

TABLE OF CONTENTS

Chapter 1	How to Use This Work—Summary of Terms, Abbreviations and Conventions	1-1
§ 1-1.	General	1-1
§ 1-2.	Defined Terms and Abbreviations	1-1
§ 1-3.	Unique Aspects of Missouri Law	1-2
§ 1-4.	Presentation of Forms and Comments	1-2
§ 1-5.	Use of Bold Face Type for Alternative or Optional Provisions	1-2
§ 1-6.	For-Profit Business Corporations Generally Are Assumed	1-3
§ 1-7.	Legal Descriptions Are Summaries	1-3
§ 1-8.	Default Provisions	1-3
§ 1-9.	Language Style	1-4
§ 1-10.	Limitations on the Use of Forms	1-4
§ 1-11.	Professional Responsibility; Identifying the Client	1-5
§ 1-11A.	Representation of a Corporation and Employee Jointly in Litigation	1-6
§ 1-12.	Lawyer Serving as a Director on a Client’s Board	1-6.1
§ 1-13.	Lawyer as Shareholder	1-8
§ 1-14.	Additional Information Available	1-9
Chapter 2	The Forms—Suggestions for Their Use, Our Drafting Approach and a Philosophy for Drafting Agreements	2-1
§ 2-1.	General	2-1
§ 2-2.	Representative Form Presented	2-1
§ 2-3.	A Caution on the Use of Forms	2-1
§ 2-4.	A Philosophy for Drafting Agreements	2-2
§ 2-5.	Modular Forms	2-4
§ 2-6.	Drafting Technique—Overdrafting	2-4
§ 2-7.	Drafting Perspective	2-4
§ 2-8.	Agreement Forms—Sequence of Provisions	2-5
§ 2-9.	Agreement Forms—Defined Terms	2-5
§ 2-10.	Agreement Forms—Schedules and Exhibits	2-5
§ 2-11.	Presentation of Numbers	2-6
§ 2-12.	Execution of Documents by Corporations	2-6
§ 2-13.	Cross References to Sections “Hereof”	2-6
§ 2-14.	References to Statutes “As Amended”	2-7
§ 2-15.	Recitals	2-7
§ 2-16.	Availability of Other Forms and Samples	2-9
§ 2-17.	Implied Obligations of Good Faith in Performing Agreements	2-9
Chapter 3	An Overview of the G&BCL	3-1
§ 3-1.	Introduction	3-1
§ 3-2.	Capital, Surplus and Shareholders	3-1
§ 3-3.	Directors, Officers and Agents	3-2
§ 3-4.	Suits Against Directors, Officers and Agents	3-2
§ 3-5.	Takeover Defenses	3-3
§ 3-6.	Mergers, Consolidations, Stock Sales and Sales of Substantially All Corporate Assets	3-3

§ 3-7.	Dissolution	3-4
§ 3-7A.	Conversions to a Different Entity	3-4
§ 3-8.	Close Corporations	3-4
§ 3-9.	Nonprofit Corporations	3-4
§ 3-10.	Limited Liability Companies	3-4
Chapter 4	Secretary of State and Other Official Forms and Filing Procedures	4-1
§ 4-1.	Secretary of State and Other Official Forms and Filing Procedures	4-1
§ 4-2.	Secretary of State Forms	4-1
§ 4-3.	Availability of Official Forms from the Secretary of State	4-1
§ 4-4.	Filings with the Secretary of State	4-4
§ 4-5.	Secretary of State's Business Hours	4-4
§ 4-6.	Filing Fees	4-4
§ 4-7.	Addresses	4-4
§ 4-8.	Changes of Registered Office	4-4
	Form 4-1. Statement of Change of Registered Agent and/or Registered Office	4-5
	Form 4-2. Statement of Change of Business Office of Registered Agent	4-6
§ 4-9.	Other Official Forms	4-7
Chapter 5	The Incorporation Process	5-1
§ 5-1.	Introduction	5-1
§ 5-2.	The Incorporator	5-1
§ 5-3.	Corporate Name	5-1
§ 5-4.	Reservation of Corporate Name and Fictitious Name	5-1
§ 5-4A.	Protection of Name	5-2
	Form 5-1. Application for Reservation of Name	5-3
	Form 5-2. Registration of Fictitious Name	5-4
	Form 5-3. Cancellation of Registration of Fictitious Name	5-5
§ 5-5.	Execution	5-7
§ 5-6.	Incorporation Tax	5-7
§ 5-7.	Commencement of Corporate Existence: Date of Filing	5-7
§ 5-8.	Additional Filings	5-7
§ 5-9.	Organizational Consent of Incorporator	5-8
	Form 5-4. Consent by Incorporator	5-8
§ 5-10.	Organizational Consent of the Directors	5-8
	Form 5-5. Organizational Consent of the Board of Directors	5-9
§ 5-11.	Collecting Information	5-13
	Form 5-6. Incorporation Information	5-13
Chapter 6	Articles of Incorporation	6-1
§ 6-1.	Introduction	6-1
§ 6-2.	Required Provisions	6-1
§ 6-3.	Optional Provisions	6-2
§ 6-4.	Unique Requirements of Professional Corporations	6-4
§ 6-5.	Suggested Forms of Articles of Incorporation	6-4
	Form 6-A. Articles of Incorporation	6-4.1
	Form 6-1. Articles of Incorporation of a For Profit Corporation	6-5
	Form 6-2. Articles of Incorporation of a Professional Corporation	6-11

Chapter 7	Amendment of Articles of Incorporation	7-1
§ 7-1.	Introduction	7-1
§ 7-2.	Procedure for a Corporation That Has Not Received Payment for Shares	7-1
	Form 7-1. Certificate of Amendment That Has Not Received Payment for Shares	7-2
§ 7-3.	Procedure for a Corporation That Has Received Payment for Shares	7-3
	Form 7-2. Amendment of Articles of Incorporation for a General Business or Close Corporation	7-4
§ 7-4.	Statutory Voting Rights	7-6
§ 7-5.	When Amendment Becomes Effective	7-6
§ 7-6.	Statement of Correction	7-6
	Form 7-3. Statement of Correction	7-7
§ 7-7.	Restatement of Articles of Incorporation	7-8
Chapter 8	Capital Stock Generally and Common Stock Provisions	8-1
§ 8-1.	Introduction	8-1
§ 8-2.	Consideration for Issuance	8-1
§ 8-3.	Par Value	8-1
§ 8-4.	Treasury Shares	8-2
§ 8-5.	Authorized Capital Stock	8-2
§ 8-6.	Default Provisions and Other G&BCL Provisions That May Be Modified	8-2
§ 8-7.	Unique and Unusual Alternatives Available	8-2
§ 8-8.	Disparate Treatment of Certain Persons—Capped and Time Weighted Voting	8-2.1
§ 8-9.	Undesignated Shares	8-2.1
	Form 8-1. Authorization of Shares Without Regard to Class	8-3
§ 8-10.	Creating a Class or Series by the Board	8-3
	Form 8-2. Certificate of Designation	8-3
§ 8-11.	Classes of Common Stock	8-5
	Form 8-3. Two Classes of Common Stock	8-5
	Form 8-4. Two Classes of Common Stock with Different Voting Rights: One Vote per Share for the Common and Ten Votes for the Class A Common	8-6
§ 8-12.	Authorizing Common and Preferred Classes	8-10
	Form 8-5. Authorizing Common and Voting Preferred Stock	8-10
§ 8-13.	Tracking, Alphabet, Notional or Letter Stock	8-10
§ 8-14.	Publicly Available Descriptions of Tracking Stock	8-11
§ 8-15.	Description of Ralston Purina Tracking Stock	8-12
§ 8-16.	Description of AT&T's Tracking Stocks	8-13
§ 8-17.	Eliminating Cumulative Voting	8-15
	Form 8-6. Eliminating Cumulative Voting	8-15
§ 8-18.	Creating Preemptive Rights	8-15
§ 8-18A.	Issues Affecting Preemptive Rights	8-15
	Form 8-7. Creating Preemptive Rights—Elaborate Provision	8-16.1
§ 8-19.	Increasing Shareholder Vote Required to a Majority Entitled to Vote or a Stated Percentage (Not a Majority of Votes Cast)	8-16.3
	Form 8-8. Increasing Shareholder Vote Required to a Majority Entitled to Vote or a Stated Percentage (Not a Majority of Votes Cast)	8-17
§ 8-20.	Shareholders' Right to Mandatory Dividends and Redemption	8-17
	Form 8-9. Shareholders' Right to Mandatory Dividends and Redemption	8-17
	Form 8-10. Shareholders' Right to Mandatory Dividends: Alternative Provision	8-18

