SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 599
100TH GENERAL ASSEMBLY
2020

3390H.04T

AN ACT
To repeal sections 30.260, 30.753, 30.758, 70.705, 100.255, 362.1015, 362.1030,
362.1037, 362.1040, 362.1070, 370.010, 370.020, 370.030, 370.071, 370.110,
370.120, 370.130, 370.151, 370.170, 370.190, 370.200, 370.220, 370.230,
370.356, 370.358, 370.359, 376.945, 385.015, 408.512, 409.605, 409.610,
409.615, 409.620, 409.625, 409.630, 409.3-302, 409.4-412, 409.6-604, 443.717,
443.825, 443.855, and 443.857, RSMo, and to enact in lieu thereof fifty-one new
sections relating to financial instruments.

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

Section A. Sections 30.260, 30.753, 30.758, 70.705, 100.255, 362.1015,
2 362.1030, 362.1037, 362.1040, 362.1070, 370.010, 370.020, 370.030, 370.071,
3 370.110, 370.120, 370.130, 370.151, 370.170, 370.190, 370.200, 370.220, 370.230,
5 370.358, 370.359, 376.945, 385.015, 408.512, 409.605, 409.610, 409.615, 409.620,
6 409.625, 409.630, 409.3-302, 409.4-412, 409.6-604, 443.717, 443.825, 443.855, and
7 443.857, RSMo, are repealed and fifty-one new sections enacted in lieu thereof,
8 to be known as sections 30.260, 30.753, 30.758, 70.705, 100.255, 362.1015,
9 362.1030, 362.1037, 362.1040, 362.1070, 370.010, 370.020, 370.030, 370.071,
10 370.110, 370.120, 370.130, 370.151, 370.170, 370.190, 370.200, 370.220, 370.230,
12 370.358, 370.359, 376.945, 385.015, 408.512, 409.605, 409.610, 409.615, 409.620,
13 409.625, 409.630, 409.3-302, 409.4-412, 409.6-604, 443.717, 443.825, 443.855,

EXPLANATION–Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is
intended to be omitted in the law.
The state treasurer shall prepare, maintain and adhere to a written investment policy which shall include an asset allocation plan which limits the total amount of state moneys which may be invested in any particular investment authorized by Section 15, Article IV of the Missouri Constitution. Such asset allocation plan shall also set diversification limits, as applicable, which shall include a restriction limiting the total amount of time deposits of state moneys, not including linked deposits, placed with any one single banking institution to be no greater than ten percent of all time deposits of state moneys authorized under the asset allocation plan. The state treasurer shall present a copy of such policy to the governor, commissioner of administration, state auditor and general assembly at the commencement of each regular session of the general assembly or at any time the written investment policy is amended.

2. The state treasurer shall determine by the exercise of the treasurer's best judgment the amount of state moneys that are not needed for current operating expenses of the state government and shall keep on demand deposit in banking institutions in this state selected by the treasurer and approved by the governor and state auditor the amount of state moneys which the treasurer has so determined are needed for current operating expenses of the state government and disburse the same as authorized by law.

3. Within the parameters of the state treasurer's written investment policy, the state treasurer shall place the state moneys which the treasurer has determined are not needed for current operations of the state government on time deposit drawing interest in banking institutions in this state selected by the treasurer and approved by the governor and the state auditor, or place them outright or, if applicable, by repurchase agreement in obligations described in Section 15, Article IV, Constitution of Missouri, as the treasurer in the exercise of the treasurer's best judgment determines to be in the best overall interest of the people of the state of Missouri, giving due consideration to:

