remove directors of the surviving cor-~~  
40 ~~poration; act and/or by the organizational documents of the surviving~~  
41 ~~entity. For purposes of this clause, any surviving entity that is not a cor-~~  
42 ~~poration shall include in such amendments a requirement that the ap-~~  
43 ~~proval of the stockholders of the holding company be obtained for any act~~

1 or transaction by or involving the surviving entity, other than the election  
2 or removal of directors or managers, managing members or other mem-  
3 bers of the governing body of the surviving entity, which would require  
4 the approval of the stockholders of the surviving entity if the surviving  
5 entity were a corporation subject to this act; (ii) any amendment of the  
6 organizational documents of a surviving entity that is not a corporation,  
7 which amendment would, if adopted by a corporation subject to this act,  
8 be required to be included in the articles of incorporation of such cor-  
9 poration, shall, by specific reference to this subsection, require, in addi-  
10 tion, the approval of the stockholders of the holding company, or any  
11 successor by merger, by the same vote as is required by this act or by the  
12 organizational documents of the surviving entity or both; (iii) the business  
13 and affairs of a surviving entity that is not a corporation shall be managed  
14 by or under the direction of a board of directors, board of managers or  
15 other governing body consisting of individuals who are subject to the same  
16 fiduciary duties applicable to, and who are liable for breach of such duties  
17 to the same extent as, directors of a corporation subject to this act; and

18 (B) the organizational documents of the surviving entity may be  
19 amended in the merger to reduce the number of classes and shares of  
20 capital stock or other equity interests or units that the surviving entity is  
21 authorized to issue.

22 Neither subsection (g)(7)(A) nor any provision of a surviving entity's  
23 organizational documents required by subsection (g)(7)(A) shall be  
24 deemed or construed to require approval of the stockholders of the holding  
25 company to elect or remove directors or managers, managing members  
26 or other members of the governing body of the surviving entity.

27 As used in this subsection only, the term "organizational documents,"  
28 when used in reference to a corporation, means the articles of incorpo-  
29 ration of such corporation and, when used in reference to a limited li-  
30 ability company, means the articles of organization or operating agreement  
31 of such limited liability company; the term "holding company" means a  
32 corporation which, from its incorporation until consummation of a merger  
33 governed by this subsection, was at all times a direct or indirect wholly-  
34 owned subsidiary of the constituent corporation and whose capital stock  
35 is issued in such merger. From and after the effective time of a merger  
36 adopted by a constituent corporation by action of its board of directors  
37 and without any vote of stockholders pursuant to this subsection, ~~if the~~  
38 ~~corporate name of the holding company immediately following: (1) To~~  
39 ~~the extent the restriction of K.S.A. 17-12,100 et seq., and amendments~~  
40 ~~thereto, applied to the constituent corporation and its stockholders the~~  
41 ~~effective time of the merger is the same as the corporate name of the~~  
42 ~~constituent corporation immediately prior to such restrictions shall apply~~  
43 ~~to the holding company and its stockholders immediately after the effec-~~

1 tive time of the merger, ~~the~~ *as though it were the constituent corporation,*  
2 *and all shares of capital stock of the holding company into which acquired*  
3 *in the merger shall for the purposes of K.S.A. 17-12,100 et seq., and*  
4 *amendments thereto, be deemed to have been acquired at the time that*  
5 *the shares of capital stock of the constituent corporation are converted in*  
6 *the merger shall be represented by the stock certificates that previously*  
7 ~~*represented shares of capital stock of the constituent corporation. were*~~  
8 *acquired, and provided further that any stockholder who immediately*  
9 *prior to the effective time of the merger was not an interested stockholder*  
10 *within the meaning of K.S.A. 17-12,100 et seq., and amendments thereto,*  
11 *shall not solely by reason of the merger become an interested stockholder*  
12 *of the holding company; and (2) if the corporate name of the holding*  
13 *company immediately following the effective time of the merger is the*  
14 *same as the corporate name of the constituent corporation immediately*  
15 *prior to the effective time of the merger, the shares of capital stock of the*  
16 *holding company into which the shares of capital stock of the constituent*  
17 *corporation are converted in the merger shall be represented by the stock*  
18 *certificates that previously represented shares of capital stock of the con-*  
19 *stituent corporation and to the extent a stockholder of the constituent*  
20 *corporation immediately prior to the merger had standing to institute or*  
21 *maintain derivative litigation on behalf of the constituent corporation,*  
22 *nothing in this section shall be deemed to limit or extinguish such stand-*  
23 *ing. If an agreement of merger is adopted by a constituent corporation*  
24 *by action of its board of directors and without any vote of stockholders*  
25 *pursuant to this subsection, the secretary or assistant secretary of the*  
26 *constituent corporation shall certify on the agreement or a certificate of*  
27 *merger that the agreement has been adopted pursuant to this subsection*  
28 *and that the conditions specified in the first sentence of this subsection*  
29 *have been satisfied. The agreement or certificate of merger so adopted*  
30 *and certified shall then be filed and become effective, in accordance with*  
31 *K.S.A. 17-6003, and amendments thereto. Such filing shall constitute a*  
32 *representation by the person who executes the agreement or certificate*  
33 *of merger that the facts stated in the certificate remain true immediately*  
34 *prior to such filing.*

35 Sec. 47. K.S.A. 2001 Supp. 17-6702 is hereby amended to read as  
36 follows: 17-6702. (a) Any one or more corporations of this state may  
37 merge or consolidate with one or more other stock corporations of any  
38 other state or states of the United States, or of the District of Columbia  
39 if the laws of such other jurisdiction permit a corporation of such juris-  
40 diction to merge or consolidate with a corporation of another jurisdiction.  
41 The constituent corporations may merge into a single corporation, which  
42 may be any one of the constituent corporations, or they may consolidate  
43 into a new corporation formed by the consolidation, which may be a

1 corporation of the state of incorporation of any one of the constituent  
2 corporations, pursuant to an agreement of merger or consolidation, as the  
3 case may be, complying and approved in accordance with this section. In  
4 addition, any one or more corporations organized under the laws of any  
5 jurisdiction other than one of the United States may merge or consolidate  
6 with one or more corporations existing under the laws of this state, if the  
7 surviving or resulting corporation will be a corporation of this state, and  
8 if the laws under which the other corporation or corporations are formed  
9 permit a corporation of such jurisdiction to merge or consolidate with a  
10 corporation of another jurisdiction.

11 (b) All the constituent corporations shall enter into an agreement of  
12 merger or consolidation. The agreement shall state: (1) The terms and  
13 conditions of the merger or consolidation; (2) the mode of carrying the  
14 same into effect; (3) the manner of converting the shares of each of the  
15 constituent corporations into shares or other securities of the corporation  
16 surviving or resulting from the merger or consolidation and, if any shares  
17 of any of the constituent corporations are not to be converted solely into  
18 shares or other securities of the surviving or resulting corporation, the  
19 cash, property, rights or securities of any other corporation *or entity* which  
20 the holders of such shares are to receive in exchange for, or upon con-  
21 version of, such shares and the surrender of ~~the~~ *any* certificates evidenc-  
22 ing certificated shares, which cash, property, rights or securities of any  
23 other corporation may be in addition to or in lieu of the shares or other  
24 securities of the surviving or resulting corporation; (4) such other details  
25 or provisions as are deemed desirable, including, without limiting the  
26 generality of the foregoing, a provision for the payment of cash in lieu of  
27 the issuance or recognition of fractional shares of the surviving or result-  
28 ing corporation or of any other corporation the securities of which are to  
29 be received in the merger or consolidation, or for some other arrange-  
30 ment with respect thereto consistent with the provisions of K.S.A. 17-  
31 6405, and amendments thereto; and (5) such other provisions or facts as  
32 shall be required to be set forth in articles of incorporation by the laws  
33 of the state which are stated in the agreement to be the laws that shall  
34 govern the surviving or resulting corporation and that can be stated in  
35 the case of a merger or consolidation. Any of the terms of the agreement  
36 of merger or consolidation may be made dependent upon facts ascertain-  
37 able outside of such agreement, provided that the manner in which such  
38 facts shall operate upon the terms of the agreement is clearly and ex-  
39 pressly set forth in the agreement of merger or consolidation. *The term*  
40 *“facts,” as used in the preceding sentence, includes, but is not limited to,*  
41 *the occurrence of any event, including a determination or action by any*  
42 *person or body, including the corporation.*

43 (c) The agreement shall be adopted, approved, certified and executed

1 by each of the constituent corporations in accordance with the laws under  
2 which it is formed, and, in the case of a Kansas corporation, in the same  
3 manner as provided in K.S.A. 17-6701, and amendments thereto. The  
4 agreement shall be filed and shall become effective for all purposes of  
5 the laws of this state when and as provided in K.S.A. 17-6701, and amend-  
6 ments thereto, with respect to the merger or consolidation of corporations  
7 of this state. In lieu of filing the agreement of merger or consolidation,  
8 the surviving or resulting corporation may file a certificate of merger or  
9 consolidation, executed in accordance with K.S.A. 17-6003, and amend-  
10 ments thereto, which states: (1) The name and ~~state~~ *jurisdiction* of in-  
11 corporation of each of the constituents; (2) that an agreement of merger  
12 or consolidation has been approved, adopted, certified and executed by  
13 each of the constituent corporations in accordance with this section; (3)  
14 the name of the surviving or resulting corporation; (4) in the case of a  
15 merger, such amendments or changes in the articles of incorporation of  
16 the surviving corporation as are desired to be effected by the merger or,  
17 if no such amendments or changes are desired, a statement that the ar-  
18 ticles of incorporation of the surviving corporation shall be its articles of  
19 incorporation; (5) in the case of a consolidation, that the articles of in-  
20 corporation of the resulting corporation shall be as is set forth in an at-  
21 tachment to the certificate; (6) that the executed agreement of consoli-  
22 dation or merger is on file at the principal place of business of the  
23 surviving or resulting corporation and the address thereof; (7) that a copy  
24 of the agreement of consolidation or merger will be furnished by the  
25 surviving or resulting corporation, on request and without cost, to any  
26 stockholder of any constituent corporation; (8) if the corporation surviving  
27 or resulting from the merger or consolidation is to be a corporation of  
28 this state, the authorized capital stock of each constituent corporation  
29 which is not a corporation of this state; and (9) the agreement, if any,  
30 required by subsection (d).

31 (d) If the corporation surviving or resulting from the merger or con-  
32 solidation is to be governed by the laws of the District of Columbia or  
33 any state other than this state, it shall agree that it may be served with  
34 process in this state in any proceeding for enforcement of any obligation  
35 of any constituent corporation of this state, as well as for enforcement of  
36 any obligation of the surviving or resulting corporation arising from the  
37 merger or consolidation, including any suit or other proceeding to enforce  
38 the right of any stockholder as determined in appraisal proceedings pur-  
39 suant to the provisions of K.S.A. 17-6712, and amendments thereto. Such  
40 corporation shall irrevocably appoint the secretary of state as its agent to  
41 accept service of process in any such suit or other proceedings and shall  
42 specify the address to which a copy of such process shall be mailed by  
43 the secretary of state. Service of such process shall be made by personally

1 delivering to and leaving with the secretary of state duplicate copies of  
2 such process. The secretary of state shall forthwith send by registered  
3 mail one of such copies to such surviving or resulting corporation at its  
4 address so specified, unless such surviving or resulting corporation shall  
5 thereafter have designated in writing to the secretary of state a different  
6 address for such purpose, in which case it shall be mailed to the last  
7 address so designated.

8 (e) The provisions of subsection (d) of K.S.A. 17-6701, and amend-  
9 ments thereto, shall apply to any merger or consolidation under this sec-  
10 tion; the provisions of subsection (e) of K.S.A. 17-6701, and amendments  
11 thereto, shall apply to a merger under this section in which the surviving  
12 corporation is a corporation of this state; the provisions of subsection (f)  
13 of K.S.A. 17-6701, and amendments thereto, shall apply to any merger  
14 under this section.

15 Sec. 48. K.S.A. 2001 Supp. 17-6703 is hereby amended to read as  
16 follows: 17-6703. (a) In any case in which at least 90% of the outstanding  
17 shares of each class of the stock of a corporation or corporations is owned  
18 by another corporation and one of such corporations is a corporation of  
19 this state and the other or others are corporations of this state or of any  
20 other state or states or of the District of Columbia and the laws of such  
21 other state or states, or the District of Columbia permit a corporation of  
22 such jurisdiction to merge with a corporation of another jurisdiction, the  
23 corporation having such stock ownership may either merge such other  
24 corporation or corporations into itself and assume all of its or their obli-  
25 gations, or merge itself, or itself and one or more of such other corpo-  
26 rations, into one of such other corporations by executing and filing, in  
27 accordance with K.S.A. 17-6003, and amendments thereto, a certificate  
28 of such ownership and merger setting forth a copy of the resolution of its  
29 board of directors to so merge and the date of the adoption thereof,  
30 except that in case the parent corporation shall not own all the outstanding  
31 stock of all the subsidiary corporations, parties to a merger as provided  
32 in this section, the resolution of the board of directors of the parent  
33 corporation shall state the terms and conditions of the merger, including  
34 the securities, cash, property or rights to be issued, paid, delivered or  
35 granted by the surviving corporation upon surrender of each share of the  
36 subsidiary corporation or corporations not owned by the parent corpo-  
37 ration. *Any of the terms of the resolution of the board of directors to so*  
38 *merge may be made dependent upon facts ascertainable outside of such*  
39 *resolution, provided that the manner in which such facts shall operate*  
40 *upon the terms of the resolution is clearly and expressly set forth in the*  
41 *resolution. The term "facts," as used in the preceding sentence, includes,*  
42 *but is not limited to, the occurrence of any event, including a determi-*  
43 *nation or action by any person or body, including the corporation. If the*

1 parent corporation is not the surviving corporation, the resolution shall  
2 include provision for the pro rata issuance of stock of the surviving cor-  
3 poration to the holders of the stock of the parent corporation on surrender  
4 of any certificates therefor, and the certificate of ownership and merger  
5 shall state that the proposed merger has been approved by a majority of  
6 the outstanding stock of the parent corporation entitled to vote thereon  
7 at a meeting thereof duly called and held after 20 days' notice of the  
8 purpose of the meeting mailed to each such stockholder at the stock-  
9 holder's address as it appears on the records of the corporation, if the  
10 parent corporation is a corporation of this state, or the certificate shall  
11 state that the proposed merger has been adopted, approved, certified and  
12 executed by the parent corporation in accordance with the laws under  
13 which it is organized, if the parent corporation is not a corporation of this  
14 state. If the surviving corporation exists under the laws of the District of  
15 Columbia or any state other than this state, the provisions of subsection  
16 (d) of K.S.A. 17-6702, and amendments thereto, shall also apply to a  
17 merger under this section.

18 (b) If the surviving corporation is a Kansas corporation, it may change  
19 its corporate name by the inclusion of a provision to that effect in the  
20 resolution of merger adopted by the directors of the parent corporation  
21 and set forth in the certificate of ownership and merger, and upon the  
22 effective date of the merger, the name of the corporation shall be  
23 changed.