§ 8-21.	Authorizing Stock Dividends and Splits	8-18
	Form 8-11. Authorizing Stock Dividends and Splits	8-18
§ 8-22.	Variable Voting Rights	8-18
	Form 8-12. Variable Voting Rights	8-18
§ 8-23.	Common Stock with Voting Rights in Limited Circumstances	8-18
	Form 8-13. Common Stock with Voting Rights in Limited Circumstances	8-19
§ 8-24.	“Equity Shares” That May Have Attributes of Either a Junior Preferred Stock or a Common Stock	8-19
	Form 8-14. “Equity Shares” That May Have Attributes of Either a Junior Preferred Stock or a Common Stock	8-20
§ 8-25.	Allocating Directors to Various Classes of Stock	8-20
	Form 8-15. Allocating Directors to Various Classes of Stock	8-20
§ 8-26.	Capped Voting Rights Limiting Total Votes of a Single Shareholder or Group	8-21
	Form 8-16. Capped Voting Rights Limiting Total Votes of a Single Shareholder or Group	8-21
§ 8-27.	Time Weighted Voting Varying Votes per Share with Shareholder’s Holding Period	8-21
	Form 8-17. Time Weighted Voting Varying Votes per Share with Shareholder’s Holding Period	8-21
§ 8-28.	Limiting Voting Rights of a Single Shareholder or Group: A More Elaborate Provision	8-22
	Form 8-18. Limiting Voting Rights of a Single Shareholder or Group: A More Elaborate Provision	8-22
§ 8-29.	Prohibition on Reissuing Acquired Shares	8-27
	Form 8-19. Prohibition on Reissuing Acquired Shares	8-27
§ 8-30.	Restoring Acquired Shares to the Status of Authorized but Unissued	8-27
	Form 8-20. Restoring Acquired Shares to the Status of Authorized but Unissued	8-28
§ 8-31.	Restricting Transfer of Shares to Certain Persons	8-28
	Form 8-21. Restricting Transfer of Shares to Certain Persons	8-28
§ 8-32.	Prohibiting Transfers of Shares by Certain Transferors to Persons Who Do Not Waive the Right to Receive Financial Statements	8-28
	Form 8-22. Prohibiting Transfers of Shares by Certain Transferors to Persons Who Do Not Waive the Right to Receive Financial Statements	8-29
§ 8-33.	Prohibiting Acquired Shares from Being Treated as Authorized but Unissued	8-29
	Form 8-23. Prohibiting Acquired Shares from Being Treated as Authorized but Unissued	8-29
§ 8-34.	Voting by Redeemable Shares Called for Redemption	8-29
	Form 8-24. Voting by Redeemable Shares Called for Redemption	8-29
§ 8-35.	Non- <i>Pro Rata</i> Redemption	8-30
	Form 8-25. Non-<i>Pro Rata</i> Redemption	8-30
§ 8-36.	Clarifying Entitlement to Vote of Street Name Holders Without Instructions from Beneficial Owners	8-30
	Form 8-26. Clarifying Entitlement to Vote of Street Name Holders Without Instructions from Beneficial Owners	8-30
§ 8-37.	Distributions among the Shareholders of Multiple Classes	8-31
	Form 8-27. Provision on Distributions among the Shareholders of Multiple Classes	8-31
§ 8-38.	Two Classes of Common Stock, One Initially with No Vote, Dividends or Distribution in Liquidation. The Junior Stock Converts to the Other Class When an Earnings Test Is Met	8-32

Form 8-28.	Two Classes of Common Stock, One Initially with No Vote, Dividends or Distribution in Liquidation. The Junior Stock Converts to the Other Class when an Earnings Test Is Met	8-32
Chapter 9	Preferred Stock Provisions	9-1
§ 9-1.	Preferred Stock Generally	9-1
§ 9-2.	Enforceable Rights to Dividends, Redemptions and Other Distributions	9-1
§ 9-3.	Preferred Stock Features	9-2
§ 9-4.	“Blank Check” Preferred Stock	9-4
§ 9-4A.	Rights of Preferred Shareholders Generally	9-4.1
Form 9-1.	Authorization for Common and Blank Check Preferred Stock	9-4.2
Form 9-2.	Authorization of Blank Check Preferred—A More Elaborate Provision	9-5
§ 9-5.	Sample Provisions in Articles Relating to Preferred Stock	9-6
Form 9-3.	Preferred Stock Dividend Preference	9-6
Form 9-4.	Simple Preferred Stock Dividend Preference—Alternative Form	9-7
Form 9-5.	Cumulative Dividend Preference with Interest on Arrearage and No Participation in Excess of the Preferential Dividend	9-7
Form 9-6.	Dividend Preference That Cumulates Only During One Year, but Not Thereafter (With an Alternative for Partial Cumulation from Prior Years)	9-8
Form 9-7.	Payment of a Partial Dividend Concurrently with Payment on a Class of Equal Rank	9-9
Form 9-8.	Dividend Arrearage Bearing a Floating Interest Rate	9-9
Form 9-9.	Preferred Stock with a Floating Rate Dividend for One Class During an Initial Period and a Fixed Rate on Multiple Classes Thereafter	9-10
Form 9-10.	Simple Preferred Stock Liquidation Preference	9-11
Form 9-11.	Liquidation Preference—Alternative Provision with Further Participation	9-11
Form 9-12.	Liquidation Preferences of Senior and Two Junior Classes of Preferred Stock	9-12
Form 9-13.	Optional Redemption of Preferred Stock	9-13
Form 9-14.	Optional and Mandatory Redemption Provisions with Two Classes of Preferred Stock Subject to Mandatory Redemption on Different Schedules	9-13
Form 9-15.	Right to Elect Directors on a Dividend Default	9-15
Form 9-15A.	Application of Escrow to Liquidating Distribution Preferences	9-16
Form 9-16.	Sinking Fund Provision	9-17
Form 9-17.	Automatic Conversion on a Public Offering	9-17
Form 9-18.	Automatic Conversion When Number of Outstanding Shares Is Reduced	9-18
Form 9-18A.	Payment of a Partial Dividend Concurrently with Payment on a Class of Equal Rank	9-18
Form 9-19.	Treatment of Mergers, <i>etc.</i> , for Purpose of a Liquidation Preference	9-18
Form 9-20.	Rights of Preferred Stock in a Merger	9-18.1
Form 9-21.	Treatment of Non-Cash Distributions	9-18.2
Form 9-22.	Restrictions on Corporation Actions	9-19
Form 9-23.	Action Requiring Approval of Preferred Shareholders	9-21
Form 9-24.	Treating Preferred Classes Ratably on Liquidation Defaults	9-21
Form 9-25.	Convertible Preferred Stock with a Mandatory Redemption Provision, No Dividend Preference, Voting and Dividend Rights Equal to the Underlying Common Stock into Which the Shares Are Convertible and Automatic Conversion on a Public Offering	9-21
Form 9-26.	Convertible Preferred Stock with Non-Cumulative Dividends, Participation in Liquidation and Special Voting Rights when Dividends Are in Default	9-32

Form 9-27.	Preferred Stock with Dividends Payable in Kind, Convertible into Common at a Fixed Rate (Subject to Antidilution Adjustments), Exchangeable into Common at the Then Current Market Price, Redeemable for Cash or Notes, Increased Dividends on Defaults and a Change of Control Provision	9-39
Form 9-28.	Preferred Stock with a Liquidation Preference, a Cumulative Preferred Dividend, the Shareholder’s Right to Require Repurchase and Special Provisions Mandated by Regulations Applicable to the Corporation as a Securities and Commodities Broker-Dealer	9-62
Form 9-29.	Voting Rights of Preferred Shareholders	9-64
Form 9-30.	Rights of Preferred Shareholders on Default	9-65
Form 9-31.	Limitation on the Number of Common Shares Issuable on Conversion (“Cap” and “Blocker” Provisions)	9-65
Form 9-32.	Limitation of Preferred Shareholder Rights Generally	9-69
Chapter 10	Share Certificates and Uncertificated Shares	10-1
§ 10-1.	Introduction	10-1
§ 10-2.	Contents and Form of a Share Certificate	10-1
§ 10-3.	Execution	10-2
§ 10-4.	Notation of Restrictions	10-2
§ 10-5.	Uncertificated Shares	10-2
§ 10-6.	Notice to Holders of Uncertificated Shares of Close Corporation	10-3
§ 10-7.	Fractional Shares or Scrip	10-3
§ 10-8.	Shares That Are Not Fully Paid	10-3
§ 10-9.	Transfer Agents and Registrars	10-4
§ 10-10.	Form of Stock Certificate	10-4
Form 10-1.	Face of Stock Certificate	10-5
Form 10-2.	Rear of Stock Certificate	10-6
Form 10-3.	Legend for Stock Certificate Respecting Restrictions on Transfer	10-7
Form 10-4.	Legend for Stock Certificate Relating to Classes and Series of Shares as Contemplated by R.S.Mo. § 351.180	10-7
Form 10-5.	Legend for Stock Certificate Respecting Restrictions on Transferability under Terms of Stock Issuance Made in Accordance with Securities Law Exemptions	10-7
Form 10-6.	Legend Required by Missouri Securities Act: R.S.Mo. § 409.301	10-8
§ 10-11.	Transfer of Share Certificates	10-8
Form 10-7.	Stock Transfer Power	10-8
Form 10-8.	Stock/Bond Transfer Power	10-9
§ 10-12.	Lost, Stolen or Destroyed Share Certificates	10-9
Form 10-9.	Affidavit of Lost Certificate	10-10
§ 10-13.	Security Interests in Shares	10-11
Chapter 11	Bylaws	11-1
§ 11-1.	Introduction	11-1
§ 11-2.	Adoption of Bylaws	11-1
§ 11-3.	Persons Bound	11-1
§ 11-4.	Content of the Bylaws	11-2
§ 11-5.	Amendment and Repeal of Bylaws	11-3
§ 11-5A.	Bylaws Functioning as Shareholder Agreements	11-4
§ 11-5B.	Forum Selection Bylaws Provisions	11-4
§ 11-5C.	Fee Shifting Bylaw Provisions	11-4.2
§ 11-6.	Form Bylaws	11-4.3

