Cherokee Nation Code Annotated
Title 18: Corporations
Chapter 1: Cherokee Nation General Corporation Act
Article 6: Stock and Dividends
§ 33. Issuance of stock, lawful consideration—Fully paid stock
Cite as: 18 CNCA § 33

A. The consideration, as determined pursuant to the provisions of 18 CNCA § 34(A) and (B), for subscriptions to, or the purchase of, the capital stock to be issued by a corporation shall be paid in such form and in such manner as the board of directors shall determine. In the absence of actual fraud in the transaction, the judgment of the directors as to the value of such consideration shall be conclusive. The capital stock so issued shall be deemed to be fully paid and nonassessable stock, if:

1. the entire amount of such consideration has been received by the corporation in the form of cash, services rendered, personal property, real property, leases of real property, or a combination thereof; or

2. not less than the amount of the consideration determined to be capital pursuant to the provisions of 18 CNCA § 35 has been received by the corporation in such form and the corporation has received a binding obligation of the subscriber or purchaser to pay the balance of the subscription or purchase price.

B. The provisions of subsection (A) of this section shall not be construed to prevent the board of directors from issuing partly paid shares in accordance with the provisions of 18 CNCA § 37.

Historical Data

LA 16–96, eff. July 15, 1996.