24 (c) The provisions of subsection (d) of K.S.A. 17-6701, and amend-  
25 ments thereto, shall apply to a merger under this section, and the pro-  
26 visions of subsection (e) of K.S.A. 17-6701, and amendments thereto, shall  
27 apply to a merger under this section in which the surviving corporation  
28 is the subsidiary corporation and is a corporation of this state. References  
29 to "agreement of merger" in subsections (d) and (e) of K.S.A. 17-6701,  
30 and amendments thereto, shall mean, for the purposes of this subsection  
31 (c), the resolution of merger adopted by the board of directors of the  
32 parent corporation. Any merger which effects any changes other than  
33 those authorized by this section or made applicable by this subsection  
34 shall be accomplished under the provisions of K.S.A. 17-6701 or 17-6702,  
35 and amendments thereto. The provisions of K.S.A. 17-6712, and amend-  
36 ments thereto, shall not apply to any merger effected under this section,  
37 except as provided in subsection (d).

38 (d) In the event all of the stock of a subsidiary Kansas corporation  
39 party to a merger effected under this section is not owned by the parent  
40 corporation immediately prior to the merger, the stockholders of the sub-  
41 sidiary Kansas corporation party to the merger shall have appraisal rights  
42 as set forth in K.S.A. 17-6712, and amendments thereto.

43 (e) A merger may be effected under this section although one or

1 more of the corporations party to the merger is a corporation organized  
2 under the laws of a jurisdiction other than one of the United States, if:  
3 (1) The laws of such jurisdiction permit a corporation of such jurisdiction  
4 to merge with a corporation of another jurisdiction; and (2) the surviving  
5 corporation shall be a corporation of this state.

6 Sec. 49. K.S.A. 2001 Supp. 17-6704 is hereby amended to read as  
7 follows: 17-6704. (a) The term “joint-stock association,” as used in this  
8 section, includes any association of the kind commonly known as joint-  
9 stock association or joint-stock company and any unincorporated associ-  
10 ation, trust or enterprise *having members or* having outstanding shares of  
11 stock or other evidences of financial or beneficial interest therein,  
12 whether formed by agreement or under statutory authority or otherwise,  
13 but does not include a corporation, *partnership or limited liability com-*  
14 *pany*. The term “stockholder,” as used in this section, includes every  
15 member of such joint-stock association or holder of a share of stock or  
16 other evidence of financial or beneficial interest therein.

17 (b) Any one or more corporations of this state may merge or consol-  
18 idate with one or more joint-stock associations, except a joint-stock as-  
19 sociation formed under the laws of a state which forbids such merger or  
20 consolidation. Such corporation or corporations and such one or more  
21 joint-stock associations may merge into a single corporation or joint-stock  
22 association, which may be any one of such corporations or joint-stock  
23 associations of this state *or they may consolidate into a new corporation*  
24 *or joint-stock association of this state*, pursuant to an agreement of merger  
25 or consolidation, as the case may be, complying and approved in accord-  
26 ance with this section. The surviving or resulting entity may be organized  
27 for profit or not organized for profit and, if the surviving or resulting  
28 entity is a corporation, it may be a stock corporation or a nonstock  
29 corporation.

30 (c) Each such corporation and joint-stock association shall enter into  
31 a written agreement of merger or consolidation. The agreement shall  
32 state: (1) The terms and conditions of the merger or consolidation; (2)  
33 the mode of carrying the same into effect; (3) the manner of converting  
34 the shares of stock of each stock corporation, the interests of members  
35 of each nonstock corporation, and the shares, memberships or financial  
36 or beneficial interests in each of the joint-stock associations into shares  
37 or other securities of a stock corporation or membership interests of a  
38 nonstock corporation or into shares, memberships, or financial or bene-  
39 ficial interests of the joint-stock association surviving or resulting from  
40 such merger or consolidation, and, if any shares of any such stock cor-  
41 poration, any membership interests of any such nonstock corporation, or  
42 any shares, memberships or financial or beneficial interests in any such  
43 joint-stock association are not to be converted solely into shares or other



1 securities of the stock corporation or membership interest of the nonstock  
2 corporation or into shares, memberships, or financial or beneficial inter-  
3 ests of the joint-stock association surviving or resulting from such merger  
4 or consolidation, the cash, property, rights or securities of any other cor-  
5 poration or entity which the holders of shares of any such stock corpo-  
6 ration, membership interests of any such nonstock corporation, or shares,  
7 memberships or financial or beneficial interests of any such joint-stock  
8 association are to receive in exchange for, or upon conversion of such  
9 shares, membership interest or shares, memberships or financial or ben-  
10 efitial interests, and the surrender of any certificates evidencing them,  
11 which cash, property, rights or securities of any other corporation or entity  
12 may be in addition to or in lieu of shares or other securities of the stock  
13 corporation or membership interests of the nonstock corporation or  
14 shares, memberships, or financial or beneficial interests of the joint-stock  
15 association surviving or resulting from such merger or consolidation; and  
16 (4) such other details or provisions as are deemed desirable, including,  
17 without limiting the generality of the foregoing, a provision for the pay-  
18 ment of cash in lieu of the issuance of fractional shares where the surviv-  
19 ing or resulting entity is a corporation. There shall also be set forth in the  
20 agreement such other matters or provisions as shall then be required to  
21 be set forth in articles of incorporation by the laws of this state and that  
22 can be stated in the case of such merger or consolidation. Any of the  
23 terms of the agreement of merger or consolidation may be made de-  
24 pendent upon facts ascertainable outside of such agreement, provided  
25 that the manner in which such facts shall operate upon the terms of the  
26 agreement is clearly and expressly set forth in the agreement of merger  
27 or consolidation. *The term "facts," as used in the preceding sentence,*  
28 *includes, but is not limited to, the occurrence of any event, including a*  
29 *determination or action by any person or body, including the corporation.*

30 (d) The agreement required by subsection (c) ~~of this section~~ shall be  
31 adopted, approved and executed by each of the corporations in the same  
32 manner as is provided in K.S.A. 17-6701, and amendments thereto, and  
33 in the case of the joint-stock associations in accordance with their articles  
34 of association or other instrument containing the provisions by which they  
35 are organized or regulated or in accordance with the laws of the state  
36 under which they are formed, as the case may be. Where the surviving  
37 or resulting entity is a corporation, the agreement shall be filed and shall  
38 become effective for all purposes of the laws of this state when and as  
39 provided in K.S.A. 17-6701, and amendments thereto, with respect to the  
40 merger or consolidation of corporations of this state. In lieu of filing the  
41 agreement of merger or consolidation, where the surviving or resulting  
42 entity is a corporation, it may file a certificate of merger or consolidation,  
43 executed in accordance with K.S.A. 17-6003, and amendments thereto,

1 which states:

2 (1) The name and state of domicile of each of the constituent entities;

3 (2) that an agreement of merger or consolidation has been approved,  
4 adopted, certified and executed by each of the constituent entities in  
5 accordance with this subsection;

6 (3) the name of the surviving or resulting corporation;

7 (4) in the case of a merger, such amendments or changes in the ar-  
8 ticles of incorporation of the surviving corporation as are desired to be  
9 effected by the merger or, if no such amendments or changes are desired,  
10 a statement that the articles of incorporation of the surviving corporation  
11 shall be its articles of incorporation;

12 (5) in the case of a consolidation, that the articles of incorporation of  
13 the resulting corporation shall be as is set forth in an attachment to the  
14 certificate;

15 (6) that the executed agreement of consolidation or merger is on file  
16 at the principal place of business of the surviving corporation and the  
17 address thereof; and

18 (7) that a copy of the agreement of consolidation or merger will be  
19 furnished by the surviving corporation, on request and without cost, to  
20 any stockholder of any constituent entity.

21 Where the surviving or resulting entity is a joint-stock association, the  
22 agreement shall be filed and shall be effective for all purposes when filed  
23 in accordance with the laws regulating the creation of joint-stock  
24 associations.

25 (e) The provisions of subsections (d) and (e) of K.S.A. 17-6701, 17-  
26 6709 through 17-6712, and 17-7103, and amendments thereto, shall ap-  
27 ply, insofar as they are applicable, to mergers or consolidations between  
28 corporations and joint-stock associations; and the word "corporation"  
29 where applicable, as used in those sections, shall be deemed to include  
30 joint-stock associations as defined in this section. *The second sentence of*  
31 *subsection (c) of K.S.A. 17-6701, and amendments thereto, shall be ap-*  
32 *licable to any merger or consolidation under this section. Where the*  
33 *surviving or resulting entity is a corporation, the personal liability, if any,*  
34 *of any stockholder of a joint-stock association existing at the time of such*  
35 *merger or consolidation shall not be extinguished by such merger or con-*  
36 *solidation, shall remain personal to such stockholder and shall not become*  
37 *the liability of any subsequent transferee of any share of stock in such*  
38 *surviving or resulting corporation or of any other stockholder of such*  
39 *surviving or resulting corporation.*

40 (f) Nothing in this section shall be deemed to authorize the merger  
41 of a charitable nonstock corporation or charitable joint-stock association  
42 into a stock corporation or joint-stock association, if the charitable status  
43 of such nonstock corporation or joint-stock association would thereby be

1 lost or impaired, but a stock corporation or joint-stock association may be  
2 merged into a charitable nonstock corporation or charitable joint-stock  
3 association which shall continue as the surviving corporation or joint-stock  
4 association.

5 (g) A merger of *an* armed forces cooperative insuring association into  
6 *an* armed forces insurance exchange, with *the* armed forces insurance  
7 exchange being the survivor in such merger, shall be a valid merger under  
8 the general corporation code of the state of Kansas upon a filing of the  
9 merger agreement with the secretary of state.

10 Sec. 50. K.S.A. 2001 Supp. 17-6705 is hereby amended to read as  
11 follows: 17-6705. (a) Any two or more nonstock corporations of this state,  
12 whether or not organized for profit, may merge into a single corporation,  
13 which may be any one of the constituent corporations, or they may con-  
14 solidate into a new nonstock, ~~nonprofit~~ corporation, *whether or not or-*  
15 *ganized for profit*, formed by the consolidation, pursuant to an agreement  
16 of merger or consolidation, as the case may be, complying and approved  
17 in accordance with this section.

18 (b) The governing body of each corporation which desires to merge  
19 or consolidate shall adopt a resolution approving an agreement of merger  
20 or consolidation. The agreement shall state: (1) The terms and conditions  
21 of the merger or consolidation; (2) the mode of carrying the same into  
22 effect; (3) such other provisions or facts required or permitted by this act  
23 to be stated in articles of incorporation for nonstock, ~~nonprofit~~ corpora-  
24 tions as can be stated in the case of a merger or consolidation, stated in  
25 such altered form as the circumstances of the case require; (4) the manner  
26 of converting the memberships of each of the constituent corporations  
27 into memberships of the corporation surviving or resulting from the  
28 merger or consolidation; and (5) such other details or provisions as are  
29 deemed desirable. Any of the terms of the agreement of merger or con-  
30 solidation may be made dependent upon facts ascertainable outside of  
31 such agreement, provided that the manner in which such facts shall op-  
32 erate upon the terms of the agreement is clearly and expressly set forth  
33 in the agreement of merger or consolidation. *The term "facts," as used*  
34 *in the preceding sentence, includes, but is not limited to, the occurrence*  
35 *of any event, including a determination or action by any person or body,*  
36 *including the corporation.*

37 (c) The agreement shall be submitted to the members of each con-  
38 stituent corporation who have the right to vote for the election of the  
39 members of the governing body of their corporation, at an annual or  
40 special meeting thereof for the purpose of acting on the agreement. Due  
41 notice of the time, place and purpose of the meeting shall be mailed to  
42 each member of each such corporation who has the right to vote for the  
43 election of the members of the governing body of such corporation, at

1 the member's address as it appears on the records of the corporation, at  
2 least 20 days prior to the date of the meeting. The notice shall contain a  
3 copy of the agreement or a brief summary thereof, as the governing body  
4 shall deem advisable. At the meeting the agreement shall be considered  
5 and a vote by ballot, in person or by proxy, taken for the adoption or  
6 rejection of the agreement, each member who has the right to vote for  
7 the election of the members of the governing body of ~~his~~ *such member's*  
8 corporation being entitled to one vote. If ~~the votes of 2/3 of the total~~  
9 ~~number~~ *a majority of the voting power* of members of each such corpo-  
10 ration who have the voting power above mentioned shall be for the adop-  
11 tion of the agreement or, in the case of a nonstock, nonprofit ~~insurance~~  
12 corporation, other than a nonprofit dental service corporation organized  
13 and operated under the nonprofit dental service corporation act, cited at  
14 K.S.A. 40-19a01 *et seq.*, and amendments thereto, if ~~2/3~~ *a majority* of the  
15 total number of members voting at an annual or special meeting for the  
16 purpose of acting on the agreement vote for the adoption of the agree-  
17 ment, then that fact shall be certified on the agreement by the officer of  
18 each such corporation performing the duties ordinarily performed by the  
19 secretary or assistant secretary of a corporation, ~~under the seal of each~~  
20 ~~such corporation~~. The agreement so adopted and certified shall be exe-  
21 cuted and filed, and shall become effective, in accordance with K.S.A.  
22 17-6003, and amendments thereto. The provisions set forth in the last  
23 sentence of subsection (c) of K.S.A. 17-6701, and amendments thereto,  
24 shall apply to a merger under this section, and the reference to "stock-  
25 holder" shall be deemed to include "member" hereunder.

26 (d) If, under the provisions of the articles of incorporation of any one  
27 or more of the constituent corporations, there shall be no members who  
28 have the right to vote for the election of the members of the governing  
29 body of the corporation other than the members of that body themselves,  
30 the agreement duly entered into as provided in subsection (b) shall be  
31 submitted to the members of the governing body of such corporation or  
32 corporations, at a meeting of such corporation or corporations. Notice of  
33 the meeting shall be mailed to the members of the governing body in the  
34 same manner as is provided in the case of a meeting of the members of  
35 a corporation. If at the meeting  $\frac{2}{3}$  of the total number of members of  
36 the governing body shall vote by ballot, in person, for the adoption of the  
37 agreement, that fact shall be certified on the agreement in the same  
38 manner as is provided in the case of the adoption of the agreement by  
39 the vote of the members of a corporation. The same procedure shall be  
40 followed to consummate the merger or consolidation.

41 (e) The provisions of subsection (e) of K.S.A. 17-6701, and amend-  
42 ments thereto, shall apply to a merger under this section.

43 (f) Nothing in this section shall be deemed to authorize the merger

1 of a charitable nonstock corporation into a nonstock corporation if such  
2 charitable nonstock corporation would thereby have its charitable status  
3 lost or impaired, but a nonstock corporation may be merged into a char-  
4 itable nonstock corporation which shall continue as the surviving  
5 corporation.

6 Sec. 51. K.S.A. 2001 Supp. 17-6706 is hereby amended to read as  
7 follows: 17-6706. (a) Any one or more nonstock corporations of this state  
8 may merge or consolidate with one or more other nonstock corporations  
9 of any other state or states of the United States or of the District of  
10 Columbia, if the laws of such other jurisdiction permit a corporation of  
11 such jurisdiction to merge with a corporation of another jurisdiction. The  
12 constituent corporations may merge into a single corporation, which may  
13 be any one of the constituent corporations, or they may consolidate into  
14 a new nonstock corporation formed by the consolidation, which may be  
15 a corporation of the state of incorporation of any one of the constituent  
16 corporations, pursuant to an agreement of merger or consolidation, as the  
17 case may be, complying and approved in accordance with this section. In  
18 addition, any one or more nonstock corporations organized under the laws  
19 of any jurisdiction other than one of the United States may merge or  
20 consolidate with one or more nonstock corporations of this state if the  
21 surviving or resulting corporation will be a corporation of this state, and  
22 if the laws under which the other corporation or corporations are formed  
23 permit a corporation of such jurisdiction to merge with a corporation of  
24 another jurisdiction.