Form 11-1.	Bylaws for a For-Profit Ch. 351 Corporation	11-4.4
Form 11-2.	Bylaws for a Not-for-Profit Ch. 355 Corporation with Members	11-12.2
Form 11-3.	Bylaws for a Not-for-Profit Ch. 355 Corporation without Members	11-21
Form 11-4.	Bylaws for a Professional Ch. 356 Corporation	11-26
Chapter 12	The Board of Directors and Officers	12-1
§ 12-1.	General	12-1
§ 12-2.	Default Provisions and Other G&BCL Provisions That May Be Relaxed, Restricted or Modified	12-1
§ 12-3.	Number of Directors	12-1
§ 12-4.	Qualifications	12-2
§ 12-4A.	Independence	12-2
§ 12-5.	Term of Office	12-2.1
§ 12-6.	Election of Directors	12-2.1
§ 12-7.	Vacancies	12-2.2
§ 12-8.	Classified Board with Staggered Terms	12-2.2
§ 12-8A.	Constituency Directors	12-3
§ 12-8B.	Lead Directors	12-4
§ 12-9.	Board Meetings—Notice	12-4
§ 12-10.	Waiver of Notice of Board Meetings	12-4.1
§ 12-11.	Place of Board Meetings	12-4.1
§ 12-12.	Meetings of Directors—Quorum and Actions Taken	12-4.1
§ 12-13.	Attendance at Board Meetings by Conference Telephone	12-4.1
§ 12-14.	Action by Unanimous Written Consent in Lieu of a Meeting	12-4.2
§ 12-14A.	Executive Sessions	12-4.2
§ 12-14B.	Notation of Dissent	12-4.4
§ 12-15.	Removal of Directors	12-4.4
§ 12-16.	Compensation of Directors	12-4.4
§ 12-16A.	Codes of Conduct	12-4.4
§ 12-17.	Committees	12-4.5
	Form 12-1. Creation of an Executive Committee	12-4.5
	Form 12-2. Creation of a Compensation Committee	12-4.6
	Form 12-3. Creation of a Nominating Committee	12-4.6
§ 12-17A.	Committee Independence	12-5
§ 12-17B.	Compensation Committees	12-6
§ 12-18.	Audit Committees	12-6
§ 12-18A.	Advisory Board	12-8
§ 12-18B.	Form 12-4. Creation of an Advisory Board	12-8.1
§ 12-18C.	Form 12-5. Charter of an Advisory Board	12-8.1
§ 12-19.	Transactions with Interested Directors or Officers	12-8.4
§ 12-20.	Duty of Care	12-8.6
§ 12-21.	Duty of Loyalty	12-9
§ 12-22.	Justifiable Reliance by Directors	12-10.1
§ 12-23.	Personal Liability of Directors for Declaring Dividends	12-11
§ 12-23A.	Corporate Compliance and Best Practices	12-11
§ 12-24.	Officers—Required Officers	12-12.1
§ 12-24A.	Officers—Other Officer Positions	12-12.1
§ 12-25.	Officers’ Authority	12-13
§ 12-25A.	Chairman of the Board	12-13
§ 12-26.	Officers—Removal	12-14
§ 12-27.	Indemnification in Third Party Actions	12-14

§ 12-28.	Corporate Governance Practices	12-14
§ 12-29.	Board Practices	12-14.3
§ 12-30.	Liability for Individual Action or Inaction	12-16
§ 12-31.	Share Ownership by Directors	12-16
§ 12-32.	Sarbanes-Oxley Act of 2002 (“SOX”)	12-16
§ 12-32A.	Executive Compensation Disclosures	12-19
§ 12-33.	Obligations to Creditors	12-24
§ 12-34.	Indemnification in Derivative and Corporate Actions	12-29
§ 12-35.	Mandatory Indemnification of Expenses	12-30
§ 12-36.	Procedure for Effecting Indemnification	12-30
§ 12-37.	Advancing Expenses	12-30

Chapter 13 Shareholder Matters 13-1

§ 13-1.	General	13-1
§ 13-2.	Dividends and Distributions to Shareholders	13-1
§ 13-3.	Mandatory Dividends, Redemptions and Other Distributions	13-2
§ 13-4.	Voting Rights of Shareholders	13-2
§ 13-5.	Exceptions to Shareholder Notice Requirements	13-3
§ 13-6.	Right of Inspection	13-3
	Form 13-1. Shareholders’ Demand for Inspection	13-5
§ 13-7.	Unanimous Shareholder Consent Eliminates the Need for Board Approval	13-7
§ 13-8.	Treatment of All Shares Not Required to Be Equal	13-7
§ 13-9.	Dissolution or Appointment of Custodian of Corporation on Deadlock	13-7
§ 13-10.	Shareholder Services	13-7
§ 13-11.	Majority Shareholder Obligations to the Minority	13-7

Chapter 14 Meetings of Shareholders 14-1

§ 14-1.	General	14-1
§ 14-2.	Regular Shareholders’ Meetings—Time	14-2
§ 14-3.	Special Shareholders’ Meetings—Time	14-2
§ 14-4.	Shareholders’ Meetings—Adjournments and Postponements	14-2
§ 14-5.	Shareholders’ Meetings—Place	14-2.1
§ 14-6.	Action by Written Consent in Lieu of a Meeting	14-2.2
§ 14-7.	Shareholders’ Meetings—Notices Generally	14-2.2
§ 14-8.	Shareholders’ Meeting—Notice Contents	14-3
	Form 14-1. Notice of Shareholders’ Meeting	14-3
§ 14-9.	Method of Giving of Notice of Shareholders’ Meetings	14-4
§ 14-10.	Waiver of Notice of Shareholders’ Meetings	14-4
§ 14-11.	Fixing the Record Date	14-5
§ 14-12.	Determination of Shareholders of Record When a Record Date Is Not Fixed	14-5
§ 14-13.	Quorum for Meetings and Shareholder Vote Requirements	14-5
§ 14-13A.	Voting and Other Rights of Shares Held in Street Name	14-6
§ 14-14.	Attendance at Shareholders’ Meetings by Conference Telephone and the Internet	14-6.2
§ 14-15.	Attendance at Shareholders’ Meetings Generally	14-6.2
§ 14-16.	Proxies	14-6.2
§ 14-17.	Execution and Filing of Proxies	14-7
§ 14-18.	Revocation and Duration of Proxies	14-7
§ 14-19.	Proxies Coupled with an Interest	14-7

TABLE OF CONTENTS

§ 14-20.	Form of General Proxy for a Private Corporation Not Related to a Specific Meeting	14-7
	Form 14-2. Private Corporation Proxy Not Related to Specific Meeting or Purpose	14-8
§ 14-21.	Form of Proxy for a Private Corporation for a Specific Meeting	14-8
	Form 14-3. Private Corporation Proxy for a Specific Meeting	14-9
§ 14-22.	Form of Proxy Solicited under SEC Proxy Rules	14-10
	Form 14-4. Proxy Covered by the Proxy Rules	14-10
§ 14-23.	Inspectors of Elections	14-11
§ 14-24.	Voting Rights Generally	14-12
§ 14-25.	Cumulative Voting	14-12
§ 14-26.	Need for Ballots	14-13
§ 14-27.	Election of Directors	14-13
§ 14-28.	Nomination of Candidates and Proposal of Actions by Shareholders	14-13
§ 14-28A.	Advance Notice of Shareholder Nominations and Proposals	14-13
§ 14-29.	Exceptions to Default Provisions on Voting	14-14.1
§ 14-30.	Voting Lists	14-14.2
§ 14-31.	Voting by Corporate Shareholders	14-14.2
§ 14-32.	Voting of Controlled Shares	14-14.2
§ 14-33.	Voting by Fiduciaries and Pledges	14-14.2
§ 14-34.	Voting by Joint Holders of Shares	14-15
§ 14-35.	Voting of Redeemable Shares	14-15
§ 14-36.	Solicitation of Votes—Expenses	14-15
§ 14-36A.	Streamlining Meetings and Reducing Expenses	14-15
§ 14-36B.	Conduct of Meeting and Presiding Officer	14-16
§ 14-37.	Routine Annual Meetings of Shareholders and Organizational Meetings of Directors	14-16
	Form 14-5. Annual Meeting of Shareholders	14-16
	Form 14-6. Organizational Meeting of Directors	14-16
§ 14-38.	Forms Included	14-16.1
	Form 14-7. Checklist for Annual Meeting of Shareholders	14-17
	Form 14-8. Letter Regarding Bogus Proxy Mailing Services	14-19
	Form 14-9. Board Resolutions Regarding Annual Meeting	14-20
	Form 14-10. Letter to Transfer Agent	14-22
	Form 14-11. Script for Annual Meeting	14-23
	Form 14-12. Meeting Sign-in Sheet for Persons Other than Shareholders or Proxies	14-27
	Form 14-13. Meeting Sign-in Sheet for Shareholders or Proxies	14-28
	Form 14-14. Affidavit—List of Shareholders	14-29
	Form 14-15. Oath of Inspector of Election	14-30
	Form 14-16. Ballot for Shareholders’ Meeting	14-31
	Form 14-17. Inspector of Election Report	14-32
	Form 14-18. Waiver of Notice of Meeting	14-33
	Form 14-19. Certificate of Mailing of Materials for Meeting	14-34
	Form 14-20. Q and A for Shareholders Describing Proxy Material and Annual Meeting	14-35
Chapter 15	Minutes and Resolutions	15-1
§ 15-1.	General	15-1
§ 15-2.	A Philosophy about Minutes	15-1
§ 15-3.	Circumstances Calling for Detailed Minutes	15-2
§ 15-4.	Consistency	15-2
§ 15-5.	Coverage of Minutes	15-3
§ 15-6.	Sensitive or Confidential Matters	15-3

