

17-6804. Dissolution; procedure; corporations having only two equal stockholders. (a) If it should be deemed advisable in the judgment of the board of directors of any corporation that it should be dissolved, the board, after the adoption of a resolution to that effect by a majority of the whole board at any meeting called for that purpose, shall cause notice of the adoption of the resolution and of a meeting of stockholders to take action upon the resolution to be mailed to each stockholder entitled to vote thereon as of the record date for determining the stockholders entitled to notice of the meeting.

(b) At the meeting a vote shall be taken upon the proposed dissolution. If a majority of the outstanding stock of the corporation entitled to vote thereon shall vote for the proposed dissolution, a certificate of dissolution shall be filed with the secretary of state pursuant to subsection (d).

(c) Dissolution of a corporation may also be authorized without action of the directors if all the stockholders entitled to vote thereon shall consent in writing and a certificate of dissolution shall be filed with the secretary of state pursuant to subsection (d).

(d) If dissolution is authorized in accordance with this section, a certificate of dissolution shall be executed and filed, and shall become effective, in accordance with K.S.A. 2016 Supp. 17-7908 through 17-7911, and amendments thereto. Such certificate of dissolution shall set forth:

(1) The name of the corporation;

(2) the date dissolution was authorized;

(3) that the dissolution has been authorized by the board of directors and stockholders of the corporation, in accordance with subsections (a) and (b), or that the dissolution has been authorized by all of the stockholders of the corporation entitled to vote on a dissolution, in accordance with subsection (c); and

(4) the names and addresses of the directors and officers of the corporation.

(e) The resolution authorizing a proposed dissolution may provide that notwithstanding authorization or consent to the proposed dissolution by the stockholders, or the members of a nonstock corporation pursuant to K.S.A. 17-6805, and amendments thereto, the board of directors or governing body may abandon such proposed dissolution without further action by the stockholders or members.

(f) Upon a certificate of dissolution becoming effective in accordance with K.S.A. 2016 Supp. 17-7911, and amendments thereto, the corporation shall be dissolved.

(g) If the stockholders of a corporation having only two stockholders, each of which owns 50% of the stock therein, are unable to agree upon the desirability of dissolving the corporation and disposing of the corporate assets, either stockholder may file with the district court a petition stating that it desires to dissolve the corporation and to dispose of the assets thereof in accordance with a plan to be agreed upon by both stockholders. Such petition shall have attached thereto a copy of the proposed plan of dissolution and distribution and a certificate stating that copies of such petition and plan have been transmitted in writing to the other stockholder and to the directors and officers of such corporation.

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

History: L. 1972, ch. 52, § 94; L. 1973, ch. 100, § 11; L. 1986, ch. 97, § 4; L. 1998, ch. 189, § 18; L. 2000, ch. 39, § 37; L. 2004, ch. 143, § 58; L. 2016, ch. 110, § 80; July 1.