25 (b) All the constituent corporations shall enter into an agreement of  
26 merger or consolidation. The agreement shall state: (1) The terms and  
27 conditions of the merger or consolidation; (2) the mode of carrying the  
28 same into effect; (3) the manner of converting the memberships of each  
29 of the constituent corporations into memberships of the corporation sur-  
30 viving or resulting from such merger or consolidation; (4) such other  
31 details and provisions as shall be deemed desirable; and (5) such other  
32 provisions or facts as shall then be required to be stated in articles of  
33 incorporation by the laws of the state which are stated in the agreement  
34 to be the laws that shall govern the surviving or resulting corporation and  
35 that can be stated in the case of a merger or consolidation. Any of the  
36 terms of the agreement of merger or consolidation may be made de-  
37 pendent upon facts ascertainable outside of such agreement, if the man-  
38 ner in which such facts shall operate upon the terms of the agreement is  
39 clearly and expressly set forth in the agreement of merger or consolida-  
40 tion. *The term "facts," as used in the preceding sentence, includes, but is*  
41 *not limited to, the occurrence of any event, including a determination or*  
42 *action by any person or body, including the corporation.*

43 (c) The agreement shall be adopted, approved and executed by each

1 of the constituent corporations in accordance with the laws under which  
2 it is formed and, in the case of a Kansas corporation, in the same manner  
3 as is provided in K.S.A. 17-6705, and amendments thereto. The agree-  
4 ment shall be filed and shall become effective for all purposes of the laws  
5 of this state when and as provided in K.S.A. 17-6705, and amendments  
6 thereto, with respect to the merger of nonstock corporations of this state.  
7 Insofar as they may be applicable, the provisions set forth in the last  
8 sentence of subsection (c) of K.S.A. 17-6702, and amendments thereto,  
9 shall apply to a merger under this section, and the reference to “stock-  
10 holder” shall be deemed to include “member” hereunder.

11 (d) If the corporation surviving or resulting from the merger or con-  
12 solidation is to be governed by the laws of any state other than this state,  
13 it shall agree that it may be served with process in this state in any pro-  
14 ceeding for enforcement of any obligation of any constituent corporation  
15 of this state, as well as for enforcement of any obligation of the surviving  
16 or resulting corporation arising from the merger or consolidation, and  
17 shall irrevocably appoint the secretary of state as its agent to accept service  
18 of process in any such suit or other proceedings and shall specify the  
19 address to which a copy of such process shall be mailed by the secretary  
20 of state. Service of such process shall be made by personally delivering  
21 to and leaving with the secretary of state duplicate copies of such process.  
22 The secretary of state shall forthwith send by registered mail one of such  
23 copies to such surviving or resulting corporation at its address specified,  
24 unless such surviving or resulting corporation shall thereafter have des-  
25 ignated in writing to the secretary of state a different address for such  
26 purpose, in which case it shall be mailed to the last address so designated.

27 (e) The provisions of subsection (e) of K.S.A. 17-6701, and amend-  
28 ments thereto, shall apply to a merger under this section, if the corpo-  
29 ration surviving the merger is a corporation of this state.

30 Sec. 52. K.S.A. 2001 Supp. 17-6707 is hereby amended to read as  
31 follows: 17-6707. (a) Any one or more nonstock corporations of this state,  
32 whether or not organized for profit, may merge or consolidate with one  
33 or more stock corporations of this state, whether or not organized for  
34 profit. The constituent corporations may merge into a single corporation,  
35 which may be any one of the constituent corporations, or they may con-  
36 solidate into a new corporation formed by the consolidation, pursuant to  
37 an agreement of merger or consolidation, as the case may be, complying  
38 and approved in accordance with this section. The surviving constituent  
39 corporation or the new corporation may be organized for profit or not  
40 organized for profit and may be a stock corporation or a nonstock  
41 corporation.

42 (b) The board of directors of each stock corporation which desires to  
43 merge or consolidate and the governing body of each nonstock corpora-

1 tion which desires to merge or consolidate shall adopt a resolution ap-  
2 proving an agreement of merger or consolidation. The agreement shall  
3 state: (1) The terms and conditions of the merger or consolidation; (2)  
4 the mode of carrying the same into effect; (3) such other provisions or  
5 facts required or permitted by this act to be stated in articles of incor-  
6 poration as can be stated in the case of a merger or consolidation, stated  
7 in such altered form as the circumstances of the case require; (4) the  
8 manner of converting the shares of stock of a stock corporation and the  
9 interests of the members of a nonstock corporation into shares or other  
10 securities of a stock corporation or membership interests of a nonstock  
11 corporation surviving or resulting from such merger or consolidation, and,  
12 if any shares of any such stock corporation or membership interests of  
13 any such nonstock corporation are not to be converted solely into shares  
14 or other securities of the stock corporation or membership interests of  
15 the nonstock corporation surviving or resulting from such merger or con-  
16 solidation, the cash, property, rights or securities of any other corporation  
17 or entity which the holders of shares of any such stock corporation or  
18 membership interests of any such nonstock corporation are to receive in  
19 exchange for, or upon conversion of such shares or membership interests,  
20 and the surrender of any certificates evidencing them, which cash, prop-  
21 erty, rights, or securities of any other corporation or entity may be in  
22 addition to or in lieu of shares or other securities of any stock corporation  
23 or membership interests of any nonstock corporation surviving or result-  
24 ing from such merger or consolidation; and (5) such other details or pro-  
25 visions as are deemed desirable. In such merger or consolidation, the  
26 interests of members of a constituent nonstock corporation may be  
27 treated in various ways so as to convert such interests into interests of  
28 value, other than shares of stock, in the surviving or resulting stock cor-  
29 poration or into shares of stock in the surviving or resulting stock cor-  
30 poration, voting or nonvoting, or into creditor interests or any other in-  
31 terests of value equivalent to their membership interests in their nonstock  
32 corporation. The voting rights of members of a constituent nonstock cor-  
33 poration need not be considered an element of value in measuring the  
34 reasonable equivalence of the value of the interests received in the sur-  
35 viving or resulting stock corporation by members of a constituent non-  
36 stock corporation, nor need the voting rights of shares of stock in a con-  
37 stituent stock corporation be considered as an element of value in  
38 measuring the reasonable equivalence of the value of the interests in the  
39 surviving or resulting nonstock corporation received by stockholders of a  
40 constituent stock corporation, and the voting or nonvoting shares of a  
41 stock corporation may be converted into voting or nonvoting regular, life,  
42 general, special or other type of membership, however designated, cred-  
43 itor interests or participating interests, in any nonstock corporation sur-

1 living or resulting from such merger or consolidation of a stock corpo-  
2 ration and a nonstock corporation. Any of the terms of the agreement of  
3 merger or consolidation may be made dependent upon facts ascertainable  
4 outside of such agreement, provided that the manner in which such facts  
5 shall operate upon the terms of the agreement is clearly and expressly set  
6 forth in the agreement of merger or consolidation. *The term "facts," as*  
7 *used in the preceding sentence, includes, but is not limited to, the occur-*  
8 *rence of any event, including a determination or action by any person or*  
9 *body, including the corporation.*

10 (c) The agreement required by subsection (b), in the case of each  
11 constituent stock corporation, shall be adopted, approved and executed  
12 by each constituent corporation in the same manner as is provided in  
13 K.S.A. 17-6701, and amendments thereto, and, in the case of each con-  
14 stituent nonstock corporation, shall be adopted, approved and executed  
15 by each of such constituent corporations in the same manner as is pro-  
16 vided in K.S.A. 17-6705, and amendments thereto. The agreement shall  
17 be filed and shall become effective for all purposes of the laws of this  
18 state when and as provided in K.S.A. 17-6701, and amendments thereto,  
19 with respect to the merger of stock corporations of this state. Insofar as  
20 they may be applicable, the provisions set forth in the last sentence of  
21 subsection (c) of K.S.A. 17-6701, and amendments thereto, shall apply to  
22 a merger under this section, and the reference to "stockholder" shall be  
23 deemed to include "member" hereunder.

24 (d) The provisions of subsection (e) of K.S.A. 17-6701, and amend-  
25 ments thereto, shall apply to a merger under this section, if the surviving  
26 corporation is a corporation of this state; the provisions of subsection (d)  
27 of K.S.A. 17-6701, and amendments thereto, shall apply to any constituent  
28 stock corporation participating in a merger or consolidation under this  
29 section; and the provisions of subsection (f) of K.S.A. 17-6701, and  
30 amendments thereto, shall apply to any constituent stock corporation par-  
31 ticipating in a merger under this section.

32 (e) Nothing in this section shall be deemed to authorize the merger  
33 of a charitable nonstock corporation into a stock corporation, if the char-  
34 itable status of such nonstock corporation would thereby be lost or im-  
35 paired. A stock corporation may be merged into a charitable nonstock  
36 corporation which shall continue as the surviving corporation.

37 Sec. 53. K.S.A. 2001 Supp. 17-6712 is hereby amended to read as  
38 follows: 17-6712. (a) When used in this section, the word "stockholder"  
39 means a holder of record of stock in a stock corporation and also a mem-  
40 ber of record of a nonstock corporation; the words "stock" and "share"  
41 mean and include what is ordinarily meant by those words and also mem-  
42 bership or membership interest of a member of a nonstock corporation.

43 ~~(b) The corporation surviving or resulting from any merger or con-~~



1 ~~solidation, within 10 days after the effective date of the merger or con-~~  
2 ~~solidation, shall notify each stockholder of any corporation of this state so~~  
3 ~~merging or consolidating who objected thereto in writing and whose~~  
4 ~~shares either were not entitled to vote or were not voted in favor of the~~  
5 ~~merger or consolidation, and who filed such written objection with the~~  
6 ~~corporation before the taking of the vote on the merger or consolidation,~~  
7 ~~that the merger or consolidation has become effective. If any such stock-~~  
8 ~~holder, within 20 days after the date of mailing of the notice, shall demand~~  
9 ~~in writing, from the corporation surviving or resulting from the merger~~  
10 ~~or consolidation, payment of the value of the stockholder's stock, the~~  
11 ~~surviving or resulting corporation shall pay to the stockholder, within 30~~  
12 ~~days after the expiration of the period of 20 days, the value of the stock-~~  
13 ~~holder's stock on the effective date of the merger or consolidation, exclu-~~  
14 ~~sive of any element of value arising from the expectation or accomplish-~~  
15 ~~ment of the merger or consolidation.~~

16 ~~—(c) If during a period of 30 days following the period of 20 days~~  
17 ~~provided for in subsection (b), the corporation and any such stockholder~~  
18 ~~fail to agree upon the value of such stock, any such stockholder, or the~~  
19 ~~corporation surviving or resulting from the merger or consolidation, may~~  
20 ~~demand a determination of the value of the stock of all such stockholders~~  
21 ~~by an appraiser or appraisers to be appointed by the district court, by~~  
22 ~~filing a petition with the court within four months after the expiration of~~  
23 ~~the thirty-day period.~~

24 ~~—(d) Upon the filing of any such petition by a stockholder, service of~~  
25 ~~a copy thereof shall be made upon the corporation, which shall file with~~  
26 ~~the clerk of such court, within 10 days after such service, a duly verified~~  
27 ~~list containing the names and addresses of all stockholders who have de-~~  
28 ~~manded payment for their shares and with whom agreements as to the~~  
29 ~~value of their shares have not been reached by the corporation. If the~~  
30 ~~petition shall be filed by the corporation, the petition shall be accompa-~~  
31 ~~nied by such duly verified list. The clerk of the court shall give notice of~~  
32 ~~the time and place fixed for the hearing of such petition by registered or~~  
33 ~~certified mail to the corporation and to the stockholders shown upon the~~  
34 ~~list at the addresses therein stated and notice shall also be given by pub-~~  
35 ~~lishing a notice at least once, at least one week before the day of the~~  
36 ~~hearing, in a newspaper of general circulation in the county in which the~~  
37 ~~court is located. The court may direct such additional publication of notice~~  
38 ~~as it deems advisable. The forms of the notices by mail and by publication~~  
39 ~~shall be approved by the court.~~

40 ~~—(e) After the hearing on such petition the court shall determine the~~  
41 ~~stockholders who have complied with the provisions of this section and~~  
42 ~~become entitled to the valuation of and payment for their shares, and~~  
43 ~~shall appoint an appraiser or appraisers to determine such value. Any such~~

1 appraiser may examine any of the books and records of the corporation  
2 or corporations the stock of which such appraiser is charged with the duty  
3 of valuing, and such appraiser shall make a determination of the value of  
4 the shares upon such investigation as seems proper to the appraiser. The  
5 appraiser or appraisers shall also afford a reasonable opportunity to the  
6 parties interested to submit to the appraiser or appraisers pertinent evi-  
7 dence on the value of the shares. The appraiser or appraisers, also, shall  
8 have the powers and authority conferred upon masters by K.S.A. 60-253  
9 and amendments thereto.

10 —(f)—The appraiser or appraisers shall determine the value of the stock  
11 of the stockholders adjudged by the court to be entitled to payment there-  
12 for and shall file a report respecting such value in the office of the clerk  
13 of the court, and notice of the filing of such report shall be given by the  
14 clerk of the court to the parties in interest. Such report shall be subject  
15 to exceptions to be heard before the court both upon the law and facts.  
16 The court by its decree shall determine the value of the stock of the  
17 stockholders entitled to payment therefor and shall direct the payment  
18 of such value, together with interest, if any, as hereinafter provided, to  
19 the stockholders entitled thereto by the surviving or resulting corporation.  
20 Upon payment of the judgment by the surviving or resulting corporation,  
21 the clerk of the district court shall surrender to the corporation the cer-  
22 tificates of shares of stock held by the clerk pursuant to subsection (g).  
23 The decree may be enforced as other judgments of the district court may  
24 be enforced, whether such surviving or resulting corporation be a cor-  
25 poration of this state or of any other state.

26 —(g)—At the time of appointing the appraiser or appraisers, the court  
27 shall require the stockholders who hold certificated shares and who de-  
28 manded payment for their shares to submit their certificates of stock to  
29 the clerk of the court, to be held by the clerk pending the appraisal  
30 proceedings. If any stockholder fails to comply with such direction, the  
31 court shall dismiss the proceedings as to such stockholder.

32 —(h)—The cost of any such appraisal, including a reasonable fee to and  
33 the reasonable expenses of the appraiser, but exclusive of fees of counsel  
34 or of experts retained by any party, shall be determined by the court and  
35 taxed upon the parties to such appraisal or any of them as appears to be  
36 equitable, except that the cost of giving the notice by publication and by  
37 registered or certified mail hereinabove provided for shall be paid by the  
38 corporation. The court, on application of any party in interest, shall de-  
39 termine the amount of interest, if any, to be paid upon the value of the  
40 stock of the stockholders entitled thereto.