§ 15-7.	Retention of Notes	15-4
§ 15-8.	Who Takes the Minutes	15-4
§ 15-9.	Signing of Minutes	15-5
§ 15-10.	Distribution and Approval	15-5
§ 15-11.	Recording Individual Actions	15-5
§ 15-12.	Form of Recording Actions	15-6
§ 15-13.	Committee Meeting	15-6
§ 15-14.	Attachments and Back-up Material	15-6
§ 15-15.	Retention	15-7
§ 15-16.	Retrieval of Information	15-7
§ 15-17.	Additional Information	15-7
§ 15-18.	Written Consent Forms	15-7
§ 15-19.	Written Consents to Be Filed with Minutes	15-7
§ 15-20.	Resolution Forms	15-8
	Form 15-1. Unanimous Consent of Directors	15-8
	Form 15-2. Action by Unanimous Written Consent of Shareholders in Lieu of a Meeting	15-9
	Form 15-3. Joint Action by Written Consent of Shareholders and Directors	15-10
§ 15-21.	Change of Registered Office	15-10
	Form 15-4. Change of Registered Office	15-11
§ 15-22.	Stock Dividends and Splits	15-11
	Form 15-5. Stock Split	15-12
	Form 15-6. Stock Dividend	15-13
§ 15-23.	Reverse Splits or Combinations	15-14
§ 15-23A.	Eliminating Small Shareholders and Going Private through a Reverse Split	15-15
	Form 15-7. Reverse Stock Split or Combination	15-16
	Form 15-7A. Letter Announcing Stock Split	15-16
	Form 15-8. Articles Amendment for a Combination of Shares	15-16.1
§ 15-24.	General Grant of Authority	15-17
	Form 15-9. General Grant of Authority	15-17
§ 15-25.	Officer's Certificate Relating to Minutes	15-17
	Form 15-10. Officer's Certificate Relating to Minutes	15-18
§ 15-26.	Ratification	15-18
	Form 15-11. Ratification of Previous Actions	15-18
Chapter 16	Dissolution	16-1
§ 16-1.	General	16-1
§ 16-2.	Dissolution of a Corporation That Has Not Commenced Business	16-1
	Form 16-1. Resolution to Dissolve Affidavit	16-2
§ 16-3.	Adoption of Dissolution Proposal	16-3
	Form 16-2. Resolutions to Be Adopted by Directors to Dissolve and Liquidate a Missouri Corporation	16-3
	Form 16-3. Resolutions to Be Adopted by Shareholders to Dissolve and Liquidate a Missouri Corporation	16-4
§ 16-4.	Articles of Dissolution	16-4
§ 16-5.	Contents of Articles of Dissolution	16-4
	Form 16-4. Articles of Dissolution by Voluntary Action	16-5
§ 16-6.	Liquidation and Wind Up of Business	16-6
§ 16-7.	Disposition of Known Claims	16-7
	Form 16-5. Notice of Dissolution to Be Mailed to Known Claimants, Creditors and Certain Others	16-7

TABLE OF CONTENTS

§ 16-8.	Disposition of Unknown Claims	16-8
	Form 16-6. Notice of Dissolution of Corporation to Be Published	16-9
§ 16-9.	Request for Termination	16-10
	Form 16-7. Request for Termination	16-11
§ 16-10.	Revocation of Voluntary Dissolution	16-12.2
	Form 16-8. Statement of Revocation of Voluntary Dissolution	16-12.2
§ 16-11.	Dissolution upon Application of the Attorney General	16-14
§ 16-12.	Dissolution upon Application of a Shareholder	16-14
§ 16-13.	Dissolution upon Application of a Creditor	16-14
§ 16-14.	Administrative Dissolution	16-14
§ 16-15.	Reinstatement Following Administrative Dissolution	16-15
	Form 16-9. Request for Tax Clearance	16-16
§ 16-16.	Liquidating Assignment of Assets and Assumption of Liabilities	16-18
	Form 16-10. Liquidating Assignment of Assets and Assumption of Liabilities	16-18
§ 16-17.	Receivership or Custodianship	16-19
§ 16-18.	Deposit with State Treasurer	16-19
§ 16-19.	IRS Form 966	16-19
§ 16-20.	Survival of Rights and Remedies	16-19
Chapter 17	Foreign Corporations	17-1
§ 17-1.	Foreign Corporations Generally	17-1
§ 17-2.	Qualification to Do Business in Missouri	17-1
	Form 17-1. Application for a Certificate of Authority for Foreign For-Profit Corporation	17-3
	Form 17-2. Application for an Amended Certificate of Authority for a Foreign Corporation	17-4
§ 17-3.	Activities Not Constituting Doing Business in Missouri	17-5
§ 17-4.	Consequences of Failure to Qualify as Required	17-6
§ 17-5.	Revocation of Certificate of Authority	17-6
§ 17-4.	Withdrawal of Foreign Corporation	17-8
	Form 17-3. Application for Certificate of Withdrawal of Foreign Corporation	17-9
§ 17-7.	Merger of Foreign Corporation Authorized to Do Business in Missouri	17-12
Chapter 18	Nonprofit Corporations	18-1
§ 18-1.	Introduction	18-1
§ 18-2.	Purposes	18-2
§ 18-2A.	Similarities to the G&BCL	18-2
§ 18-3.	The Incorporation Process	18-2.1
	Form 18-1. Articles of Incorporation of a Nonprofit Corporation	18-3
	Form 18-2. Articles of Incorporation with 501(c)(3) Provisions	18-8
	Form 18-3. IRS Sample Articles of Incorporation of an IRC §501(c)(3) Corporation	18-10.2
	Form 18-3A. Suggested Statements for Nonprofit Corporations Seeking Federal Tax Exemption	18-10.5
	Form 18-3B. Action of Sole Incorporator	18-10.6
	Form 18-3C. Statement of Unanimous Consent to Action Taken in Lieu of a Meeting of the Board of Directors	18-10.7
§ 18-4.	Federal Income Tax Exemptions	18-10.13
§ 18-5.	Form 990-Compliant Policies	18-10.15
	Form 18-4. Compensation Policy	18-11
	Form 18-5. Whistleblower Policy	18-12
	Form 18-6. Record Retention Policy	18-14

	Form 18-7. Travel and Other Expense Reimbursement Policy	18-18
	Form 18-8. Gift Acceptance Policy	18-24
	Form 18-9. Joint Venture Policy	18-33
§ 18-6.	Missouri Income Tax Exemptions	18-35
§ 18-7.	Missouri Sales and Use Tax Exemptions	18-36
	Form 18-9A. Project Exemption Certificate for Exempt Entity Construction	18-36.2
§ 18-8.	Missouri Real Property Tax Exemptions	18-37
	Form 18-10. Real Property Tax Exemption Application	18-38
§ 18-9.	Powers	18-40
§ 18-10.	Bylaws	18-41
§ 18-11.	Board of Directors	18-41
§ 18-11A.	Required Officers	18-41
§ 18-11B.	Immunity from Liability	18-41
§ 18-11C.	Indemnification	18-42
§ 18-12.	Members	18-42
§ 18-13.	Liability of Members	18-42
§ 18-14.	Transferability of Membership	18-42
	Form 18-10A. Membership Certificate	18-42.1
§ 18-15.	Expulsion, Suspension or Termination of Membership	18-42.2
§ 18-16.	Surrender of Membership	18-42.2
§ 18-17.	Annual Reports	18-42.2
§ 18-18.	Foreign Nonprofit Corporations	18-42.2
	Form 18-11. Application for Certificate of Authority of a Foreign Nonprofit Corporation	18-43
§ 18-19.	Forms Prescribed by the Secretary of State	18-44
§ 18-20.	Policies on Conflicts of Interest and Interested Party Transactions	18-44
	Form 18-12. Conflict of Interest Policy	18-45
	Form 18-12A. Conflicts of Interest and Documentation Policy	18-45
	Form 18-13. Bylaw Dealing with Interested Party Transactions	18-49
	Form 18-14. Policies Adopted by Interested Party Transaction Committee	18-51
	Form 18-15. Conflict of Interest Policy	18-53
§ 18-21.	Uniform Prudent Management of Institutional Funds Act	18-56
Chapter 19	Statutory Close Corporations	19-1
§ 19-1.	Application of Law	19-1
§ 19-2.	Definition, Election of Status and Articles	19-1
	Form 19-1. Articles of Incorporation for Close Corporation	19-2
§ 19-3.	Notice of Status on Issued Shares	19-4
§ 19-4.	Share Transfer Prohibition	19-4
§ 19-5.	Share Transfer after First Refusal by Corporation	19-5
§ 19-6.	Attempted Share Transfer in Breach of Prohibition	19-5
§ 19-7.	Compulsory Purchase of Shares after Death of Shareholder	19-6
§ 19-8.	Exercise of Compulsory Purchase Right	19-6
§ 19-9.	Court Action to Compel Purchase	19-7
§ 19-10.	Shareholder Agreements	19-7
§ 19-11.	Elimination of Board of Directors	19-7
§ 19-12.	Bylaws	19-8
§ 19-13.	Annual Meeting	19-8
§ 19-14.	Execution of Documents in More Than One Capacity	19-8
§ 19-15.	Limited Liability	19-8
§ 19-16.	Merger—Share Exchange—Sale of Assets	19-8