(1) The preservation of such state moneys;
(2) The benefits to the economy and welfare of the people of Missouri when such state money is invested in banking institutions in this state that, in turn, provide additional loans and investments in the Missouri economy and generate state taxes from such initial investments and the loans and investments created by the banking institutions, compared to the removal or withholding from
banking institutions in the state of all or some such state moneys and investing
same in obligations authorized in Section 15, Article IV of the Missouri
Constitution;
(3) The liquidity needs of the state;
(4) The aggregate return in earnings and taxes on the deposits and the
investment to be derived therefrom; and
(5) All other factors which to the treasurer as a prudent state treasurer
seem to be relevant to the general public welfare in the light of the circumstances
at the time prevailing. The state treasurer may also place state moneys which
are determined not needed for current operations of the state government in
linked deposits as provided in sections 30.750 to 30.765.
4. Except for state moneys deposited in linked deposits as provided in
sections 30.750 to 30.860, the rate of interest payable by all banking institutions
on time deposits of state moneys shall be set under subdivisions (1) to (5) of this
subsection and subsections 6 and 7 of this section. The rate shall never exceed
the maximum rate of interest which by federal law or regulation a bank which is
a member of the Federal Reserve System may from time to time pay on a time
deposit of the same size and maturity. The rate of interest payable by all
banking institutions on time deposits of state moneys is as follows:
(1) Beginning January 1, 2010, the rate of interest payable by a banking
institution on up to seven million dollars of time deposits of state moneys shall
be the same as the average rate paid during the week next preceding the week
in which the deposit was made for United States of America treasury securities
maturing and becoming payable closest to the time of termination of the deposit,
as determined by the state treasurer, adjusted to the nearest one-tenth of a
percent. In the case of a banking institution that holds more than seven million
dollars of time deposits of state moneys, the rate of interest payable on deposits
in excess of seven million dollars of time deposits of state moneys shall be set at
the market rate as determined in subsection 6 of this section;
(2) Beginning January 1, 2011, the rate of interest payable by a banking
institution on up to five million dollars of time deposits of state moneys shall be
the same as the average rate paid during the week next preceding the week in
which the deposit was made for United States of America treasury securities
maturing and becoming payable closest to the time of termination of the deposit,
as determined by the state treasurer, adjusted to the nearest one-tenth of a
percent. In the case of a banking institution that holds more than five million
dollars of time deposits of state moneys, the rate of interest payable on deposits in excess of five million dollars of time deposits of state moneys shall be set at the market rate as determined in subsection 6 of this section;

(3) Beginning January 1, 2012, the rate of interest payable by a banking institution on up to three million dollars of time deposits of state moneys shall be the same as the average rate paid during the week next preceding the week in which the deposit was made for United States of America treasury securities maturing and becoming payable closest to the time of termination of the deposit, as determined by the state treasurer, adjusted to the nearest one-tenth of a percent. In the case of a banking institution that holds more than three million dollars of time deposits of state moneys, the rate of interest payable on deposits in excess of three million dollars of time deposits of state moneys shall be set at the market rate as determined in subsection 6 of this section;

(4) Beginning January 1, 2013, the rate of interest payable by a banking institution on up to one million dollars of time deposits of state moneys shall be the same as the average rate paid during the week next preceding the week in which the deposit was made for United States of America treasury securities maturing and becoming payable closest to the time of termination of the deposit, as determined by the state treasurer, adjusted to the nearest one-tenth of a percent. In the case of a banking institution that holds more than one million dollars of time deposits of state moneys, the rate of interest payable on deposits in excess of one million dollars of time deposits of state moneys shall be set at the market rate as determined in subsection 6 of this section;

(5) Beginning January 1, 2014, the rate of interest payable by a banking institution on all time deposits of state moneys shall be set at the market rate as determined in subsection 6 of this section.

5. Notwithstanding subdivisions (1) to (5) of subsection 4 of this section, for any new time deposits of state moneys placed after January 1, 2010, with a term longer than eighteen months, the rate of interest payable by a banking institution shall be set at the market rate as determined in subsection 6 of this section.

6. Market rate shall be determined no less frequently than once a month by the director of investments in the office of state treasurer. The process for determining a market rate shall include due consideration of prevailing rates offered for certificates of deposit by well-capitalized Missouri financial institutions, the advance rate established by the Federal Home Loan Bank of Des
Moines for member institutions and the costs of collateralization, as well as an evaluation of the credit risk associated with other authorized securities under Section 15, Article IV, of the Missouri Constitution, **or any other calculation determined by the state treasurer based on current market investment indicators**. Banking institutions may also offer a higher rate than the market rate for any time deposit placed with the state treasurer in excess of the total amount of state moneys set at the United States of America treasury securities maturing and becoming payable closest to the time of termination of the deposit indicated in subdivisions (1) to (5) of subsection 4 of this section.