41 —(i)—Any stockholder who has demanded payment of the stockholder's  
42 stock as herein provided shall not thereafter be entitled to vote such stock  
43 for any purpose or be entitled to the payment of dividends or other dis-

1 tribution on the stock, except dividends or other distributions payable to  
2 stockholders of record at a date which is prior to the effective date of the  
3 merger or consolidation, unless the appointment of an appraiser or ap-  
4 praisers shall not be applied for within the time herein provided, or the  
5 proceeding be dismissed as to such stockholder, or unless such stock-  
6 holder with the written approval of the corporation shall deliver to the  
7 corporation a written withdrawal of the stockholder's objections to and  
8 an acceptance of the merger or consolidation, in any of which cases the  
9 right of such stockholder to payment for the stockholder's stock shall  
10 cease.

11 — (j) — The shares of the surviving or resulting corporation into which the  
12 shares of such objecting stockholders would have been converted had  
13 they assented to the merger or consolidation shall have the status of au-  
14 thorized and unissued shares of the surviving or resulting corporation.

15 — (k) — This section shall not apply to the shares of any class or series of  
16 a class of stock, which, at the record date fixed to determine the stock-  
17 holders entitled to receive notice of and to vote at the meeting of stock-  
18 holders at which the agreement of merger or consolidation is to be acted  
19 on, were either (1) registered on a national securities exchange or des-  
20 ignated as a national market system security on an interdealer quotation  
21 system by the national association of securities dealers, inc., or (2) held  
22 of record by not less than 2,000 stockholders, unless the articles of in-  
23 corporation of the corporation issuing such stock shall otherwise provide;  
24 nor shall this section apply to any of the shares of stock of the constituent  
25 corporation surviving a merger, if the merger did not require for its ap-  
26 proval the vote of the stockholders of the surviving corporation, as pro-  
27 vided in subsection (f) of K.S.A. 17-6701 and amendments thereto. This  
28 subsection shall not be applicable to the holders of a class or series of a  
29 class of stock of a constituent corporation if under the terms of a merger  
30 of consolidation pursuant to K.S.A. 17-6701 or 17-6702, and amendments  
31 thereto, such holders are required to accept for such stock anything ex-  
32 cept (i) stock or stock and cash in lieu of fractional shares of the corpo-  
33 ration surviving or resulting from such merger or consolidation, or (ii)  
34 stock or stock and cash in lieu of fractional shares of any other corporation,  
35 which at the record date fixed to determine the stockholders entitled to  
36 receive notice of and to vote at the meeting of stockholders at which the  
37 agreement of merger or consolidation is to be acted on, were either reg-  
38 istered on a national securities exchange or held of record by not less  
39 than 2,000 stockholders, or (iii) a combination of stock or stock and cash  
40 in lieu of fractional shares as set forth in (i) and (ii) of this subsection.

41 (b) *Appraisal rights shall be available for the shares of any class or*  
42 *series of stock of a constituent corporation in a merger or consolidation*  
43 *to be effected pursuant to K.S.A. 17-6701, and amendments thereto, (other*

1 than a merger effected pursuant to subsection (g) of K.S.A. 17-6701, and  
2 amendments thereto,) K.S.A. 17-6702, 17-6704, 17-6707, 17-6708 or 17-  
3 7703, and amendments thereto:

4 (1) Provided, however, that no appraisal rights under this section  
5 shall be available for the shares of any class or series of stock, which stock,  
6 or depository receipts in respect thereof, at the record date fixed to de-  
7 termine the stockholders entitled to receive notice of and to vote at the  
8 meeting of stockholders to act upon the agreement of merger or consoli-  
9 dation, were either (A) listed on a national securities exchange or desig-  
10 nated as a national market system security on an interdealer quotation  
11 system by the national association of securities dealers, inc., or (B) held  
12 of record by more than 2,000 holders; and further provided that no ap-  
13 praisal rights shall be available for any shares of stock of the constituent  
14 corporation surviving a merger if the merger did not require for its ap-  
15 proval the vote of the stockholders of the surviving corporation as pro-  
16 vided in subsection (f) of K.S.A. 17-6701, and amendments thereto.

17 (2) Notwithstanding paragraph (1), appraisal rights under this sec-  
18 tion shall be available for the shares of any class or series of stock of a  
19 constituent corporation if the holders thereof are required by the terms  
20 of an agreement of merger or consolidation pursuant to K.S.A. 17-6701,  
21 17-6702, 17-6704, 17-6707, 17-6708 and 17-7703, and amendments  
22 thereto, to accept for such stock anything except:

23 (A) Shares of stock of the corporation surviving or resulting from such  
24 merger or consolidation, or depository receipts in respect thereof;

25 (B) shares of stock of any other corporation, or depository receipts in  
26 respect thereof, which shares of stock, or depository receipts in respect  
27 thereof, or depository receipts at the effective date of the merger or con-  
28 solidation will be either listed on a national securities exchange or desig-  
29 nated as a national market system security on an interdealer quotation  
30 system by the national association of securities dealers, inc. or held of  
31 record by more than 2,000 holders;

32 (C) cash in lieu of fractional shares or fractional depository receipts  
33 described in the foregoing subparagraphs (A) and (B); or

34 (D) any combination of the shares of stock, depository receipts and  
35 cash in lieu of fractional shares or fractional depository receipts described  
36 in the foregoing subparagraphs (A), (B) and (C).

37 (3) In the event all of the stock of a subsidiary Kansas corporation  
38 party to a merger effected under K.S.A. 17-6703, and amendments  
39 thereto, is not owned by the parent corporation immediately prior to the  
40 merger, appraisal rights shall be available for the shares of the subsidiary  
41 Kansas corporation.

42 (c) Any corporation may provide in its certificate of incorporation  
43 that appraisal rights under this section shall be available for the shares

1 of any class or series of its stock as a result of an amendments to its  
2 certificate of incorporation, any merger or consolidation in which the  
3 corporation is a constituent corporation or the sale of all or substantially  
4 all of the assets of the corporation. If the certificate of incorporation con-  
5 tains such a provision, the procedures of this section, including those set  
6 forth in subsections (d) and (e), shall apply as nearly as is practicable.

7 (d) Appraisal rights shall be perfected as follows:

8 (1) If a proposed merger or consolidation for which appraisal rights  
9 are provided under this section is to be submitted for approval at a meet-  
10 ing of stockholders, the corporation, not less than 20 days prior to the  
11 meeting, shall notify each of its stockholders who was such on the record  
12 date for such meeting with respect to shares for which appraisal rights  
13 are available pursuant to subsection (b) or (c) that appraisal rights are  
14 available for any or all of the shares of the constituent corporations, and  
15 shall include in such notice a copy of this section. Each stockholder elect-  
16 ing to demand the appraisal of such stockholder's shares shall deliver to  
17 the corporation, before the taking of the vote on the merger or consoli-  
18 dation, a written demand for appraisal of such stockholder's shares. Such  
19 demand will be sufficient if it reasonably informs the corporation of the  
20 identity of the stockholder and that the stockholder intends thereby to  
21 demand the appraisal of such stockholder's shares. A proxy or vote against  
22 the merger or consolidation shall not constitute such a demand. A stock-  
23 holder electing to take such action must do so by a separate written de-  
24 mand as herein provided. Within 10 days after the effective date of such  
25 merger or consolidation, the surviving or resulting corporation shall notify  
26 each stockholder of each constituent corporation who has complied with  
27 this subsection and has not voted in favor of or consented to the merger  
28 or consolidation of the date that the merger or consolidation has become  
29 effective; or

30 (2) If the merger or consolidation was approved pursuant to K.S.A.  
31 17-6518 or K.S.A. 17-6703, and amendments thereto, then, either a con-  
32 stituent corporation before the effective date of the merger or consolida-  
33 tion, or the surviving or resulting corporation within 10 days thereafter,  
34 shall notify each of the holders of any class or series of stock of such  
35 constituent corporation who are entitled to appraisal rights of the ap-  
36 proval of the merger or consolidation and that appraisal rights are avail-  
37 able for any or all shares of such class or series of stock of such constituent  
38 corporation, and shall include in such notice a copy of this section. Such  
39 notice may, and, if given on or after the effective date of the merger or  
40 consolidation, shall, also notify such stockholders of the effective date of  
41 the merger or consolidation. Any stockholder entitled to appraisal rights  
42 may, within 20 days after the date of mailing of such notice, demand in  
43 writing from the surviving or resulting corporation the appraisal of such

1 holder's shares. Such demand will be sufficient if it reasonably informs  
2 the corporation of the identity of the stockholder and that the stockholder  
3 intends thereby to demand the appraisal of such holder's shares. If such  
4 notice did not notify stockholders of the effective date of the merger or  
5 consolidation, either: (A) each such constituent corporation shall send a  
6 second notice before the effective date of the merger or consolidation no-  
7 tifying each of the holders of any class or series of stock of such constituent  
8 corporation that are entitled to appraisal rights of the effective date of the  
9 merger or consolidation; or (B) the surviving or resulting corporation shall  
10 send such a second notice to all such holders on or within 10 days after  
11 such effective date; provided, however, that if such second notice is sent  
12 more than 20 days following the sending of the first notice, such second  
13 notice need only be sent to each stockholder who is entitled to appraisal  
14 rights and who has demanded appraisal of such holder's shares in ac-  
15 cordance with this subsection. An affidavit of the secretary or assistant  
16 secretary or of the transfer agent of the corporation that is required to  
17 give either notice that such notice has been given shall, in the absence of  
18 fraud, be prima facie evidence of the facts stated therein. For purposes of  
19 determining the stockholders entitled to receive either notice, each con-  
20 stituent corporation may fix, in advance, a record date that shall be not  
21 more than 10 days prior to the date the notice is given, provided, that if  
22 the notice is given on or after the effective date of the merger or consoli-  
23 dation, the record date shall be such effective date. If no record date is  
24 fixed and the notice is given prior to the effective date, the record date  
25 shall be the close of business on the day next preceding the day on which  
26 the notice is given.

27 (e) Within 120 days after the effective date of the merger or consoli-  
28 dation, the surviving or resulting corporation or any stockholder who has  
29 complied with subsections (a) and (d) and who is otherwise entitled to  
30 appraisal rights, may file a petition in the district court demanding a  
31 determination of the value of the stock of all such stockholders. Notwith-  
32 standing the foregoing, at any time within 60 days after the effective date  
33 of the merger or consolidation, any stockholder shall have the right to  
34 withdraw such stockholder's demand for appraisal and to accept the terms  
35 offered upon the merger or consolidation. Within 120 days after the ef-  
36 fective date of the merger or consolidation, any stockholder who has com-  
37 plied with the requirements of subsection (a) and (d), upon written re-  
38 quest, shall be entitled to receive from the corporation surviving the  
39 merger or resulting from the consolidation a statement setting forth the  
40 aggregate number of shares not voted in favor of the merger or consoli-  
41 dation and with respect to which demands for appraisal have been re-  
42 ceived and the aggregate number of holders of such shares. Such written  
43 statement shall be mailed to the stockholder within 10 days after such

1 stockholder's written request for such a statement is received by the sur-  
2 viving or resulting corporation or within 10 days after expiration of the  
3 period for delivery of demands for appraisal under subsection (d), which-  
4 ever is later.

5 (f) Upon the filing of any such petition by a stockholder, service of a  
6 copy thereof shall be made upon the surviving or resulting corporation,  
7 which shall within 20 days after such service file in the office of the clerk  
8 of the court in which the petition was filed a duly verified list containing  
9 the names and addresses of all stockholders who have demanded payment  
10 for their shares and with whom agreements as to the value of their shares  
11 have not been reached by the surviving or resulting corporation. If the  
12 petition shall be filed by the surviving or resulting corporation, the peti-  
13 tion shall be accompanied by such a duly verified list. The clerk of the  
14 court, if so ordered by the court, shall give notice of the time and place  
15 fixed for the hearing of such petition by registered or certified mail to the  
16 surviving or resulting corporation and to the stockholders shown on the  
17 list at the addresses therein stated. Such notice shall also be given by one  
18 or more publications at least one week before the day of the hearing, in  
19 a newspaper of general circulation published in the county in which the  
20 court is located or such publication as the court deems advisable. The  
21 forms of the notices by mail and by publication shall be approved by the  
22 court, and the costs thereof shall be borne by the surviving or resulting  
23 corporation.

24 (g) At the hearing on such petition, the court shall determine the  
25 stockholders who have complied with this section and who have become  
26 entitled to appraisal rights. The court may require the stockholders who  
27 have demanded an appraisal for their shares and who hold stock repre-  
28 sented by certificates to submit their certificates of stock to the clerk of  
29 the court for notation thereon of the pendency of the appraisal proceed-  
30 ings; and if any stockholder fails to comply with such direction, the court  
31 may dismiss the proceedings as to such stockholder.

32 (h) After determining the stockholders entitled to an appraisal, the  
33 court shall appraise the shares, determining their fair value exclusive of  
34 any element of value arising from the accomplishment or expectation of  
35 the merger or consolidation, together with a fair rate of interest, if any,  
36 to be paid upon the amount determined to be the fair value. In determin-  
37 ing such fair value, the court shall take into account all relevant factors.  
38 In determining the fair rate of interest, the court may consider all relevant  
39 factors, including the rate of interest which the surviving or resulting  
40 corporation would have had to pay to borrow money during the pendency  
41 of the proceeding. Upon application by the surviving or resulting corpo-  
42 ration or by any stockholder entitled to participate in the appraisal pro-  
43 ceeding, the court may, in its discretion, permit discovery or other pretrial

1 *proceedings and may proceed to trial upon the appraisal prior to the final*  
2 *determination of the stockholder entitled to an appraisal. Any stockholder*  
3 *whose name appears on the list filed by the surviving or resulting cor-*  
4 *poration pursuant to subsection (f) and who has submitted such stock-*  
5 *holder's certificates of stock to the clerk of the court, if such is required,*  
6 *may participate fully in all proceedings until it is finally determined that*  
7 *such stockholder is not entitled to appraisal rights under this section.*

8 *(i) The court shall direct the payment of the fair value of the shares,*  
9 *together with interest, if any, by the surviving or resulting corporation to*  
10 *the stockholders entitled thereto. Interest may be simple or compound, as*  
11 *the court may direct. Payment shall be so made to each such stockholder,*  
12 *in the case of holders of uncertificated stock forthwith, and the case of*  
13 *holders of shares represented by certificates upon the surrender to the*  
14 *corporation of the certificates representing such stock. The court's decree*  
15 *may be enforced as other decrees in the district court may be enforced,*  
16 *whether such surviving or resulting corporation be a corporation of this*  
17 *state or of any state.*

18 *(j) The costs of the proceeding may be determined by the court and*  
19 *taxed upon the parties as the court deems equitable in the circumstances.*  
20 *Upon application of a stockholder, the court may order all or a portion*  
21 *of the expenses incurred by any stockholder in connection with the ap-*  
22 *praisal proceeding, including, without limitation, reasonable attorney's*  
23 *fees and the fees and expenses of experts, to be charged pro rata against*  
24 *the value of all the shares entitled to an appraisal.*

25 *(k) From and after the effective date of the merger or consolidation,*  
26 *no stockholder who has demanded appraisal rights as provided in sub-*  
27 *section (d) shall be entitled to vote such stock for any purpose or to receive*  
28 *payment of dividends or other distributions on the stock, except dividends*  
29 *or other distributions payable to stockholders of record at a date which*  
30 *is prior to the effective date of the merger or consolidation; provided,*  
31 *however, that if no petition for an appraisal shall be filed within the time*  
32 *provided in subsection (e), or if such stockholder shall deliver to the sur-*  
33 *viving or resulting corporation a written withdrawal of such stockholder's*  
34 *demand for an appraisal and an acceptance of the merger or consolida-*  
35 *tion, either within 60 days after the effective date of the merger or con-*  
36 *solidation as provided in subsection (e) or thereafter with the written*  
37 *approval of the corporation, then the right of such stockholder to an ap-*  
38 *praisal shall cease. Notwithstanding the foregoing, no appraisal proceed-*  
39 *ing in the district court shall be dismissed as to any stockholder without*  
40 *the approval of the court, and such approval may be conditioned upon*  
41 *such terms as the court deems just.*

42 *(l) The shares of the surviving or resulting corporation to which the*  
43 *shares of such objecting stockholders would have been converted had they*



1 *assented to the merger or consolidation shall have the status of authorized*  
2 *and unissued shares of the surviving or resulting corporation.*

3 Sec. 54. K.S.A. 17-6801 is hereby amended to read as follows: 17-  
4 6801. (a) Every corporation at any meeting of its board of directors may  
5 sell, lease or exchange all or substantially all of its property and assets,  
6 including its good will and its corporate franchises, upon such terms and  
7 conditions and for such consideration, which may consist in whole or in  
8 part of money or other property, including shares of stock in, ~~or~~ and/or  
9 other securities of, any other corporation or corporations, as its board of  
10 directors deems expedient and for the best interests of the corporation,  
11 when and as authorized by a resolution adopted by a majority of the  
12 outstanding stock of the corporation entitled to vote thereon or, in the  
13 case of non-stock corporations, by a majority of the members thereof  
14 entitled to vote thereon, at a meeting thereof duly called upon at least  
15 ~~twenty (20)~~ 20 days' notice. The notice of the meeting shall state that  
16 such a resolution will be considered.