TABLE OF CONTENTS

§ 19-17.	Termination of Close Corporation Status	19-8
§ 19-18.	Effect of Termination of Close Corporation Status	19-9
§ 19-19.	Shareholder Option to Dissolve Corporation	19-9
§ 19-20.	Court Action to Protect Shareholders	19-9
§ 19-21.	Ordinary Relief.	19-10
§ 19-22.	Extraordinary Relief—Share Purchase	19-10
§ 19-23.	Extraordinary Relief—Dissolution	19-10
§ 19-24.	Definitions	19-10
§ 19-25.	Grounds for Shareholder Dissent	19-11
§ 19-26.	Rights of Partial Dissenter	19-11
§ 19-27.	Meeting Notice to State Shareholder May Be Entitled to Assert Dissenters’ Rights	19-11
§ 19-28.	Written Notice of Intent to Demand Payment for Shares	19-12
§ 19-29.	Written Dissenters’ Notice—Contents	19-12
§ 19-30.	Shareholder to Demand Payment and Deposit Certificates	19-12
§ 19-31.	Restricted Transfer of Uncertificated Shares	19-12
§ 19-32.	Payment for Fair Value of Shares	19-13
§ 19-33.	Time Period—Release of Transfer Restrictions	19-13
§ 19-34.	Withholding of Payment from Dissenter—Grounds	19-13
§ 19-35.	Right to Demand Payment—Notification of Fair Value	19-13
§ 19-36.	Proceeding to Determine Fair Value of Shares	19-13
§ 19-37.	Participation in Administrative Proceedings	19-14
Chapter 20 Execution of Corporate Documents		20-1
§ 20-1.	Execution of Documents Submitted to the Secretary of State	20-1
§ 20-2.	Execution of Corporate Documents Generally	20-1
§ 20-3.	Stock Certificate, Authorized Signatures	20-1
§ 20-4.	Private or Public Corporations May Convey Real Estate	20-2
§ 20-5.	Corporate Seal	20-2
§ 20-6.	Execution of Corporate Documents by Foreign and Nonprofit Corporations	20-2
§ 20-6A.	Electronic Execution	20-2
§ 20-7.	Verification	20-4
	Form 20-1. Verification	20-5
§ 20-8.	Forms for Execution	20-6
	Form 20-2. Execution of a One Party Document Not under Seal	20-6
	Form 20-3. Execution of a One Party Document Not under Seal by Two Signatories	20-6
	Form 20-4. Execution of a Multiparty Document Not under Seal	20-7
	Form 20-5. Execution of a One Party Document under Seal	20-8
	Form 20-6. Execution of a Multiparty Document under Seal	20-9
Chapter 21 Letters of Intent		21-1
§ 21-1.	Letters of Intent—Generally	21-1
§ 21-2.	Reasons to Use a Letter of Intent	21-1
§ 21-3.	Reasons Not to Use a Letter of Intent	21-2
§ 21-4.	Cases on Letters of Intent	21-3
§ 21-5.	Form of Letter of Intent	21-4.2
	Form 21-1. Letter of Intent	21-4.2
Chapter 22 Confidentiality Agreements		22-1
§ 22-1.	Introduction	22-1

§ 22-2.	Description of Information Covered by the Agreement	22-1
§ 22-3.	Exceptions to Confidentiality Requirements	22-2
§ 22-4.	Restrictions on Use of Information	22-3
§ 22-5.	Return or Destruction of Data	22-4
§ 22-5A.	Problems with Electronic Data	22-4
§ 22-6.	Term of Restriction	22-5
§ 22-7.	Method of Communicating Information	22-5
§ 22-8.	Phased Disclosure	22-6
§ 22-9.	Remedies	22-6
§ 22-10.	Standstill Provisions	22-6
§ 22-10A.	Non-circumvention Provision	22-6.1
§ 22-11.	No Shopping Provisions	22-6.1
§ 22-12.	Letter of Intent	22-6.1
§ 22-13.	Disclaimer of Accuracy of Evaluation Information	22-7
§ 22-14.	Non-Disclosure of Discussions	22-7
§ 22-15.	Legal Obligations Arising from Receipt of Confidential Data	22-7
§ 22-15A.	Regulation FD and Confidentiality Agreements	22-8
§ 22-15B.	IRS Anti-Tax Shelter Regulations and Confidentiality Agreements	22-8
§ 22-15C.	Checklist for Drafting and Review of Confidentiality Agreements for a Transaction	22-8.1
§ 22-16.	Forms Included Herein, Their Limitations and Suggestions for Their Use	22-8.3
	Form 22-1. Confidentiality Letter Agreement	22-8.4
	Form 22-2. Confidentiality Agreement	22-15
	Form 22-3. Simple Letter Agreement	22-18
	Form 22-4. Simple Terms for Mutual Restrictions	22-20
	Form 22-5. Confidentiality Provisions to Include in Another Agreement	22-22
	Form 22-6. Simple Confidentiality Letter from Recipient	22-23
Chapter 23	Standstill and No Shopping Agreements	23-1
§ 23-1.	General	23-1
§ 23-2.	Standstill Provisions	23-1
	Form 23-1. Standstill Provisions	23-2
	Form 23-1A. Termination of Standstill Obligations	23-4
§ 23-2A.	Standstill Agreements and Securities Exchange Act Reporting—A Trap for the Unwary	23-5
§ 23-3.	No Shopping Provisions	23-6.2
	Form 23-2. No Shopping Provision—Most Detailed Version	23-6.4
	Form 23-3. No Shopping Provision—Intermediate Version	23-8
	Form 23-4. No Shopping Provision—Simplest Version	23-8
§ 23-4.	Fiduciary Obligations and Fiduciary Outs	23-8
§ 23-4A.	Exceptions to No Shopping Provisions	23-9
§ 23-4B.	Enforceability of No Shopping Provisions	23-10.1
§ 23-5.	Interrelationship of Provisions	23-10.2
§ 23-5A.	Termination Fees	23-10.2
§ 23-5B.	Reverse Termination Fees	23-10.3
§ 23-6.	No Talk Provisions and Fiduciary Outs	23-11
	Form 23-5. Sample Fiduciary Out Provision	23-14
	Form 23-6. Sample Break-up Fee Provision	23-14
	Form 23-7. Sample Reverse Termination Fee Provision	23-14
§ 23-7.	Go Shop Provisions	23-14
	Form 23-8. Sample Go Shop Provisions	23-15