7. Within the parameters of the state treasurer's written investment policy, the state treasurer may subscribe for or purchase outright or by repurchase agreement investments of the character described in subsection 3 of this section which the treasurer, in the exercise of the treasurer's best judgment, believes to be the best for investment of state moneys at the time and in payment therefor may withdraw moneys from any bank account, demand or time, maintained by the treasurer without having any supporting warrant of the commissioner of administration. The state treasurer may bid on subscriptions for such obligations in accordance with the treasurer's best judgment. The state treasurer shall provide for the safekeeping of all such obligations so acquired in the same manner that securities pledged to secure the repayment of state moneys deposited in banking institutions are kept by the treasurer pursuant to law. The state treasurer may hold any such obligation so acquired by the treasurer until its maturity or prior thereto may sell the same outright or by reverse repurchase agreement provided the state's security interest in the underlying security is perfected or temporarily exchange such obligation for cash or other authorized securities of at least equal market value with no maturity more than one year beyond the maturity of any of the traded obligations, for a negotiated fee as the treasurer, in the exercise of the treasurer's best judgment, deems necessary or advisable for the best interest of the people of the state of Missouri in the light of the circumstances at the time prevailing. The state treasurer may pay all costs and expenses reasonably incurred by the treasurer in connection with the subscription, purchase, sale, collection, safekeeping or delivery of all such obligations at any time acquired by the treasurer.

8. As used in this chapter, except as more particularly specified in section 30.270, obligations of the United States shall include securities of the United States Treasury, and United States agencies or instrumentalities as described in
Section 15, Article IV, Constitution of Missouri. The word "temporarily" as used in this section shall mean no more than six months.

30.753. 1. The state treasurer may invest in linked deposits; however, the total amount so deposited at any one time shall not exceed, in the aggregate, [seven hundred twenty] eight hundred million dollars. No more than three hundred thirty million dollars of the aggregate deposit shall be used for linked deposits to eligible farming operations, eligible locally owned businesses, eligible agribusinesses, eligible beginning farmers, eligible livestock operations, and eligible facility borrowers, no more than one hundred [ten] ninety million of the aggregate deposit shall be used for linked deposits to small businesses, no more than twenty million dollars shall be used for linked deposits to eligible multitenant development enterprises, and no more than twenty million dollars of the aggregate deposit shall be used for linked deposits to eligible residential property developers and eligible residential property owners, no more than two hundred twenty million dollars of the aggregate deposit shall be used for linked deposits to eligible job enhancement businesses and no more than twenty million dollars of the aggregate deposit shall be used for linked deposit loans to eligible water systems. Linked deposit loans may be made to eligible student borrowers, eligible alternative energy operations, eligible alternative energy consumers, and eligible governmental entities from the aggregate deposit. If demand for a particular type of linked deposit exceeds the initial allocation, and funds initially allocated to another type are available and not in demand, the state treasurer may commingle allocations among the types of linked deposits.

2. The minimum deposit to be made by the state treasurer to an eligible lending institution for eligible job enhancement business loans shall be ninety thousand dollars. Linked deposit loans for eligible job enhancement businesses may be made for the purposes of assisting with relocation expenses, working capital, interim construction, inventory, site development, machinery and equipment, or other expenses necessary to create or retain jobs in the recipient firm.

30.758. 1. The state treasurer may accept or reject a linked deposit loan package or any portion thereof.

2. The state treasurer shall make a good faith effort to ensure that the linked deposits are placed with eligible lending institutions to make linked deposit loans to minority- or female-owned eligible multitenant enterprises, eligible farming operations, eligible alternative energy operations, eligible
alternative energy consumers, eligible locally owned businesses, eligible small
businesses, eligible job enhancement businesses, eligible marketing enterprises,
eligible residential property developers, eligible residential property owners,
eligible governmental entities, eligible agribusinesses, eligible beginning farmers,
eligible livestock operations, eligible student borrowers, eligible facility borrowers,
or eligible water supply systems. Results of such effort shall be included in the
linked deposit review committee's annual report to the governor.

3. Upon acceptance of the linked deposit loan package or any portion
thereof, the state treasurer may place linked deposits with the eligible lending
institution as follows: when market rates are five percent or above, the state
treasurer shall reduce the market rate by up to three percentage points to obtain
the linked deposit rate; when market rates are less than five percent, the state
treasurer shall reduce the market rate by up to sixty percent to obtain the linked
deposit rate. All linked deposit rates are determined and calculated by the state
treasurer. When necessary, the treasurer may place linked deposits prior to
acceptance of a linked deposit loan package.

4. The eligible lending institution shall enter into a deposit agreement
with the state treasurer, which shall include requirements necessary to carry out
the purposes of sections 30.750 to 30.765. The deposit agreement shall specify
the length of time for which the lending institution will lend funds upon receiving
a linked deposit, and the original deposit plus renewals shall not exceed five
years, except as otherwise provided in this chapter. The agreement shall also
include provisions for the linked deposit of a linked deposit for an eligible facility
borrower, eligible multitenant enterprise, eligible farming operation, eligible
alternative energy operation, eligible alternative energy consumer, eligible locally
owned business, eligible small business, eligible marketing enterprise, eligible
residential property developer, eligible residential property owner, eligible
governmental entity, eligible agribusiness, eligible beginning farmer, eligible
livestock operation, eligible student borrower or job enhancement
business. Interest shall be paid at the times determined by the state treasurer.