17 (b) Notwithstanding authorization or consent to a proposed sale,  
18 lease or exchange of a corporation's property and assets pursuant to sub-  
19 section (a), the board of directors may abandon such proposed sale, lease  
20 or exchange without further action by the stockholders or members, as  
21 the case may be, subject to the rights, if any, of third parties under any  
22 contract relating thereto.

23 Sec. 55. K.S.A. 2001 Supp. 17-6804 is hereby amended to read as  
24 follows: 17-6804. (a) If it is deemed advisable in the judgment of the  
25 board of directors of any corporation that it should be dissolved, the  
26 board, after the adoption of a resolution to that effect by a majority of  
27 the whole board at any meeting called for that purpose, shall give notice  
28 by mail to each stockholder entitled to vote on a dissolution of the adop-  
29 tion of the resolution and of a meeting of stockholders to take action upon  
30 the resolution.

31 (b) At the meeting a vote shall be taken for and against the proposed  
32 dissolution. If a majority of the outstanding stock of the corporation en-  
33 titled to vote votes for the proposed dissolution, a certificate stating that  
34 the dissolution has been authorized in accordance with the provisions of  
35 this section and setting forth the names and residences of the directors  
36 and officers shall be executed and filed in accordance with K.S.A. 17-  
37 6003 and amendments thereto. The secretary of state, upon being satis-  
38 fied that the requirements of this section have been complied with, shall  
39 issue a certificate that the certificate has been filed, and thereupon, the  
40 corporation shall be dissolved.

41 (c) Whenever all the stockholders entitled to vote on a dissolution  
42 shall consent in writing to a dissolution, either in person or by duly au-  
43 thorized attorney, no meeting of directors or stockholders shall be nec-

1 essary, but on filing the consent in the office of the secretary of state in  
2 accordance with K.S.A. 17-6003 and amendments thereto, the secretary  
3 of state, upon being satisfied that the requirements of this section have  
4 been complied with, shall issue a certificate that the consent to dissolution  
5 has been filed, and thereupon the corporation shall be dissolved. In the  
6 event that the consent ~~is~~ signed by an attorney, the original power of  
7 attorney or a photocopy thereof shall be attached to and filed with the  
8 consent. The consent filed with the secretary of state shall have attached  
9 to it the affidavit of the secretary or some other officer of the corporation  
10 stating that the consent has been signed by or on behalf of all the stock-  
11 holders entitled to vote on a dissolution; in addition there shall be at-  
12 tached to the consent a certification by the secretary or some officer of  
13 the corporation setting forth the names and residences of the directors  
14 and officers of the corporation.

15 (d) If the stockholders of a corporation ~~of the state~~, having only two  
16 stockholders, each of which owns 50% of the stock therein, are unable to  
17 agree upon the desirability of dissolving the corporation and disposing of  
18 the corporate assets, either stockholder may file with the district court a  
19 petition stating that it desires to dissolve the corporation and to dispose  
20 of the assets thereof in accordance with a plan to be agreed upon by both  
21 stockholders. Such petition shall have attached thereto a copy of the pro-  
22 posed plan of dissolution and distribution and a certificate stating that  
23 copies of such petition and plan have been transmitted in writing to the  
24 other stockholder and to the directors and officers of such corporation.

25 Unless both stockholders file with the district court: (1) Within three  
26 months of the date of the filing of such petition, a certificate stating that  
27 they have agreed on such plan, or a modification thereof; and (2) within  
28 one year from the date of the filing of such petition, a certificate stating  
29 that the distribution provided by such plan has been completed, the court  
30 may *either*: (A) dissolve such corporation and, by appointment of one or  
31 more ~~trustees or~~ receivers with all the powers and title of a ~~trustee or~~  
32 receiver appointed under K.S.A. 17-6808 and amendments thereto, may  
33 administer and wind up its affairs; (B) *order the redemption of the stock*  
34 *of one of the stockholders on such terms as are just and equitable*; or (C)  
35 *decline to grant any relief*. Either or both of the above periods of time  
36 may be extended by agreement of the stockholders, evidenced by a cer-  
37 tificate filed with the court prior to the expiration of such period.

38 Sec. 56. K.S.A. 17-6805a is hereby amended to read as follows: 17-  
39 6805a. Notwithstanding any provision of law or the articles of incorpo-  
40 ration, the articles of incorporation of each nonprofit corporation that  
41 qualifies otherwise for an exemption under section 501(c)(3) of the in-  
42 ternal revenue code of ~~1954~~ 1986, as amended (26 U.S.C. §501(c)(3)),  
43 shall be considered to contain the following provision:

1 Upon the dissolution of the corporation, the board of directors or gov-  
2 erning body of the corporation, after paying or providing for the payment  
3 of all liabilities of the corporation, shall dispose of all the assets of the  
4 corporation exclusively: (1) In accordance with the purposes of the cor-  
5 poration, in the manner determined by the board of directors or govern-  
6 ing body, or (2) to organizations qualified for exemption under section  
7 501(c)(3) of the internal revenue code of ~~1954~~ 1986, as amended (26  
8 U.S.C.§501(c)(3)), and specified by the board of directors or governing  
9 body. Any assets of the corporation not so disposed of shall be disposed  
10 of by the district court of the county where the principal office of the  
11 corporation is then located, exclusively for the purposes or to the organ-  
12 izations provided above, as determined by the court.

13 Sec. 57. K.S.A. 17-6808 is hereby amended to read as follows: 17-  
14 6808. When any corporation organized under this act shall be dissolved  
15 in any manner whatever, the district court, on application of any creditor,  
16 stockholder or director of the corporation, or any other person who shows  
17 good cause therefor, at any time, either may appoint one or more of the  
18 directors of the corporation ~~to be trustees, or may appoint~~ *and/or* one or  
19 more *other* persons to be receivers, of and for the corporation, to take  
20 charge of the corporation's property, and to collect the debts and property  
21 due and belonging to the corporation, with power to prosecute and de-  
22 fend, in the name of the corporation, or otherwise, all such suits as may  
23 be necessary or proper for the purposes aforesaid, and to appoint an agent  
24 or agents under them, and to do all other acts which might be done by  
25 the corporation, if in being, that may be necessary for the final settlement  
26 of the unfinished business of the corporation. The powers of the ~~trustees~~  
27 ~~or~~ receivers may be continued as long as the court shall think necessary  
28 for the purposes aforesaid.

29 Sec. 58. K.S.A. 17-6810 is hereby amended to read as follows: 17-  
30 6810. ~~The trustees or directors or, if appointed by the district court, the~~  
31 receivers of a dissolved corporation, after payment of all allowances, ex-  
32 penses and costs, and the satisfaction of all special and general liens upon  
33 the funds of the corporation to the extent of their lawful priority, shall  
34 pay the other debts due from the corporation, if the funds in their hands  
35 shall be sufficient therefor, and if not, they shall distribute the same rat-  
36 ably among all the creditors who shall prove their debts in the manner  
37 that shall be directed by an order or decree of the court for that purpose.  
38 If there shall be any balance remaining after the payment of the debts  
39 and necessary expenses, they shall distribute and pay the same to and  
40 among those who shall be justly entitled thereto, as having been stock-  
41 holders of the corporation or their legal representatives.

42 Sec. 59. K.S.A. 17-6811 is hereby amended to read as follows: 17-  
43 6811. If any corporation becomes dissolved in any manner whatever be-

1 fore final judgment is obtained in any action pending or commenced in  
2 any court of this state against the corporation, the action shall not abate  
3 by reason thereof, but the dissolution of the corporation being suggested  
4 upon the record, and the names of the ~~trustees or~~ receivers of the cor-  
5 poration being entered upon the record, and notice thereof served upon  
6 the ~~trustees or~~ receivers, or if such service be impracticable, upon the  
7 counsel of record in such case, the action shall proceed to final judgment  
8 against the ~~trustees or~~ receivers in the name of the corporation.

9 Sec. 60. K.S.A. 17-6902 is hereby amended to read as follows: 17-  
10 6902. (a) ~~Trustees or~~ Receivers appointed by the district court of and for  
11 any corporation, and their respective survivors and successors, upon their  
12 appointment and qualification or upon the death, resignation or discharge  
13 of any ~~co-trustee or~~ co-receiver, shall be vested by operation of law and  
14 without any act or deed with the title of the corporation to all of its  
15 property, real, personal or mixed of whatsoever nature, kind, class or  
16 description, and wheresoever situate, except real estate situated outside  
17 this state.

18 (b) Within ~~twenty (20)~~ 20 days after the date of their qualification,  
19 ~~trustees or~~ receivers appointed by the court shall file in the office of the  
20 register of deeds of each county in this state in which any real estate  
21 belonging to the corporation may be situated, a certified copy of the order  
22 of their appointment and evidence of their qualification.

23 (c) This section shall not apply to receivers appointed *pendente lite*.

24 Sec. 61. K.S.A. 17-6903 is hereby amended to read as follows: 17-  
25 6903. All notices required to be given to stockholders and creditors in  
26 any action in which a receiver ~~or trustee~~ for a corporation was appointed  
27 shall be given by the clerk of the district court or in the manner provided  
28 by any applicable section of the code of civil procedure, unless otherwise  
29 ordered by the district court.

30 Sec. 62. K.S.A. 17-6904 is hereby amended to read as follows: 17-  
31 6904. As soon as convenient, ~~trustees or~~ receivers shall file in the office  
32 of the clerk of the district court of the county in which the proceeding is  
33 pending, a full and complete itemized inventory of all the assets of the  
34 corporation, which shall show their nature and probable value, and an  
35 account of all debts due from and to the corporation, as nearly as the  
36 same can be ascertained. They shall make a report to the court of their  
37 proceedings whenever and as often as the court shall direct.

38 Sec. 63. K.S.A. 17-6905 is hereby amended to read as follows: 17-  
39 6905. All creditors shall make proof under oath of their respective claims  
40 against the corporation and shall cause such proof of claim to be filed in  
41 the office of the clerk of the district court of the county in which the  
42 proceeding is pending within six ~~(6)~~ months from the date of the appoint-  
43 ment of a ~~trustee or~~ receiver for the corporation, or within such other

1 period of time if the court shall so order and direct. All creditors and  
2 claimants failing to do so, within the time limited by this section, or the  
3 time prescribed by the order of the court, may be barred by the court  
4 from participating in the distribution of the assets of the corporation. The  
5 court also may prescribe what notice, by publication or otherwise, shall  
6 be given to the creditors of the time fixed for the filing and making proof  
7 of claims.

8 Sec. 64. K.S.A. 17-6906 is hereby amended to read as follows: 17-  
9 6906. (a) The clerk of the district court, immediately upon the expiration  
10 of the time fixed for the filing of claims, in compliance with the provisions  
11 of K.S.A. 17-6905, *and amendments thereto*, shall notify the ~~trustee or~~  
12 receiver of the filing of the claims, and the ~~trustee or~~ receiver, within  
13 ~~thirty (30)~~ 30 days after receiving the notice, shall inspect the claims, and  
14 if the ~~trustee or~~ receiver or any creditor shall not be satisfied with the  
15 validity or correctness of the same, or any of them, the ~~trustee or~~ receiver  
16 shall forthwith notify the creditors whose claims are disputed of ~~his~~ *such*  
17 decision. The ~~trustee or~~ receiver shall require all creditors whose claims  
18 are disputed to submit themselves to such examination in relation to their  
19 claims as the ~~trustee or~~ receiver shall direct, and the creditors shall pro-  
20 duce such books and papers relating to their claims as shall be required.  
21 The ~~trustee or~~ receiver shall have power to examine, under oath or affir-  
22 mation, all witnesses produced before ~~him~~ *the receiver* touching the  
23 claims, and ~~he~~ shall recommend to the court the allowance or disallow-  
24 ance of the claims, or any part thereof, and notify the claimants of ~~his~~  
25 *such* determination.

26 (b) The court shall approve, disapprove or modify the recommen-  
27 dations of the ~~trustee or~~ receiver and shall cause notice thereof to be  
28 given to the claimants. Within ~~thirty (30)~~ 30 days after receipt of such  
29 notice, any creditor or claimant dissatisfied with the court's determination  
30 shall have the right to a hearing thereon. The court, after hearing, shall  
31 determine the rights of the parties. Any party aggrieved thereby may  
32 appeal to the supreme court as a matter of right from the order or decree  
33 expressing such determination.

34 Sec. 65. K.S.A. 17-6907 is hereby amended to read as follows: 17-  
35 6907. Whenever the property of a corporation is at the time of the ap-  
36 pointment of a receiver ~~or trustee~~ encumbered with liens of any character,  
37 and the validity, extent or legality of any such lien is disputed or brought  
38 in question, and the property of the corporation is of a character which  
39 will deteriorate in value pending the litigation respecting the lien, the  
40 district court may order the receiver or trustee to sell the property of the  
41 corporation, clear of all encumbrances, at public or private sale, for the  
42 best price that can be obtained therefor. The net proceeds arising from  
43 the sale thereof, after deducting the costs of the sale, shall be paid into

1 the court, there to remain subject to the order of the court, and to be  
2 disposed of as the court shall direct.

3 Sec. 66. K.S.A. 17-6908 is hereby amended to read as follows: 17-  
4 6908. The district court, before making distribution of the assets of a  
5 corporation among the creditors or stockholders thereof, shall allow and  
6 pay out of the assets: (1) A reasonable compensation to the receiver ~~or~~  
7 ~~trustee~~ for ~~his~~ *the receiver's* services; (2) the cost and expenses incurred  
8 in and about the execution of ~~his trust~~ *the receivership*, including reason-  
9 able attorneys' fees; and (3) the costs of the proceedings in the court.