Chapter 24	Representations and Warranties	24-1
§ 24-1.	Introduction	24-1
§ 24-2.	Consequences of a Breach	24-2.1
§ 24-3.	Updating	24-3
§ 24-4.	Forms Included Herein, Their Limitations and Suggestions for Their Use	24-3
§ 24-5.	Materiality Qualifiers	24-4
§ 24-5A.	Material Adverse Effect or Change	24-5
§ 24-6.	Knowledge Qualifiers	24-6.1
§ 24-7.	Schedules—The Form for Disclosing Exceptions	24-6.2
§ 24-7A.	Updating Schedules	24-7
§ 24-8.	Representation and Warranty Insurance	24-8
§ 24-8A.	Closing with Knowledge of a Breach—“Sandbagging”	24-8.1
§ 24-9.	Sample Representations and Warranties	24-9
	Form 24-1. Representations and Warranties	24-9
Chapter 25	Mergers, Consolidations, Asset Sales, Share Exchanges and Business Combinations Generally	25-1
§ 25-1.	Introduction	25-1
§ 25-2.	Forms Included	25-3
§ 25-3.	Filings Required	25-3
§ 25-4.	Limitation on Use of the Forms	25-3
§ 25-5.	Letters of Intent	25-3
§ 25-6.	Confidentiality Agreement	25-4
§ 25-7.	Standstill and No Shopping Agreements	25-4
§ 25-7A.	No-Hire Agreements	25-4
§ 25-7B.	Legal Opinions	25-4
§ 25-7C.	Negotiation	25-4.1
§ 25-8.	Attorney-Client Issues	25-4.1
§ 25-8A.	Breaches of Acquisition Agreements	25-5
§ 25-9.	The Merger Process Generally	25-8
§ 25-10.	The Plan of Merger	25-8
§ 25-11.	Board Approval of Plan of Merger	25-8.1
§ 25-12.	Shareholder Approval of Merger	25-8.1
§ 25-13.	Consideration to Be Issued in Merger	25-8.1
§ 25-13A.	Consideration in Shares—Adjustable Variables	25-8.2
§ 25-14.	Parties to the Plan and to the Merger	25-8.5
§ 25-15.	Notice of Shareholders’ Meeting on Merger	25-8.5
§ 25-16.	Articles of Merger or Summary; Filing Requirements and Contents	25-8.5
§ 25-17.	Effects of a Merger	25-8.5
§ 25-18.	Dissenters’ Rights in Merger	25-8.6
§ 25-19.	Consolidations	25-8.6
§ 25-20.	The <i>De Facto</i> Merger Doctrine	25-8.7
§ 25-21.	Special Treatment of Shareholders of the Same Class; “Black Hat—White Hat” Treatment	25-8.7
§ 25-22.	Sale of All or Substantially All of the Assets—Statutory Requirements	25-8.7
§ 25-23.	Dissenters’ Rights in a Major Sale	25-8.8
§ 25-24.	Exceptions to the Statutory Requirements Relating to Major Sales	25-8.8
§ 25-25.	ABA Manual on Acquisition Review	25-8.9
§ 25-26.	Buyer’s Checklist	25-8.9
	Form 25-1. Buyer’s Acquisition Checklist	25-9
§ 25-27.	Target’s Checklist	25-15

	Form 25-2. Target’s Acquisition Checklist	25-15
§ 25-28.	Labor/Employment Relations/ERISA Checklist	25-18.1
	Form 25-3. Labor/Employment Relations/ERISA Acquisition Checklist	25-18.1
§ 25-29.	Purchase Price Adjustments	25-24
§ 25-30.	Shareholder Representatives	25-25
§ 25-31.	Public Disclosure	25-25
§ 25-32.	Business Brokers as Securities Broker-Dealers	25-26
§ 25-33.	Going Private Transactions and Freeze Outs	25-26
Chapter 26	Dissenters’ Rights	26-1
§ 26-1.	Introduction	26-1
§ 26-2.	Actions Giving Rise to Dissenters’ Rights	26-1
§ 26-3.	Optional Dissenters’ Rights	26-2
§ 26-4.	Generally Applicable Exceptions	26-2
§ 26-4A.	Exclusive Remedy	26-2
§ 26-5.	A Method for Counting Beneficial Owners	26-2
§ 26-6.	Dissent by Record Owners Held for the Benefit of Others	26-2
§ 26-7.	Dissent by Beneficial Owners	26-3
§ 26-8.	Procedure to Perfect Dissenters’ Rights	26-3
§ 26-9.	Forms Included	26-4
	Form 26-1. Shareholder’s Written Objection	26-4
	Form 26-2. Shareholder’s Written Demand	26-5
	Form 26-3. Petition for Appraisal to Determine Fair Value of Stock	26-6
Chapter 27	Acquisition Forms Generally	27-1
§ 27-1.	Forms Generally	27-1
§ 27-2.	Letters of Intent	27-1
§ 27-3.	Confidentiality and Standstill Provisions	27-1
§ 27-4.	Additional Provisions and Considerations	27-1
§ 27-5.	Forms Included	27-2
§ 27-6.	Principal Terms of Acquisition Agreements	27-2.1
§ 27-7.	ABA Model Agreements and Other References	27-3
§ 27-7A.	Alternative Definitions	27-3
§ 27-8.	Form for Simple Merger	27-4
	Form 27-1. Summary Articles of Merger—Simple Form	27-4
§ 27-9.	Form for Parent/Subsidiary Merger	27-6
	Form 27-2. Articles of Merger for Parent/Subsidiary Corporations	27-6
§ 27-10.	Form for Consolidation	27-11
	Form 27-3. Articles and Plan of Consolidation	27-11
§ 27-11.	Alternative Definitions	27-18
	Form 27-4. Definitions from ABA Model Stock Purchase Agreement	27-18
	Form 27-5. Additional Definitions	27-24
Chapter 28	Stock Purchase Agreement	28-1
§ 28-1.	Stock Purchase Agreement Form Included	28-1
§ 28-2.	Limitations and Suggestions for Use of the Form	28-1
§ 28-3.	Purchase Price Considerations Generally	28-1
§ 28-4.	Purchase Price Adjustments	28-1

TABLE OF CONTENTS

§ 28-5.	Earnout Transactions	28-2
	Form 28-1. Single Year Earnout Provision	28-4.1
	Form 28-2. Multi-Year Earnout Provision	28-5
	Form 28-3. Alternative Multi-Year Earnout Provision	28-9
§ 28-6.	Deferred Closings	28-12
§ 28-7.	Purchasing Division, Subsidiary or Portion of a Business	28-12
§ 28-8.	Deferred Payments and Escrow Provisions	28-13
§ 28-9.	Description of the Business and Allocation of Responsibilities	28-13
§ 28-10.	Form of Stock Purchase Agreement	28-14
	Form 28-4. Stock Purchase Agreement	28-14
Chapter 29	Asset Purchase Agreement	29-1
§ 29-1.	Asset Purchase Agreement Form Included	29-1
§ 29-2.	Limitations and Suggestions for Use of the Form	29-1
§ 29-3.	Other General Considerations	29-1
§ 29-4.	Asset Purchase Transactions Generally	29-2
§ 29-5.	Assets to Be Purchased	29-2
§ 29-6.	Assignment of Contractual Rights	29-2.1
§ 29-7.	Governmental Authorizations	29-3
§ 29-8.	Assumed Liabilities	29-3
§ 29-9.	Successor Liability Doctrines	29-5
§ 29-10.	Income Taxes	29-10
§ 29-11.	Transfer Taxes	29-11
§ 29-12.	Acquiring the Assets of a Financially Troubled Target	29-12
§ 29-13.	Employment Issues	29-13
§ 29-14.	Joinder by Shareholders	29-13
§ 29-15.	Form of Asset Purchase Agreement	29-14
	Form 29-1. Asset Purchase Agreement	29-14
Chapter 30	Shareholders' Agreements	30-1
§ 30-1.	Introduction	30-1
§ 30-2.	Forms Included Herein, Their Limitations and Suggestions for Their Use	30-1
§ 30-3.	Identifying the Client	30-2
§ 30-4.	Purposes of a Shareholders' Agreement	30-2
§ 30-5.	Parties to the Agreement	30-3
§ 30-6.	Buy/Sell Arrangements—Purposes	30-4
§ 30-7.	Buy/Sell Agreements—Triggering Events	30-4
§ 30-7A.	Rights of First Refusal and First Offer Compared	30-6
§ 30-8.	Exceptions to Triggering Events	30-6.1
§ 30-9.	Buy/Sell Arrangements—Purchase Price	30-6.1
§ 30-10.	Buy/Sell Arrangements—Identity of Purchasers and Their Obligations	30-8
§ 30-11.	Buy/Sell Arrangements—Obligations of Sellers	30-9
§ 30-11A.	Accounting Treatment of Company Repurchase Obligations—A Potential Trap for the Unwary	30-9
§ 30-12.	Buy/Sell Arrangements—Payment, Corporate Notes and Related Terms	30-10
§ 30-13.	Use of Insurance	30-11
§ 30-14.	Buy/Sell Obligation—Sequential Triggering Events	30-11
§ 30-15.	Buy/Sell Agreements—Tag-Along and Drag-Along Rights	30-12
§ 30-16.	Restrictions on Transfer	30-12.1

