

Cherokee Nation Code Annotated

Title 18: Corporations

Chapter 1: Cherokee Nation General Corporation Act

Article 6: Stock and Dividends

§ 37. Partly paid shares

Cite as: 18 CNCA § 37

A. Any corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, or upon the books and records of the corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated and the corporation shall comply with applicable provisions of subsection (B) of this section. Upon the declaration of any dividend on fully paid shares, the corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

B. Rules for determining whether certain obligations and interests are securities or financial assets.

1. A share or similar equity interest issued by a corporation, business trust, joint stock company, or similar entity is a security.
2. An "investment company security" is a security. "Investment company security" means a share or similar equity interest issued by an entity that is registered as an investment company under the federal investment company laws, an interest in an investment trust that is so registered, or a face-amount certificate issued by a face-amount certificate company that is so registered. Investment company security does not include an insurance policy or endowment policy or annuity contract issued by an insurance company.
3. An interest in a partnership or limited liability company is not a security unless it is dealt in traded on securities exchanges or in securities markets or it is an investment company security. However, an interest in a partnership or limited liability company is a financial asset if it is held in a securities account.
4. An option or similar obligation issued by a clearing corporation to its participants is not a security, but is a financial asset.
5. A commodity contract is not a security or a financial asset. A "commodity contract" means a commodity futures contract, an option on a commodity futures contract, a commodity option, or other contract that in each case, is:

- a. traded on or subject to the rules of a board of trade that has been designated as a contract market for such a contract pursuant to the federal commodities law; or
- b. traded on a foreign commodity board of trade, exchange, or market, and is carried on the books of a commodity intermediary for a commodity customer.

Historical Data

LA 16-96, eff. July 15, 1996.