10 Sec. 67. K.S.A. 17-6909 is hereby amended to read as follows: 17-  
11 6909. A ~~trustee or~~ receiver, upon application by ~~him~~ *the receiver* in the  
12 court in which any suit is pending, shall be substituted as party plaintiff  
13 in the place of the corporation in any suit or proceeding which was so  
14 pending at the time of ~~his~~ *the receiver's* appointment. No action against  
15 a ~~trustee or~~ receiver of a corporation shall abate by reason of ~~his~~ *the*  
16 *receiver's* death, but, upon suggestion of the facts on the record, shall be  
17 continued against ~~his~~ *the receiver's* successor or against the corporation  
18 in case no new ~~trustee or~~ receiver is appointed.

19 Sec. 68. K.S.A. 17-6910 is hereby amended to read as follows: 17-  
20 6910. Whenever any corporation of this state, or any foreign corporation  
21 doing business in this state, shall become insolvent, the employees doing  
22 labor or service of whatever character in the regular employ of the cor-  
23 poration, shall have a lien upon the assets thereof for the amount of the  
24 wages due to them, not exceeding two ~~(2)~~ months' wages, respectively,  
25 which shall be paid prior to any other debt or debts of the corporation.  
26 The word "employee" as used in this section shall not be construed to  
27 include ~~any of the officers~~ *anyone owning or controlling a majority of the*  
28 *voting stock or voting power* of the corporation.

29 Sec. 69. K.S.A. 17-6911 is hereby amended to read as follows: 17-  
30 6911. The liquidation of the assets and business of an insolvent corpo-  
31 ration may be discontinued at any time during the liquidation proceedings  
32 when it is established that cause for liquidation no longer exists. In such  
33 event the district court in its discretion, and subject to such condition as  
34 it may deem appropriate, may dismiss the proceedings and direct the  
35 receiver ~~or trustee~~ to redeliver to the corporation all of its remaining  
36 property and assets.

37 Sec. 70. K.S.A. 17-7003 is hereby amended to read as follows: 17-  
38 7003. Any corporation desiring to renew, extend and continue its corpo-  
39 rate existence, upon complying with the provisions of K.S.A. 17-7002, *and*  
40 *amendments thereto*, shall be and continue *as a corporation* for the time  
41 stated in its certificate of renewal, ~~a corporation~~; and in addition to the  
42 rights, privileges and immunities conferred by its articles of incorporation,  
43 shall possess and enjoy all the benefits of this act which are applicable to

1 the nature of its business, and shall be subject to the restrictions and  
2 liabilities imposed by this act on such corporations.

3 Sec. 71. K.S.A. 17-7103 is hereby amended to read as follows: 17-  
4 7103. The liability of a corporation of this state, or the stockholders, di-  
5 rectors or officers thereof, or the rights or remedies of the creditors  
6 thereof, or of persons doing or transacting business with the corporation,  
7 shall not in any way be lessened or impaired by the voluntary transfer or  
8 sale of the assets, properties and other rights of the corporation, or by  
9 the increase or decrease in the capital stock of the corporation, or by its  
10 merger or consolidation with one or more corporations, *or other entities*,  
11 or by any change or amendment in its articles of incorporation.

12 Sec. 72. K.S.A. 17-7104 is hereby amended to read as follows: 17-  
13 7104. (a) No domestic or foreign corporation shall be permitted to set up  
14 or rely upon the want of legal organization as a defense to any action  
15 against it; nor shall any person transacting business with such corporation,  
16 or sued for injury done to its property, be permitted to rely upon such  
17 want of legal organization as a defense.

18 (b) This section shall not be construed to prevent judicial ~~injury~~ *in-*  
19 *quiry* into the regularity or validity of the organization of a corporation,  
20 or its lawful possession of any corporate power it may assert in any other  
21 suit or proceeding where its corporate existence or the power to exercise  
22 the corporate rights it asserts is challenged, and evidence tending to sus-  
23 tain the challenge shall be admissible in any such suit or proceeding.

24 Sec. 73. K.S.A. 17-7202 is hereby amended to read as follows: 17-  
25 7202. (a) A close corporation is a corporation organized under this act  
26 whose articles of incorporation contain the provisions required by K.S.A.  
27 17-6002, *and amendments thereto*, and, in addition, provide that:

28 (1) All of the corporation's issued stock of all classes, exclusive of  
29 treasury shares, shall be held of record by not more than a specified  
30 number of persons, not exceeding ~~thirty (30)~~ 35; and

31 (2) All of the issued stock of all classes shall be subject to one or more  
32 of the restrictions on transfer permitted by K.S.A. 17-6426, *and amend-*  
33 *ments thereto*; and

34 (3) The corporation shall make no offering of any of its stock of any  
35 class which would constitute a "public offering" within the meaning of  
36 the United States securities act of 1933, as it may be amended from time  
37 to time.

38 (b) The articles of incorporation of a close corporation may set forth  
39 the qualifications of stockholders, either by specifying classes of persons  
40 who shall be entitled to be holders of record of stock of any class, or by  
41 specifying classes of persons who shall not be entitled to be holders of  
42 stock of any class, or both.

43 (c) For purposes of determining the number of holders of record of

1 the stock of a close corporation, stock which is held in joint or common  
2 tenancy or by the entireties shall be treated as held by one stockholder.

3 Sec. 74. K.S.A. 2001 Supp. 17-7301 is hereby amended to read as  
4 follows: 17-7301. (a) As used in this act, the words "foreign corporation"  
5 mean a corporation organized under the laws of any jurisdiction other  
6 than this state.

7 (b) No foreign corporation shall do any business in this state, through  
8 or by branch offices, agents or representatives located in this state, until  
9 it has filed in the office of the secretary of state of this state an application  
10 for authority to engage in business in this state as a foreign corporation.  
11 Such application shall be filed in accordance with K.S.A. 17-6003 and  
12 amendments thereto and shall ~~set forth~~ include:

13 (1) A certificate issued within ~~90 days~~ *six months* of the date of ap-  
14 plication by the proper officer of the jurisdiction where such corporation  
15 is incorporated attesting to the fact that such corporation is a corporation  
16 in good standing in such jurisdiction;

17 (2) *a statement that the corporation is in good standing in the state*  
18 *of incorporation as of the date the application is signed;*

19 (3) the address of the principal office of the corporation ~~is located;~~  
20 ~~—(3) the address of the principal office or place of business in this state~~  
21 ~~is to be located, if known;~~

22 (4) the full nature and character of the business the corporation pro-  
23 poses to conduct in this state, *including whether the corporation operates*  
24 *for profit or not for profit;*

25 ~~(5) the name and address of each of the officers and trustees or di-~~  
26 ~~rectors of the corporation;~~

27 ~~—(6) a statement as to when the corporate existence of the corporation~~  
28 ~~will expire in the state of incorporation;~~

29 ~~—(7) a detailed statement of the assets and liabilities of the corporation,~~  
30 ~~as of a date not earlier than 12 months prior to the filing date;~~

31 ~~—(8) (5) the location of the registered office of the corporation in this~~  
32 ~~state and the name of its resident agent in charge of the registered office;~~  
33 ~~and for service of process required to be maintained by this act;~~

34 ~~(9) (6) the date on which the corporation commenced, or intends to~~  
35 ~~commence, doing business in this state; and~~

36 (7) *an irrevocable written consent of the foreign corporation that ac-*  
37 *tions may be commenced against it in the proper court of any county*  
38 *where there is proper venue by service of process on the secretary of state*  
39 *as provided for in K.S.A. 60-304, and amendments thereto, and stipulating*  
40 *and agreeing that such service shall be taken and held, in all courts, to be*  
41 *as valid and binding as if due service had been made upon an officer of*  
42 *the corporation.*

43 The application shall be ~~subscribed and sworn to by the president or a~~



1 ~~vice president and the secretary or an assistant secretary of the corpora-~~  
2 ~~tion, and it shall be accompanied by the written consent of the corpora-~~  
3 ~~tion, irrevocable, that actions may be commenced against it in the proper~~  
4 ~~court of any county where there is proper venue by the service of process~~  
5 ~~on the secretary of state as provided for in K.S.A. 17-7307 and amend-~~  
6 ~~ments thereto and stipulating and agreeing that such service shall be taken~~  
7 ~~and held, in all courts, to be as valid and binding as if due service had~~  
8 ~~been made upon the president and secretary of the corporation. Such~~  
9 ~~consent shall be executed by the president or a vice president and the~~  
10 ~~secretary or an assistant secretary of the corporation and shall be accom-~~  
11 ~~panied by a duly certified copy of the order or resolution of the board of~~  
12 ~~directors, trustees or managers of the corporation authorizing the secre-~~  
13 ~~tary or an assistant secretary and the president or a vice president to~~  
14 ~~execute it *executed and filed in accordance with K.S.A. 17-6003, and*~~  
15 ~~*amendments thereto.*~~

16 (c) After receipt of the application and fee, if the secretary of state  
17 finds that it complies with the provisions of this section, the secretary of  
18 state shall ~~file record~~ the original application and ~~certify the duplicate~~  
19 ~~copy return the original, certified~~ in accordance with K.S.A. 17-6003, and  
20 amendments thereto. The certified copy of the application shall be prima  
21 facie evidence of the right of the corporation to do business in this state.  
22 The secretary of state shall not file such application unless:

23 (1) The name of the corporation is such as to distinguish it upon the  
24 records of the office of the secretary of state from the name of ~~each any~~  
25 other corporation, *limited liability company or limited partnership* or-  
26 ganized under the laws of this state or reserved or registered as a foreign  
27 corporation, *limited liability company or limited partnership* under the  
28 laws of this state;

29 (2) the corporation has obtained the written consent of such other  
30 ~~corporation entity~~, which has the same name, ~~for the corporation to do~~  
31 ~~business in this state under such name~~ and such consent has been exe-  
32 cuted and filed with the secretary of state ~~in accordance with K.S.A. 17-~~  
33 ~~6003 and amendments thereto~~; or

34 (3) the corporation indicates, as a means of identification and in its  
35 advertising within this state, the state in which it is incorporated.

36 Sec. 75. K.S.A. 2001 Supp. 17-7302 is hereby amended to read as  
37 follows: 17-7302. (a) Whenever any foreign corporation admitted to do  
38 business in this state is a party to a merger or consolidation with any other  
39 foreign corporation, whether or not admitted to do business in this state,  
40 ~~the resident agent of~~ such foreign corporation shall file with the secretary  
41 of state of this state, within 30 days after the time the merger or consol-  
42 idation becomes effective, a certificate of the proper officer of the juris-  
43 diction under the laws of which the merger or consolidation was effected,

1 attesting to such merger or consolidation and stating:

2 (1) The corporate parties thereto;

3 (2) the time when such merger or consolidation became effective;  
4 and

5 (3) that the resulting or surviving corporation is a corporation in good  
6 standing in such jurisdiction.

7 (b) ~~Upon the written request of any person and the payment of a fee  
8 of \$25, the resident agent of any foreign corporation admitted to do busi-  
9 ness in this state shall furnish such person with a copy of the articles of  
10 incorporation of such corporation which are then in effect, within 30 days  
11 after such request. If the resident agent does not furnish the articles of  
12 incorporation within the prescribed time, the person requesting a copy  
13 thereof may apply to the secretary of state for an order directing the  
14 resident agent to furnish such person with a copy of the articles of incor-  
15 poration within 30 days of the date of the order. Upon such application  
16 being made, the secretary of state shall issue the order, and if the resident  
17 agent fails to comply therewith, the right of such foreign corporation to  
18 do business in this state shall be forfeited.~~

19 ~~—(e) Whenever any foreign corporation admitted to do business in this  
20 state shall amend its articles of incorporation in a manner which affects  
21 any of the information contained on such corporation's application to do  
22 business in Kansas, the resident agent of such corporation shall file with  
23 the secretary of state, within 30 days after the amendment is adopted, a  
24 certificate of the proper officer of the jurisdiction in which such corpo-  
25 ration has been incorporated attesting to such amendment. Any foreign  
26 corporation may amend its original application for authority to do business  
27 in Kansas by *filing a certificate of amendment* certifying that such amend-  
28 ment has been duly adopted, ~~and by executing and filing the same and  
29 executed~~ in accordance with K.S.A. 17-6003 and amendments thereto.~~

30 Sec. 76. K.S.A. 17-7303 is hereby amended to read as follows: 17-  
31 7303. ~~Every foreign corporation that has an office or place of business  
32 within this state, or a distributing point herein, or that delivers its wares  
33 or products to resident agents in this state for sale, delivery or distribution,  
34 shall be held to be doing business in this state within the meaning of this  
35 act.~~ *Provided*, That foreign corporations shall have the right to receive,  
36 take, purchase and hold, by mortgage or otherwise, any securities or liens  
37 executed, given, transferred or intended to represent or secure loans upon  
38 real or personal property situated in this state, and to sell, assign, transfer,  
39 sue upon, foreclose or otherwise enforce the same; and any foreign cor-  
40 poration which engages in Kansas solely and exclusively in the activities  
41 enumerated in this proviso shall not be required to obtain authority under  
42 this act to engage in such activities in this state. *(a) Activities of a foreign  
43 corporation which do not constitute doing business within the meaning*

1 of K.S.A. 17-7301, and amendments thereto, include:

2 (1) Maintaining, defending or settling an action or proceeding;

3 (2) holding meetings or carrying on any other activity concerning its  
4 internal affairs;

5 (3) maintaining bank accounts;

6 (4) maintaining offices or agencies for the transfer, exchange and reg-  
7 istration of the corporation's own securities or maintaining trustees or  
8 depositories with respect to those securities;

9 (5) selling through independent contractors;

10 (6) soliciting or obtaining orders, whether by mail or electronic com-  
11 merce or through employees or agents or otherwise, if the orders require  
12 acceptance outside this state before they become contracts;

13 (7) creating or acquiring indebtedness, mortgages or security interests  
14 in real or personal property;

15 (8) securing or collecting debts or foreclosing mortgages or other se-  
16 curity interests in property securing the debts, and holding, protecting  
17 and maintaining property so acquired;

18 (9) conducting an isolated transaction that is completed within 30  
19 days and is not one in the course of similar transactions of like nature;  
20 and

21 (10) transacting business in interstate commerce.

22 (b) The ownership in this state of income producing real property or  
23 tangible personal property, other than property excluded under subsec-  
24 tion (a), constitutes transacting business in this state.

25 (c) This section does not apply in determining the contacts or activ-  
26 ities that may subject a foreign corporation to service of process, taxation  
27 or regulation under any other law of this state.

28 Sec. 77. K.S.A. 17-7304 is hereby amended to read as follows: 17-  
29 7304. (a) Any foreign corporation, ~~which~~ that has qualified to do business  
30 in this state may change its registered office or resident agent in the  
31 manner prescribed by K.S.A. 17-6203, and amendments thereto.

32 (b) Any individual or corporation designated by a foreign corporation  
33 as its resident agent for service of process may resign pursuant to the  
34 provisions of K.S.A. 17-6205 or 17-6206, and amendments thereto.

35 (c) A resident agent may change the address of the corporation's reg-  
36 istered office in the manner prescribed by K.S.A. 17-6204, and amend-  
37 ments thereto.