§ 30-17.	Termination of Shareholders' Agreements	30-13
§ 30-18.	Dispute Resolution Mechanisms	30-14
§ 30-19.	Shoot-Out Provisions	30-14
§ 30-20.	Voting Rights	30-14
§ 30-21.	Assuring Distributions	30-14.1
§ 30-22.	Provisions Need Not Be Reciprocal or Symmetrical	30-14.1
§ 30-23.	Notation on Certificates and Shareholder Records	30-14.2
§ 30-24.	Tax Consequences	30-14.2
§ 30-25.	Bylaws Provisions In Governing Documents and Other Agreements	30-14.3
§ 30-25A.	A Trap for the Unwary Public Company Under the Securities Exchange Act of 1934	30-14.3
§ 30-26.	Important Note with Respect to Domestic Relations Considerations	30-14.3
	Form 30-1. Letter to Client on Domestic Relations Issues	30-16
§ 30-27.	Reserved	
§ 30-28.	Shareholders' Agreement	30-16
	Form 30-2. Table of Contents	30-16
	Form 30-3. Shareholders' Agreement	30-19
	Form 30-4. Right of First Offer	30-46.2
	Form 30-5. Letter from Counsel to Non-clients	30-47
Chapter 31	Employment Agreements	31-1
§ 31-1.	Introduction	31-1
§ 31-2.	Applicable Legal Requirements	31-1
§ 31-3.	Consequences of Breach	31-2
§ 31-3A.	Termination and Expiration	31-2.1
§ 31-4.	Golden and Tin Parachute Provisions	31-2.1
§ 31-5.	Checklist for Drafting	31-4
	Form 31-1. Employment Agreement Drafting Checklist	31-5
§ 31-6.	Form Agreements	31-11
	Form 31-2. Employment Agreement	31-11
§ 31-7.	Special Provisions for Executives	31-27
	Form 31-3. Additional Provisions for Executive Agreements	31-27
§ 31-8.	Employment Application	31-41
	Form 31-4. Application for Employment	31-41
Chapter 32	Stock Purchase Warrants	32-1
§ 32-1.	General	32-1
§ 32-2.	Classes or Series of Warrants	32-2
§ 32-3.	A Warrant Agent	32-2
§ 32-4.	Related Agreements	32-2
§ 32-5.	Conversion Rights	32-2
§ 32-6.	Redeemable Warrants	32-3
§ 32-7.	Antidilution Adjustments	32-3
§ 32-8.	Forms Included	32-4
	Form 32-1. Complex Stock Purchase Warrant	32-4
	Form 32-1A. Alternate Form of Complex Stock Purchase Warrant	32-17
	Form 32-2. Simple Stock Purchase Warrant	32-18.17
	Form 32-3. Provisions for a Warrant Agent Agreement	32-19

Chapter 33	Voting Trusts	33-1
§ 33-1.	Introduction	33-1
§ 33-2.	Voting Rights of the Trustee	33-1
§ 33-2A.	Trustee's Fiduciary Duties	33-2
§ 33-3.	Duration of Voting Trust	33-2
§ 33-4.	Class of Shares Covered by the Agreement	33-2
§ 33-5.	Power of the Trustee to Sell Shares	33-3
§ 33-6.	Voting for Acquisitions	33-3
§ 33-7.	Compromises Regarding Liability Exposure	33-4
§ 33-8.	Dissenters' Rights	33-5
§ 33-9.	The Corporation as a Party	33-5
§ 33-10.	Joinder of Additional Shareholders	33-5
§ 33-11.	Successor Trustee	33-6
§ 33-12.	Termination or Modification of a Voting Trust	33-6
§ 33-13.	Fees and Expenses	33-7
§ 33-14.	Shareholders' Agreement	33-7
§ 33-15.	Other Voting Arrangements	33-7
§ 33-16.	Form of Voting Trust Agreement	33-8
	Form 33-1. Voting Trust Agreement	33-8
Chapter 34	Final and Formal Agreement Provisions	34-1
§ 34-1.	Introduction	34-1
§ 34-2.	Use of These Provisions	34-1
§ 34-3.	Choice of Law Provisions	34-3
§ 34-3A.	Choice of Forum Provisions	34-4.2
§ 34-4.	Execution of Documents by Corporations	34-4.2
§ 34-4A.	Best Efforts	34-5
§ 34-5.	Representative Clauses	34-5
	Form 34-1. Miscellaneous, Formal and Final Clauses	34-7
Chapter 35	Registration Rights Agreements—Variables and Practical Considerations	35-1
§ 35-1.	Introduction	35-1
§ 35-2.	Overview of Demand and Piggyback Rights	35-2.1
§ 35-3.	Demand Registration Rights—Frequency and Extent of Exercise	35-3
§ 35-4.	Demand Rights—Updating Responsibility	35-4
§ 35-5.	Demand Rights—Obligation To Complete the Process	35-4
§ 35-6.	Demand Rights—The Holder's Obligation to Suspend Sales if Prospectus Is Not Current	35-5
§ 35-7.	Piggyback Registration Rights Generally	35-6
§ 35-8.	Piggyback Rights—Time Period for Acceptance of Registration Opportunity	35-7
§ 35-9.	Proration Among and Sequencing of Registration Rights	35-7
§ 35-10.	Strategies for Negotiating Marketing Arrangements	35-8
§ 35-11.	Timing of Registration	35-11
§ 35-12.	Consequences of Breach	35-12
§ 35-13.	Coverage of the Agreement	35-15
§ 35-14.	Additional Considerations	35-15
§ 35-15.	Conclusion	35-17
§ 35-16.	Forms of Registration Rights Agreement Included Herein—Their Limitations and Suggestions for Their Use	35-18
	Form 35-1. Registration Rights Agreement	35-18
	Form 35-2. Simple Demand and Piggyback Registration Provision to Be Included in Another Agreement	35-36
	Form 35-3. Simple Piggyback Registration Provision to Be Included in Another Agreement	35-39
	Form 35-4. Registration Rights Agreement	35-40

Chapter 36	Antidilution Adjustments	36-1
§ 36-1.	General	36-1
§ 36-2.	Principal Factors Subject to Adjustment	36-2
§ 36-3.	Basic Types of Adjustment	36-2
§ 36-3A.	Provisions in Revised Model Simplified Indenture	36-2
§ 36-4.	The Capital Changes Approach	36-2.1
§ 36-5.	The Downward Conversion Approach	36-3
§ 36-6.	The Current Quotient Approach	36-4
§ 36-7.	The Full Ratchet Approach	36-5
§ 36-7A.	Pay-or-Play	36-6
§ 36-8.	Sales Below the Then Current Market Price	36-6
§ 36-9.	The Fixed Percentage Approach	36-6.2
§ 36-10.	Cash Dividends and Distributions	36-7
§ 36-11.	Exceptions	36-8
§ 36-12.	Reversing Adjustments	36-9
§ 36-13.	Expressing Antidilution Adjustments as Algebraic Equations	36-10
§ 36-14.	Cascading Adjustments Resulting from Changes in Other Outstanding Rights	36-10
§ 36-15.	Catchall Provisions	36-10
§ 36-16.	Complexity	36-11
§ 36-17.	Absence of Contractual Provisions	36-11
§ 36-17A.	Antidilution Adjustments under Employee Benefit Plans	36-12
§ 36-18.	Forms Included	36-12.2
	Form 36-1. Antidilution Provisions	36-13
	Form 36-2. The Full Ratchet Approach	36-23
	Form 36-3. The Holder Acquires a Fixed Percentage of the Outstanding Shares at the Time of Exercise	36-23
	Form 36-3A. Holder Acquires a Fixed Percentage (Alternate Form)	36-24
	Form 36-4. Capital Changes Adjustment—Simple Provisions	36-24.1
	Form 36-5. Basic Antidilution Adjustments from the Model Simplified Indenture (Using Algebraic Equations)	36-25
	Form 36-6. A Simple Clause to Adjust the Number of Shares Based upon the Adjustment to the Exercise Price	36-27
	Form 36-7. A Catchall Provision	36-27
	Form 36-8. Statement of Adjustment to Be Given to Holders	36-28
	Form 36-9. Statement of Adjustment—Alternative Version	36-28
	Form 36-10. Distributions of Rights, Options or Warrants, Convertible Securities or Indebtedness Without Consideration	36-29
	Form 36-11. Determining Market Price	36-29
	Form 36-12. Readjustments	36-30
	Form 36-13. Exceptions to Adjustments on Exercise or Related Rights	36-30
	Form 36-14. Preservation of Rights in Merger, Consolidation, etc	36-31
	Form 36-15. Definition of “Shares”	36-31
	Form 36-16. Retaining or Replacing Warrant Form after Adjustments in Company’s Discretion	36-31
	Form 36-17. Issuance of a New Warrant Certificate to Reflect Certain Adjustments	36-32
	Form 36-18. Fractional Shares Rounded	36-32
	Form 36-19. Fractional Shares Paid in Cash	36-32
	Form 36-20. Reservation of Shares	36-33
	Form 36-21. Status of Shares; Expenses of Issuance	36-33
Chapter 37	Alternative Dispute Resolution	37-1
§ 37-1.	Introduction	37-1
§ 37-2.	Selection of Arbitrators	37-1
§ 37-3.	Details of Arbitration	37-2
§ 37-3A.	Choice of Arbitration versus Litigation	37-2.1