5. The period of time for which such linked deposit is placed with an
eligible lending institution shall be neither longer nor shorter than the period of
time for which the linked deposit is used to provide loans at reduced interest
rates. The agreement shall further provide that the state shall receive market
interest rates on any linked deposit or any portion thereof for any period of time
for which there is no corresponding linked deposit loan outstanding to an eligible
multitenant enterprise, eligible farming operation, eligible alternative energy
operation, eligible alternative energy consumer, eligible locally owned business,
eligible small business, eligible job enhancement business, eligible marketing
enterprise, eligible residential property developer, eligible residential property
owner, eligible governmental entity, eligible agribusiness, eligible beginning
farmer, eligible livestock operation, eligible student borrower, eligible facility
borrower, or eligible water supply system, except as otherwise provided in this
subsection. Within thirty days after the annual anniversary date of the linked
deposit, the eligible lending institution shall repay the state treasurer any linked
deposit principal received from borrowers in the previous yearly period and
thereafter repay such principal within thirty days of the yearly anniversary date
calculated separately for each linked deposit loan, and repaid at the linked
deposit rate. Such principal payment shall be accelerated when more than thirty
percent of the linked deposit loan is repaid within a single monthly period. Any
principal received and not repaid, up to the point of the thirty percent or more
payment, shall be repaid within thirty days of that payment at the linked deposit
rate. Finally, when the linked deposit is tied to a revolving line of credit
agreement between the banking institution and its borrower, the full amount of
the line of credit shall be excluded from the repayment provisions of this
subsection.

6. The state treasurer shall give priority to maintaining linked
deposit agreement renewals over funding new linked deposit
applications.

70.705. 1. The "Members Deposit Fund" is hereby created. It shall be the
fund in which shall be accumulated the contributions made by members to the
system, and from which shall be made transfers and refunds of members'
contributions as provided in sections 70.600 to 70.755.

2. Except as provided otherwise in this section, the contributions of a
member to the system shall be four percent of his compensations after the date
he has completed sufficient employment for six months of credited service. Such
contributions shall be made notwithstanding that the minimum salary or wages
provided by law for any member shall thereby be changed. Each member shall
be deemed to consent and agree to the deductions made and provided for
herein. Payment of a member's compensation less such deductions shall be a full
and complete discharge and acquittance of all claims and demands whatsoever
for services rendered by him to a political subdivision, except as to benefits
3. The officer or officers responsible for making up the payrolls for each political subdivision shall cause the contributions provided for in this section to be deducted from the compensation of each member in the employ of the political subdivision, on each and every payroll, for each and every payroll period after the date he has completed sufficient employment for six months of credited service to the date his membership terminates. When deducted, each of these amounts shall be paid by the political subdivision to the system; the payments shall be made in the manner and shall be accompanied by such supporting data as the board shall from time to time prescribe. When paid to the system, each of the amounts shall be credited to the members deposit fund account of the member from whose compensations the contributions were deducted.

4. In addition to the contributions deducted from the compensations of a member, as heretofore provided, a member shall deposit in the members deposit fund, by a single contribution or by an increased rate of contributions, as approved by the board, the amount or amounts he may have withdrawn therefrom and not repaid thereto, together with regular interest from the date of withdrawal to the date of repayment. In no case shall a member be given credit for service rendered prior to the date he withdrew his accumulated contributions until he returns to the members deposit fund all amounts due the fund by him.

5. Upon the retirement of a member, or upon his death if an allowance becomes payable on account of his death, his accumulated contributions shall be transferred to the benefit reserve fund.