38 Sec. 78. K.S.A. 2001 Supp. 17-7306 is hereby amended to read as  
39 follows: 17-7306. (a) Any foreign corporation which shall have qualified  
40 to do business in this state under the provisions of K.S.A. 17-7301, and  
41 amendments thereto, may surrender its authority to do business in this  
42 state and may withdraw therefrom by filing with the secretary of state:

43 (1) A certificate ~~signed by its president or a vice-president and at~~

1 ~~tested by its secretary or an assistant secretary~~ *executed in accordance*  
2 *with K.S.A. 17-6003, and amendments thereto*, stating that it surrenders  
3 its authority to transact business in the state of Kansas and withdraws  
4 therefrom; and stating the address to which the secretary of state may  
5 mail any process against the corporation that may be served upon the  
6 secretary of state; or

7 (2) A copy of a certificate of dissolution issued by the proper official  
8 of the state or other jurisdiction of its incorporation, certified to be a true  
9 copy under the hand and official seal of the official, together with a cer-  
10 tificate, which shall be executed in accordance with ~~paragraph (1) of this~~  
11 ~~subsection~~ *K.S.A. 17-6003, and amendments thereto*, stating the address  
12 to which the secretary of state may mail any process against the corpo-  
13 ration that may be served upon the secretary of state; or

14 (3) A copy of an order or decree of dissolution made by any court of  
15 competent jurisdiction or other competent authority of the state or other  
16 jurisdiction of its incorporation, certified to be a true copy under the hand  
17 of the clerk of the court or other official body, ~~and the official seal of the~~  
18 ~~court or official body or clerk thereof~~, together with a certificate executed  
19 in accordance with ~~paragraph (1) of this subsection~~ *K.S.A. 17-6003, and*  
20 *amendments thereto*, stating the address to which the secretary of state  
21 may mail any process against the corporation that may be served upon  
22 the secretary of state.

23 The documents evidencing the withdrawal may be filed by telefacsimile  
24 communication as prescribed by K.S.A. 17-6003a, and amendments  
25 thereto.

26 (b) ~~The secretary of state~~, Upon payment to the secretary of state of  
27 any required fees, ~~shall file~~ *the secretary of state shall record* the certifi-  
28 cate of withdrawal and ~~certify a duplicate~~ *return the original, certified*  
29 copy, evidencing the surrender of the authority of the corporation to do  
30 business in this state and its withdrawal therefrom.

31 (c) Upon the filing of the certificate by the secretary of state, the  
32 appointment of the resident agent of the corporation in this state, ~~upon~~  
33 ~~whom process against the corporation may be served~~, shall be revoked,  
34 and the corporation shall be deemed to have consented that service of  
35 process in any action, suit or proceeding based upon any cause of action  
36 arising in this state, during the time the corporation was authorized to  
37 transact business in this state, may thereafter be made by service upon  
38 the secretary of state in the manner prescribed by K.S.A. 60-304, and  
39 amendments thereto.

40 Sec. 79. K.S.A. 17-7501 is hereby amended to read as follows: 17-  
41 7501. As used in this act:

42 (a) “Domestic corporation” means any corporation organized under  
43 the laws of this state, irrespective of whether such corporation is organ-

1 ized for profit.

2 (b) “Foreign corporation” means any corporation organized under  
3 the laws of any jurisdiction other than this state.

4 (c) “Articles of incorporation” means the original articles of incor-  
5 poration filed to create a corporation, but such term also includes the  
6 charter, articles of association and any other instrument by whatever name  
7 known under which a corporation has been or may be lawfully formed.

8 (d) “Shareholder’s equity” means the sum of: (1) Paid-in capital stock,  
9 except that paid-in capital stock shall not include any capital stock issued  
10 by a corporation and reacquired by such corporation through gift, pur-  
11 chase or otherwise and available for resale or retirement; (2) capital paid  
12 in, in excess of par; and (3) retained earnings, except that any moneys  
13 which have been allocated and are payable to the members of any cor-  
14 poration which is organized as a cooperative association or society shall  
15 not be included as part of the retained earnings of such corporation for  
16 the purpose of this act; *minus the amount of equity owned in any subsidi-  
17 ary entity reported on the subsidiary entity’s annual report.*

18 (e) “Shareholder’s equity attributable to Kansas” means the share-  
19 holder’s equity of a corporation multiplied by a percentage which is the  
20 average of the following three percentages: (1) The average value of the  
21 corporation’s real and tangible personal property owned or rented and  
22 used in this state during the next preceding tax period divided by the  
23 average total value of the corporation’s real and tangible personal property  
24 owned or rented and used during the next preceding tax period; (2) the  
25 total amount of compensation paid by the corporation in this state during  
26 the next preceding tax period divided by the total amount of compensa-  
27 tion paid everywhere by the corporation during the next preceding tax  
28 period; and (3) the total sales of the corporation in this state during the  
29 next preceding tax period divided by the total sales of the corporation  
30 everywhere during the next preceding tax period. If a corporation has no  
31 property or activity mentioned in one of the above factors, the appropriate  
32 percentage for that factor is 100%.

33 (f) “Tax period” means a corporation’s taxable year under the Kansas  
34 income tax act.

35 (g) “*Subsidiary entity*” means an entity in which a corporation holds  
36 more than 50% equity ownership.

37 Sec. 80. K.S.A. 2001 Supp. 17-7503 is hereby amended to read as  
38 follows: 17-7503. (a) Every domestic corporation organized for profit shall  
39 make an annual report in writing to the secretary of state, stating the  
40 prescribed information concerning the corporation at the close of busi-  
41 ness on the last day of its tax period next preceding the date of filing, but  
42 if a corporation’s tax period is other than the calendar year, it shall give  
43 notice thereof to the secretary of state prior to December 31 of the year

1 it commences such tax period. The reports shall be made on forms pre-  
2 scribed by the secretary of state. The report shall be filed at the time  
3 prescribed by law for filing the corporation's annual Kansas income tax  
4 return, except that if any such corporation shall apply for an extension of  
5 time for filing its annual income tax return under the internal revenue  
6 service or under subsection (c) of K.S.A. 79-3221, and amendments  
7 thereto, such corporation shall also apply, not more than 90 days after  
8 the due date of its annual report, to the secretary of state for an extension  
9 of the time for filing the report and an extension shall be granted for a  
10 period of time corresponding to that granted under the internal revenue  
11 code or K.S.A. 79-3221, and amendments thereto. Such application shall  
12 include a copy of the *extension* application ~~to~~ *filed with the* income tax  
13 authorities. The report shall contain the following information:

- 14 (1) The name of the corporation;
- 15 (2) the location of the principal office;
- 16 (3) the names *and addresses* of the president, secretary, treasurer, *or*  
17 *equivalent thereof*, and members of the board of directors, ~~with the res-~~  
18 ~~idence address of each;~~
- 19 (4) the number of shares of capital stock ~~issued and the amount of~~  
20 ~~capital stock paid up and the par value per share of each class of capital~~  
21 ~~stock having a par value and the number of shares of each class of stock~~  
22 ~~without par value which the corporation is authorized to issue;~~
- 23 (5) *the number of shares of capital stock issued; and*
- 24 ~~(5) (6)~~ (6) the nature and kind of business in which the corporation is  
25 engaged, ~~and~~.
- 26 ~~(6) a list of stockholders owning at least 5% of the capital stock of the~~  
27 ~~corporation, with the post office address of each.~~

28 (b) Every corporation subject to the provisions of this section which  
29 holds agricultural land, as defined in K.S.A. 17-5903, and amendments  
30 thereto, within this state shall show the following additional information  
31 on the report:

- 32 (1) The acreage ~~and location listed by section, range, township~~ and  
33 county of each lot, tract or parcel of agricultural land in this state owned  
34 or leased by or to the corporation;
- 35 (2) the purposes for which such agricultural land is owned or leased  
36 and, if leased, to whom such agricultural land is leased;
- 37 (3) the value of the nonagricultural assets and the agricultural assets,  
38 stated separately, owned and controlled by the corporation both within  
39 and without the state of Kansas and where situated;
- 40 (4) the total number of stockholders of the corporation;
- 41 (5) the number of acres owned or operated by the corporation, the  
42 number of acres leased by the corporation and the number of acres leased  
43 to the corporation;

1 (6) the number of acres of agricultural land, held and reported in  
2 each category under provision (5), state separately, being irrigated; and

3 (7) whether any of the agricultural land held and reported under this  
4 subsection was acquired after July 1, 1981.

5 (c) The report shall be signed by its president, secretary, treasurer or  
6 other officer duly authorized so to act, or by any two of its directors, or  
7 by an incorporator in the event its board of directors shall not have been  
8 elected *executed in accordance with K.S.A. 17-6003, and amendments*  
9 *thereto*. The fact that an individual's name is signed on such report shall  
10 be prima facie evidence that such individual is authorized to sign the  
11 report on behalf of the corporation; however, the official title or position  
12 of the individual signing the report shall be designated. This report ~~will~~  
13 *shall* be dated and subscribed by the person as true, under penalty of  
14 perjury.

15 (d) At the time of filing such annual report it shall be the duty of  
16 each domestic corporation organized for profit to pay to the secretary of  
17 state an annual franchise tax in an amount equal to \$1 for each \$1,000 of  
18 the corporation's shareholder's equity attributable to Kansas, except that  
19 no such tax shall be less than \$20 or more than \$2,500. The amount of  
20 any such franchise tax paid by the corporation to the secretary as provided  
21 by this subsection shall not be disclosed by the secretary.

22 Sec. 81. K.S.A. 2001 Supp. 17-7504 is hereby amended to read as  
23 follows: 17-7504. (a) Every corporation organized not for profit shall make  
24 an annual report in writing to the secretary of state, stating the prescribed  
25 information concerning the corporation at the close of business on the  
26 last day of its tax period next preceding the date of filing, but if a cor-  
27 poration's tax period is other than the calendar year, it shall give notice  
28 thereof to the secretary of state prior to December 31 of the year it  
29 commences such tax period. The reports shall be made on forms pre-  
30 scribed by the secretary of state. The report shall be filed on the 15th day  
31 of the sixth month following the close of the taxable year, except that such  
32 corporation may apply to the secretary of state not more than 90 days  
33 after the due date of its annual report for an extension of the time for  
34 filing the report, and an extension shall be granted for a period of time  
35 corresponding to that granted under the internal revenue code or K.S.A.  
36 79-3221, and amendments thereto. The report shall contain the following  
37 information:

- 38 (1) The name of the corporation;
- 39 (2) the location of the principal office;
- 40 (3) the names *and addresses* of the president, secretary and treasurer,  
41 *or equivalent thereof*, and the members of the ~~board of directors~~, with  
42 ~~the residence address of each governing body~~;
- 43 (4) the number of memberships or the number of shares of capital

1 stock *authorized and issued and the amount of capital stock paid up.*

2 (b) Every corporation subject to the provisions of this section which  
3 holds agricultural land, as defined in K.S.A. 17-5903, and amendments  
4 thereto, within this state shall show the following additional information  
5 on the report:

6 (1) The acreage ~~and location listed by section, range, township~~ and  
7 county of each lot, tract or parcel of agricultural land in this state owned  
8 or leased by or to the corporation;

9 (2) the purposes for which such agricultural land is owned or leased  
10 and, if leased, to whom such agricultural land is leased;

11 (3) the value of the nonagricultural assets and the agricultural assets,  
12 stated separately, owned and controlled by the corporation both within  
13 and without the state of Kansas and where situated;

14 (4) the total number of stockholders *or members* of the corporation;

15 (5) the number of acres owned or operated by the corporation, the  
16 number of acres leased by the corporation and the number of acres leased  
17 to the corporation;

18 (6) the number of acres of agricultural land, held and reported in  
19 each category under paragraph (5) of this subsection (b), stated sepa-  
20 rately, being irrigated; and

21 (7) whether any of the agricultural land held and reported under this  
22 subsection was acquired after July 1, 1981.

23 (c) ~~The report shall be signed by its president, secretary, treasurer or~~  
24 ~~other officer duly authorized so to act, or by any two of its directors, or~~  
25 ~~by an incorporator in the event its board of directors shall not have been~~  
26 ~~elected *executed in accordance with 17-6003, and amendments thereto.*~~

27 The fact that an individual's name is signed on such report shall be prima  
28 facie evidence that such individual is authorized to sign the report on  
29 behalf of the corporation; however, the official title or position of the  
30 individual signing the report shall be designated. This report ~~will~~ *shall* be  
31 dated and subscribed by the person as true, under penalty of perjury.

32 (d) At the time of filing such report, each nonprofit corporation shall  
33 pay an annual privilege fee of \$5, except that the annual fee for tax periods  
34 ending after December 31, 1992, shall be \$20.

35 Sec. 82. K.S.A. 2001 Supp. 17-7505 is hereby amended to read as  
36 follows: 17-7505. (a) Every foreign corporation organized for profit, or  
37 organized under the cooperative type statutes of the state, territory or  
38 foreign country of incorporation, now or hereafter doing business in this  
39 state, and owning or using a part or all of its capital in this state, and  
40 subject to compliance with the laws relating to the admission of foreign  
41 corporations to do business in Kansas, shall make an annual report in  
42 writing to the secretary of state, stating the prescribed information con-  
43 cerning the corporation at the close of business on the last day of its tax



1 period next preceding the date of filing, but if a corporation operates on  
2 a fiscal year other than the calendar year it shall give written notice thereof  
3 to the secretary of state prior to December 31 of the year commencing  
4 such fiscal year. The report shall be made on a form prescribed by the  
5 secretary of state. The report shall be filed at the time prescribed by law  
6 for filing the corporation's annual Kansas income tax return, except that  
7 if any such corporation shall apply for an extension of time for filing its  
8 annual income tax return under the internal revenue service or under  
9 subsection (c) of K.S.A. 79-3221, and amendments thereto, such corpo-  
10 ration shall also apply, not more than 90 days after the due date of its  
11 annual report, to the secretary of state for an extension of the time for  
12 filing the report and an extension shall be granted for a period of time  
13 corresponding to that granted under the internal revenue code or K.S.A.  
14 79-3221, and amendments thereto. Such application shall include a copy  
15 of the *extention* application ~~to~~ *filed with the* income tax authorities. The  
16 report shall contain the following facts:

17 (1) The name of the corporation and under the laws of what state or  
18 country ~~organized it is incorporated;~~

19 (2) the location of its principal office;

20 (3) the names *and addresses* of the president, secretary, treasurer, *or*  
21 *equivalent thereof*, and members of the board of directors, ~~with the res-~~  
22 ~~idence address of each;~~

23 (4) the number of shares of capital stock ~~issued and the amount of~~  
24 ~~capital stock paid up and the par value per share of each class of capital~~  
25 ~~stock having a par value and the number of shares of each class of stock~~  
26 ~~without par value which the corporation is authorized to issue;~~

27 (5) *the number of shares of capital stock issued; and*

28 ~~(5) (6) the nature and kind of business in which the company is en-~~  
29 ~~gaged and its place or places of business both within and without the state~~  
30 ~~of Kansas;~~

31 ~~(6) the value of the property owned and used by the company in~~  
32 ~~Kansas, where situated, and the value of the property owned and used~~  
33 ~~outside of Kansas and where situated, and~~

34 ~~(7) the corporation's shareholder's equity attributable to Kansas.~~

35 (b) Every corporation subject to the provisions of this section which  
36 holds agricultural land, as defined in K.S.A. 17-5903, and amendments  
37 thereto, within this state shall show the following additional information  
38 on the report:

39 (1) The acreage and ~~location listed by section, range, township and~~  
40 ~~county of each lot, tract or parcel of agricultural land in this state owned~~  
41 ~~or leased by or to the corporation;~~

42 (2) the purposes for which such agricultural land is owned or leased  
43 and, if leased, to whom such agricultural land is leased;

1 (3) the value of the nonagricultural assets and the agricultural assets,  
2 stated separately, owned and controlled by the corporation both within  
3 and without the state of Kansas and where situated;

4 (4) the total number of stockholders of the corporation;

5 (5) the number of acres owned or operated by the corporation, the  
6 number of acres leased by the corporation and the number of acres leased  
7 to the corporation;

8 (6) the number of acres of agricultural land, held and reported in  
9 each category under paragraph (5) of this subsection (b), stated sepa-  
10 rately, being irrigated; and

11 (7) whether any of the agricultural land held and reported under this  
12 subsection was acquired after July 1, 1981.