TABLE OF CONTENTS

§ 37-4.	Description of the Forms	37-2.2
	Form 37-1. Three Step ADR Provision	37-3
	Form 37-2. Optional Arbitration Provisions	37-10
§ 37-5.	Class Action Waivers	37-14.1
§ 37-6.	Appellate Review	37-14.4
	Form 37-3. Optional Provision Permitting Appellate Review of Arbitration Awards	37-15
	Form 37-4. Short Form ADR Provisions	37-19
	Form 37-5. Mediation Agreement	37-20
	Form 37-6. Alternative Method of Arbitrator Selection	37-22
	Form 37-7. Model “Night Baseball” Arbitration Provisions	37-23
	Form 37-8. CPR Mediation Clause	37-25
	Form 37-9. CPR Mediation, with Arbitration if Necessary	37-25
	Form 37-10. CPR Arbitration Clause	37-25
	Form 37-11. Simple Multistep ADR Provision	37-26
	Form 37-12. ADR Mediation Clause	37-27
	Form 37-13. Multistep ADR Procedure Including Minitrial	37-27
Chapter 38	Reserved	38-1
Chapter 39	Reserved	39-1
Chapter 40	Capital Raising in Private Placements	40-1
§ 40-1.	Introduction	40-1
§ 40-2.	Preemption of State Law	40-2
§ 40-3.	Federal Exemption for Private Placements—Introduction	40-3
§ 40-3A.	The Statutory Law of Private Placements	40-4
§ 40-4.	Regulation D	40-6
§ 40-5A.	Investment Company Act Considerations	40-8.7
§ 40-5B.	Rule 701	40-8.8
§ 40-5C.	Securities Exchange Act Sections 13(d) and 16	40-8.8
§ 40-5D.	Responsibility and Liability of Broker-Dealers, Counsel and Others	40-8.9
§ 40-5E.	Private Sales of Outstanding Securities—§4(1½)	40-8.11
§ 40-6.	Exemptions from Registration under the Missouri Securities Act	40-8.12
§ 40-7.	Transactional Exemptions under the Missouri Securities Act	40-9
	Form 40-1. Form D	40-11
§ 40-7A.	Impact of Dodd-Frank Wall Street Reform and Consumer Protection Act on Regulation D Offerings	40-20.2
§ 40-8.	Documentation in a Private Placement	40-21
	Form 40-2. Subscription Agreement	40-22
	Form 40-3. Private Placement Questionnaire	40-31
	Form 40-4. Purchaser Representative Letter	40-42
Chapter 41	Dividend Reinvestment and Stock Purchase Plans	41-1
§ 41-1.	General	41-1
§ 41-2.	Optional Features That May Be Included in a Plan	41-2
§ 41-3.	Multiple Securities and/or Issuers	41-3
§ 41-4.	Securities Act Registration	41-3
§ 41-5.	Antidilution Adjustment	41-4
§ 41-6.	Authorizing Resolutions	41-4

	Form 41-1. Minutes to Authorize a Dividend Reinvestment/Stock Purchase Plan	41-4
§ 41-7.	Sample Dividend Reinvestment Plans	41-6
	Form 41-2. Dividend Reinvestment and Stock Purchase Plan with All Features and Enrollment Form	41-7
	Form 41-3. Dividend/Interest Reinvestment and Share Purchase Plan—A Simpler Form	41-44
Chapter 42	Equity Compensation Plans	42-1
§ 42-1.	Introduction and Description of Forms Included	42-1
§ 42-2.	Executive Summary	42-3
§ 42-3.	Universal or Omnibus Plans	42-6
§ 42-4.	Evergreen Plans; Shares Available	42-11
§ 42-5.	Methods of Option Exercise	42-12
§ 42-6.	Tax Withholding	42-14
§ 42-7.	Exercisability and Vesting of Shares	42-15
§ 42-8.	Transferable Options	42-15
§ 42-9.	Post-Employment Exercise	42-16
§ 42-10.	Forfeiture Provisions	42-17
§ 42-11.	Performance-Based Options	42-18
§ 42-12.	Variable Price Options	42-18.1
§ 42-13.	Phantom Units	42-19
§ 42-14.	Premium or Discount Options	42-20
§ 42-15.	Duration of the Plan	42-22
§ 42-16.	Persons Covered	42-22
§ 42-17.	Change of Control Provisions	42-22
§ 42-18.	Antidilution Provisions and Acquisitions	42-23
§ 42-18A.	Divestiture of a Subsidiary or Business Unit—The Consequences to its Employee-Optionees	42-25
§ 42-19.	Formula Awards	42-26.3
§ 42-20.	Options in Lieu of Other Forms of Compensation	42-27
§ 42-21.	Repriced or Substitute Options	42-27
§ 42-22.	Stock Ownership and Equity Risk-Sharing Provisions	42-28
§ 42-23.	Amendments and Administration	42-28
§ 42-24.	Securities Act Registration and Disclosure	42-29
§ 42-24A.	Lockup Agreements	42-33
§ 42-25.	Blue Sky Laws	42-33
§ 42-26.	Accounting Issues	42-33
§ 42-26A.	Dating of Options	42-34
§ 42-27.	Tax Requirements of Incentive Stock Options	42-34.2
§ 42-28.	Reserved	42-36
§ 42-29.	Introduction to Checklist	42-36
	Form 42-1. Checklist for Preparing an Option/Incentive Plan	42-39
	Form 42-2. Purpose of Plan	42-40
	Form 42-3. Eligibility (§ 42-16)	42-41
	Form 42-4. Grant or Award	42-41
	Form 42-5. Number of Shares Covered by the Plan	42-42
	Form 42-6. Methods of Exercise (§ 42-5)	42-43
	Form 42-7. Reload Options (§ 42-5)	42-44
	Form 42-8. Fixed Price Options	42-44
	Form 42-9. Variable Price Options (§ 42-12)	42-45

TABLE OF CONTENTS

	Form 42-10.	Performance-Based Grants and Awards (§ 42-12)	42-46
	Form 42-11.	Tax Withholding (§ 42-6)	42-46.1
	Form 42-12.	Transferable Options (§ 42-8)	42-46.1
	Form 42-13.	Post-Employment Exercise	42-47
	Form 42-14.	Forfeiture Provisions (§ 42-10)	42-48
	Form 42-15.	Plan Duration (§ 42-15)	42-49
	Form 42-16.	Changes of Control (§ 42-17)	42-49
	Form 42-17.	Formula Awards (§ 42-19)	42-49
	Form 42-18.	Amendments (§ 42-23)	42-50
	Form 42-19.	Administration (§ 42-23)	42-51
	Form 42-20.	Stock Ownership and Equity Risk-Sharing Provisions (§ 42-22)	42-51
	Form 42-21.	Options in Lieu of Other Forms of Compensation (§ 42-20)	42-52
	Form 42-22.	Repricing or Extending Options (§ 42-21)	42-52
	Form 42-23.	Accounting Issues (§ 42-26)	42-53
	Form 42-24.	Description of Tax Requirements of Incentive Stock Options	42-53
	Form 42-25.	Description of Code § 162(m)	42-54
	Form 42-26.	Requirements for Securities Act of 1933 Form S-8	42-55
§ 42-30.		Stock Option/Incentive Plan	42-56
	Form 42-27.	Stock Option/Incentive Plan	42-56
	Form 42-28.	Business Combination Agreement Provision to Convert Options of Acquired Corporation into Options on Acquiring Corporation's Stock	42-67
	Form 42-29.	"Corporate Governance and Therapeutic Reforms" Agreed to by Staples, Inc. as Part of the Settlement of Litigation	42-68
Chapter 43	Shareholder Rights Plans or "Poison Pills"		43-1
§ 43-1.	General	.....	43-1
§ 43-2.	The "Flip-In" Feature	.....	43-3
§ 43-3.	The "Flip-Over" Feature	.....	43-4
§ 43-3A.	The "Exchange" Feature	.....	43-4
§ 43-3B.	Definition of "Beneficial Ownership"	.....	43-4
§ 43-4.	Role of Investment Bankers and Shareholder Reaction to Plans	.....	43-4
§ 43-4A.	Effect of and Shareholder Reaction to Plans	.....	43-4.1
§ 43-5.	Steps for Adoption of a Rights Plan	.....	43-4.2
§ 43-5A.	Section 382 or "NOI" Rights Plans	.....	43-4.3
§ 43-6.	Forms Included	.....	43-5
§ 43-6A.	A Caution About Management's Role	.....	43-6
	Form 43-1.	Memorandum to the Directors	43-7
	Form 43-2.	Description of Shareholder Rights Plans	43-8
	Form 43-3.	Rights Agreement	43-12
	Form 43-4.	Press Release	43-59
	Form 43-5.	Notice to Shareholders	43-60
	Form 43-6.	Resolutions	43-62
	Form 43-7.	Illustration of Dilutive Effects of Flip-In and Exchange Provisions	43-66
Chapter 44	Debt Instruments		44-1
§ 44-1.	General	.....	44-1

MISSOURI CORPORATE PRACTICE AND FORMS MANUAL

§ 44-2.	Commitment Letters	44-2
§ 44-3.	Defaulting Lenders	44-2.1
§ 44-4.	Phase-Out of LIBOR	44-2.1
	Form 44-1. Subordinated Debenture	44-2.3
	Form 44-2. Rights on Default	44-9
	Form 44-3. Security	44-10
	Form 44-4. Severability, Decrease of Interest to Highest Lawful Rate	44-10
	Form 44-5. Rights Cumulative	44-11
	Form 44-6. Consent to Service	44-11
	Form 44-7. Confession of Judgment	44-12
	Form 44-8. Waiver of Jury Trial	44-12
	Form 44-9. Notation of Advances	44-13
	Form 44-10. Yield Maintenance or Prepayment Fee	44-13
Chapter 45	Piercing the Corporate Veil	45-1
§ 45-1.	Piercing the Corporate Veil	45-1
§ 45-2.	Reverse Piercing	45-4.1
§ 45-3.	Practical Steps to Avoid Piercing	45-4.1
<i>Forms Index</i>		INDEX-1
<i>Table of Cases</i>		INDEX-11
<i>Table of Missouri Laws</i>		INDEX-33
<i>Subject Index</i>		INDEX-42