

SECOND REGULAR SESSION

# HOUSE BILL NO. 1938

102ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE OWEN.

2880H.011

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To repeal section 362.245, RSMo, and to enact in lieu thereof one new section relating to private trust companies.

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

Section A. Section 362.245, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 362.245, to read as follows:

362.245. 1. The affairs and business of the corporation shall be managed by a board of directors, consisting of not less than five nor more than thirty-five stockholders who shall be elected annually; except, that trust companies in existence on October 13, 1967, may continue to divide the directors into three classes of equal number, as near as may be, and to elect one class each year for three-year terms. Notwithstanding any provision of this chapter to the contrary, a director who is not a stockholder shall have all the rights, privileges, and duties of a director who is a stockholder.

2. Each director shall be a citizen of the United States, and **except for a private trust company as described under section 361.160**, at least a majority of the directors must be residents of this state at the time of their election and during their continuance in office; provided, however, that if a director actually resides within a radius of one hundred miles of the banking house of said bank or trust company, even though his or her residence be in another state adjoining and contiguous to the state of Missouri, he or she shall for the purposes of this section be considered as a resident of this state and in the event such director shall be a nonresident of the state of Missouri he or she shall upon his or her election as a director file with the president of the banking house or such other chief executive ~~office~~ **officer** as otherwise permitted by this chapter written consent to service of legal process upon

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

18 him in his or her capacity as a director by service of the legal process upon the president as  
19 though the same were personally served upon the director in Missouri.

20 3. If at a time when not more than a majority of the directors are residents of this  
21 state, **except for a private trust company as described under section 361.160**, any director  
22 shall cease to be a resident of this state or adjoining state as ~~defined~~ **described** in subsection  
23 2 of this section, he or she shall forthwith cease to be a director of the bank or trust company  
24 and his or her office shall be vacant.

25 4. No person shall be a director in any bank or trust company against whom such  
26 bank or trust company shall hold a judgment.

27 5. Cumulative voting shall only be permitted at any meeting of the members or  
28 stockholders in electing directors when it is provided for in the articles of incorporation or  
29 bylaws.

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