13 (c) The report shall be ~~signed by its president, secretary, treasurer or~~  
14 ~~other officer duly authorized so to act, or by any two of its directors, or~~  
15 ~~by an incorporator in the event its board of directors shall not have been~~  
16 ~~elected~~ *executed in accordance with K.S.A. 17-6003, and amendments*  
17 *thereto.* The fact that an individual's name is signed on such report shall  
18 be prima facie evidence that such individual is authorized to sign the  
19 report on behalf of the corporation; however, the official title or position  
20 of the individual signing the report shall be designated. This report ~~will~~  
21 *shall* be dated and subscribed by the person as true, under penalty of  
22 perjury.

23 (d) At the time of filing its annual report, each such foreign corpora-  
24 tion shall pay to the secretary of state an annual franchise tax in an  
25 amount equal to \$1 for each \$1,000 of the corporation's shareholder's  
26 equity attributable to Kansas, except that no such tax shall be less than  
27 \$20 or more than \$2,500. The amount of any such franchise tax paid by  
28 the foreign corporation to the secretary as provided by this subsection  
29 shall not be disclosed by the secretary.

30 Sec. 83. K.S.A. 2001 Supp. 17-7506 is hereby amended to read as  
31 follows: 17-7506. (a) The secretary of state shall charge each ~~domestic~~  
32 ~~and foreign~~ corporation a fee ~~of \$20~~ *established pursuant to rules and*  
33 *regulations, but not exceeding \$250*, for issuing or filing and indexing ~~any~~  
34 ~~of the corporate documents described below:~~

35 ~~—(1) Restated articles of incorporation; of a for-profit or a foreign cor-~~  
36 ~~poration application.~~

37 (b) *The secretary of state shall charge each corporation a fee estab-*  
38 *lished by rules and regulations, but not exceeding \$50, for articles of*  
39 *incorporation of a nonprofit corporation.*

40 (c) *The secretary of state shall charge each corporation a fee estab-*  
41 *lished by rules and regulations, but not exceeding \$150, for issuing or*  
42 *filing and indexing any of the corporate documents described below:*

43 ~~(2)~~ (1) certificate of extension, restoration, renewal or revival of ar-

- 1 ticles of incorporation;
- 2 ~~(3)~~ (2) certificate of amendment of articles of incorporation, either
- 3 prior to or after payment of capital;
- 4 ~~(4)~~ (3) certificate of designation of preferences;
- 5 ~~(5)~~ (4) certificate of retirement of preferred stock;
- 6 ~~(6)~~ (5) certificate of increase or reduction of capital;
- 7 ~~(7)~~ (6) certificate of dissolution, either prior to or after beginning
- 8 business;
- 9 ~~(8)~~ (7) certificate of revocation of voluntary dissolution;
- 10 ~~(9)~~ (8) certificate of change of location of registered office and resi-
- 11 dent agent;
- 12 ~~(10)~~ (9) agreement of merger or consolidation;
- 13 ~~(11)~~ (10) certificate of ownership and merger;
- 14 ~~(12)~~ (11) certificate of extension, restoration, renewal or revival of a
- 15 certificate of authority of foreign corporation to do business in Kansas;
- 16 ~~(13)~~ (12) change of resident agent *or amendment* by foreign
- 17 corporation;
- 18 ~~(14)~~ (13) certificate of withdrawal of foreign corporation;
- 19 ~~(15)~~ (14) certificate of correction of any of the instruments designated
- 20 in this section;
- 21 ~~(16)~~ (15) reservation of corporate name; ~~and~~
- 22 ~~—(17) any other certificate for which a filing or indexing fee is not~~
- 23 ~~prescribed by law.~~
- 24 (16) *restated articles of incorporation; and*
- 25 (17) *annual report extension.*
- 26 (d) *The secretary of state shall charge each corporation a fee estab-*
- 27 *lished pursuant to rules and regulations but not exceeding \$50 for issuing*
- 28 *certified copies, photocopies, letters of good standing, certificates of good*
- 29 *standing and certificates of fact; and any other certificate or filing for*
- 30 *which a filing or indexing fee is not prescribed by law.*
- 31 ~~(b) Except as hereinafter provided, the~~
- 32 (e) *The secretary of state shall not charge fees for the documents or*
- 33 *services described below:*
- 34 ~~—(1) Certified copies, \$7.50 for each copy certified plus a fee per page~~
- 35 ~~if the secretary of state supplies the copies in an amount fixed by the~~
- 36 ~~secretary of state and approved by the director of accounts and reports~~
- 37 ~~under K.S.A. 45-204, and amendments thereto; the fee for each certifi-~~
- 38 ~~cate of good standing and certificate of fact issued by the secretary of~~
- 39 ~~state shall be \$7.50;~~
- 40 ~~—(2) For a report of record search, \$5, but furnishing the following~~
- 41 ~~information shall not be considered a record search and no charge shall~~
- 42 ~~be made therefor for providing the following information: Name of the~~
- 43 ~~corporation and ; address of its registered office; name and address and~~

1 *the name* of its resident agent; the amount of its authorized capital stock;  
2 the state of its incorporation; date of filing of articles of incorporation,  
3 ~~certificate of good standing~~ *foreign corporation application* or annual re-  
4 port; and date of expiration; and

5 ~~—(3) For photocopies of instruments on file in or prepared by the sec-~~  
6 ~~retary of state's office and which are not certified, a fee per page in an~~  
7 ~~amount fixed by the secretary of state and approved by the director of~~  
8 ~~accounts and reports under K.S.A. 45-204, and amendments thereto.~~

9 (f) *the secretary of state shall prescribe by rules and regulations any*  
10 *fees required by this act.*

11 Sec. 84. K.S.A. 17-7507 is hereby amended to read as follows: 17-  
12 7507. No corporation shall be required to file its first annual report under  
13 this act, or pay any annual franchise tax required to accompany such  
14 report, unless such corporation has filed its articles of incorporation or  
15 ~~certificate of good standing~~ *foreign corporation application* at least six  
16 months prior to the last day of its tax period. If any corporation shall file  
17 with the secretary of state a notice of change in its tax period, and the  
18 next annual report filed by such corporation subsequent to such notice is  
19 based on a tax period of less than 12 months. ~~The,~~ *the* annual tax liability  
20 shall be determined by multiplying the annual franchise tax liability for  
21 such year by a fraction the numerator of which is the number of months,  
22 or any portion thereof, covered by the annual report and the denominator  
23 of which is 12. Notwithstanding the foregoing, the minimum annual fran-  
24 chise tax shall be \$20. This section shall be applicable to all annual reports  
25 filed by corporations with tax periods ending after November 30, 1987.

26 Sec. 85. K.S.A. 2001 Supp. 17-7508 is hereby amended to read as  
27 follows: 17-7508. All taxes paid pursuant to the provisions of this act shall  
28 be rounded off to the nearest \$1, and unless other disposition is specifi-  
29 cally provided by law, the taxes collected under the provisions of this act  
30 and all overpayments which may not be refunded under this section shall  
31 be remitted to the state treasurer in accordance with the provisions of  
32 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
33 remittance, the state treasurer shall deposit the entire amount in the state  
34 treasury to the credit of the state general fund. The secretary of state  
35 shall not refund any overpayment of franchise taxes which is equal to ~~\$1~~  
36 \$5 or less, shall not credit any domestic corporation or foreign corporation  
37 with any amount which may not be refunded under this section, and shall  
38 not require reimbursement for any underpayment of franchise taxes  
39 which is less than ~~\$1~~ \$5. No refund shall be allowed by the secretary of  
40 state after three years from the date prescribed by law for filing the report,  
41 ~~provided it was filed before the due date,~~ *unless a refund is requested*  
42 ~~before the expiration of such period a claim therefor is filed by the tax-~~  
43 ~~payer.~~ If the report was filed after the due date, a refund claim ~~must~~ *shall*

1 be filed not later than three years from the time the report was actually  
2 filed.

3 Sec. 86. K.S.A. 17-7510 is hereby amended to read as follows: 17-  
4 7510. (a) In addition to any other penalties, the failure of any domestic  
5 corporation to file the annual report in accordance with the provisions of  
6 this act or to pay the annual taxes herein provided for within 90 days of  
7 the time for filing and paying the same shall work the forfeiture of the  
8 articles of incorporation of such domestic corporation. Within 60 days  
9 after the date such annual report and taxes are due, the secretary of state,  
10 by mail, shall notify any corporation that has failed to submit such report  
11 and taxes when due that its articles of incorporation shall be forfeited  
12 unless the annual report is filed and the taxes thereon are paid within 90  
13 days from the date such report and taxes were due. Any corporation that  
14 fails to submit such report and taxes within such time shall forfeit its  
15 articles of incorporation, and the secretary of state shall notify the attorney  
16 general that the articles of incorporation of such corporation have been  
17 forfeited.

18 (b) In addition to any other penalties, the failure of any foreign cor-  
19 poration to file the annual report or pay the annual franchise taxes pre-  
20 scribed by this act within 90 days from the time provided for filing and  
21 paying the same shall work a forfeiture of its right or authority to do  
22 business in this state. Within 60 days after the date such annual report  
23 and taxes are due, the secretary of state, by mail, shall notify any corpo-  
24 ration that has failed to submit such report and taxes when due that its  
25 authority to do business in this state shall be forfeited unless the annual  
26 report and taxes thereon are paid within 90 days from the date such report  
27 and taxes were due. Any corporation that fails to submit such report and  
28 taxes within such time shall forfeit its authority to do business in this state,  
29 and the secretary of state shall publish a notice of such forfeiture in the  
30 Kansas register.

31 This section shall not be construed to restrict the state from invoking  
32 any other remedies provided by law.

33 (c) *The secretary of state shall not issue certificates of good standing*  
34 *for any corporation that has failed to pay its franchise taxes.*

35 Sec. 87. K.S.A. 17-7512 is hereby amended to read as follows: 17-  
36 7512. The provisions of this act relating to the filing of annual reports  
37 and the payment of franchise taxes shall not apply to banking, insurance  
38 or savings and loan corporations ~~or associations or to~~, credit unions ~~or~~,  
39 any firemen's relief association under the jurisdiction and supervision of  
40 the insurance commissioner ~~or to~~, Kansas Venture Capital, Inc., or ~~to~~  
41 venture capital companies certified by the secretary of commerce pur-  
42 suant to article 83 of chapter 74 of the Kansas Statutes Annotated and  
43 amendments thereto.

1 Sec. 88. K.S.A. 17-7514 is hereby amended to read as follows: 17-  
2 7514. (a) Whenever any corporation, ~~professional corporation, limited~~  
3 ~~partnership, business trust or other business entity~~ which is required to  
4 file an annual report with the secretary of state ~~in accordance with the~~  
5 ~~provisions of K.S.A. 17-2036, 17-2718, 17-7503, 17-7504, 17-7505, 56-~~  
6 ~~1a606 or 56-1a607, and amendments thereto,~~ shall apply for an extension  
7 of time for filing its annual income tax return from the internal revenue  
8 service, the time for filing the annual report with the secretary of state  
9 shall be extended, correspondingly, upon filing with the secretary of state,  
10 prior to the due date of its annual report, a copy of the application to  
11 income tax authorities. All such copies of applications for extension of the  
12 time for filing income tax returns filed on or after December 31, 1978,  
13 shall be maintained by the secretary of state in a confidential file and shall  
14 not be disclosed to any person except as authorized pursuant to the pro-  
15 visions of K.S.A. 79-3234 and amendments thereto and subsection (c) ~~of~~  
16 ~~this section~~. All copies of such applications shall be preserved for one year  
17 and thereafter until the secretary of state orders that they be destroyed.

18 (b) Except in accordance with subsection (c) ~~of this section~~ or a  
19 proper judicial order, it shall be unlawful for the secretary of state or any  
20 other officer, employee, former officer or former employee of this state  
21 to disclose any information contained in copies of federal extensions of  
22 time to file income tax returns. Nothing in this section shall be deemed  
23 to prohibit the secretary of state or any officer or employee of the office  
24 of secretary of state from issuing any of the corporate documents de-  
25 scribed in K.S.A. 17-7506 and amendments thereto ~~or any document~~  
26 ~~described in K.S.A. 56-1a605 and amendments thereto concerning a limited~~  
27 ~~partnership~~.

28 (c) All copies of such applications shall be open to inspection by or  
29 disclosure to: (1) ~~In the case of a corporation~~ (i) Any person designated  
30 by resolution of the corporation's board of directors or other similar gov-  
31 erning body; (ii) (2) any officer or employee of such corporation upon  
32 written request signed by any principal officer and attested to by the  
33 secretary or other officer; or (iii) (3) any bona fide shareholder of record  
34 owning ~~100 or more shares or 1% or more of the outstanding stock of~~  
35 ~~such corporation;~~ (2) ~~in the case of any limited partnership, any person~~  
36 ~~who was a member of such partnership during any part of the period~~  
37 ~~covered by the extension;~~ (3) ~~in the case of any business trust, any person~~  
38 ~~designated by resolution of the trustees of the business trust; and (4) in~~  
39 ~~the case of a limited liability company, any person who was a member of~~  
40 ~~such company during any part of the period covered by the extension.~~

41 ~~—(d) Any violation of subsection (b) is a class B nonperson~~  
42 ~~misdemeanor.~~

43 Sec. 89. K.S.A. 17-6102, 17-6201, 17-6202, 17-6301, 17-6302, 17-

1 6305, 17-6402, 17-6407, 17-6410, 17-6412, 17-6417, 17-6418, 17-6420,  
2 17-6422, 17-6423, 17-6424, 17-6425, 17-6426, 17-6501, 17-6503, 17-  
3 6504, 17-6505, 17-6506, 17-6507, 17-6508, 17-6509, 17-6510, 17-6511,  
4 17-6512, 17-6513, 17-6514, 17-6517, 17-6518, 17-6519, 17-6520, 17-  
5 6604, 17-6801, 17-6805a, 17-6808, 17-6810, 17-6811, 17-6902, 17-6903,  
6 17-6904, 17-6905, 17-6906, 17-6907, 17-6908, 17-6909, 17-6910, 17-  
7 6911, 17-7003, 17-7103, 17-7104, 17-7202, 17-7303, 17-7304, 17-7501,  
8 17-7507, 17-7510, 17-7512, 17-7513 and 17-7514 and K.S.A. 2001 Supp.  
9 17-6002, 17-6003, 17-6205, 17-6206, 17-6401, 17-6502, 17-6605, 17-  
10 6701, 17-6702, 17-6703, 17-6704, 17-6705, 17-6706, 17-6707, 17-6712,  
11 17-6804, 17-7301, 17-7302, 17-7306, 17-7502, 17-7503, 17-7504, 17-  
12 7505, 17-7506 and 17-7508 are hereby repealed.

13 Sec. 90. This act shall take effect and be in force from and after its  
14 publication in the statute book.

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