6. Each political subdivision, by majority vote of its governing body, may elect with respect to its members an alternate contribution amount of two percent or six percent of compensation or to eliminate future member contributions otherwise provided for in this section. Should a political subdivision elect one benefit program for members whose political subdivision employment is concurrently covered by federal Social Security and a different benefit program for members whose political subdivision employment is not concurrently covered by federal Social Security, as provided in section 70.655, the political subdivision may also, by majority vote of its governing body, make one election concerning member contributions provided for in this section for members whose political subdivision employment is concurrently covered by federal Social Security and one election concerning member
contributions provided for in this section for members whose political
subdivision employment is not concurrently covered by federal Social
Security. The clerk or secretary of the political subdivision shall certify the
election concerning member contributions to the board within ten days after such
vote. The effective date of the political subdivision's member contribution election
is the first day of the calendar month specified by such governing body, or the
first day of the calendar month next following receipt by the board of the
certification of such election, or the effective date of the political subdivision's
becoming an employer, whichever is the latest. Such election concerning member
contributions may be changed from time to time by such vote, but not more often
than once in two years. Except as provided in section 70.707, if such election is
to eliminate member contributions, then such election shall apply only to future
member compensations and shall not change the status of any member
contributions made before such election. If the effect of such election is to require
member contributions, then such election shall apply only to future member
compensations and shall not change any member contribution requirements
existing before such election. Should an employer change its member
contribution requirements as provided in this section, the employer contribution
requirements shall be correspondingly changed effective the same date as the
member contribution change. The limitation on increases in an employer's
contribution provided by subsection 6 of section 70.730 shall not apply to any
contribution increase resulting from an employer electing to eliminate member
contributions.

100.255. As used in sections 100.250 to 100.297, the following terms
mean:
(1) "Board", the Missouri development finance board created by section
100.265;
(2) "Borrower", any person, partnership, public or private corporation,
association, development agency or any other entity eligible for funding under
sections 100.250 to 100.297;
(3) "Development agency", any of the following:
(a) A port authority established pursuant to chapter 68;
(b) The bi-state development agencies established pursuant to sections
70.370 to 70.440, and sections 238.010 to 238.100;
(c) A land clearance for redevelopment authority established pursuant to
sections 99.300 to 99.660;
(d) A county, city, incorporated town or village or other political subdivision or public body of this state;
(e) A planned industrial expansion authority established pursuant to sections 100.300 to 100.620;
(f) An industrial development corporation established pursuant to sections 349.010 to 349.105;
(g) A real property tax increment financing commission established pursuant to sections 99.800 to 99.865;
(h) Any other governmental, quasi-governmental or quasi-public corporation or entity created by state law or by resolution adopted by the governing body of a development agency otherwise described in paragraphs (a) through (g) of this subdivision;
(4) "Development and reserve fund", the industrial development and reserve fund established pursuant to section 100.260;
(5) "Export finance fund", the Missouri export finance fund established pursuant to section 100.260;
(6) "Export trade activities" includes, but is not limited to, consulting, international market research, advertising, marketing, insurance, product research and design, legal assistance, transportation, including trade documentation and freight forwarding, communication, and processing of foreign orders to and for exporters and foreign purchases and warehousing, when undertaken to export or facilitate the export of goods or services produced or assembled in this state;
(7) "Guarantee fund", the industrial development guarantee fund established by section 100.260;
(8) "Infrastructure development fund", the infrastructure development fund established under section 100.263;
(9) "Infrastructure facilities", the highways, streets, bridges, water supply and distribution systems, mass transportation facilities and equipment, telecommunication facilities, jails and prisons, sewers and sewage treatment facilities, wastewater treatment facilities, airports, railroads, reservoirs, dams and waterways in this state, acquisition of blighted real estate and the improvements thereon, demolition of existing structures and preparation of sites in anticipation of development, public facilities, and any other improvements provided by any form of government or development agency;
(10) "Jobs now fund", the jobs now fund established under section 100.260;
"Jobs now projects", the purchase, construction, extension, and improvement of real estate, plants, buildings, structures, or facilities, whether or not now in existence, used or to be used primarily as infrastructure facilities or public facilities. When any entity provides a certified design or operation plan which is demonstrably less than the usual and customary average industry determination of cost for installation, construction, purchasing, extension, and improvement of real estate, manufacturing facilities, buildings, structures or facilities, including public facilities, then the entity or company providing such service may receive payment in an amount equal to the usual and customary fee for such project plus additional compensation equal to two times the percentage by which the cost of such aforementioned criteria of such facility is less than the usual and customary average industrial determination of cost for installation, construction, materials, extension and improvement of real estate, manufacturing facilities, buildings, structures, or facilities, including public facilities. Such entity shall also pay to such company providing such aforementioned service compensation equal to twenty-five percent of the amount of any annual operational costs which are lower than the customary average industry determination of cost for operation for such facility, procedure, or service for a period of time equal to one-fourth the design lifetime of such entity or five years whichever is less;

"Participating lender", a lender authorized by the board to participate with the board in the making of a loan or to make loans the repayment of which is secured by the development and reserve fund;

"Project", the purchase, construction, extension, and improvement of real estate, plants, buildings, structures or facilities, whether or not now in existence, used or to be used primarily as a factory, assembly plant, manufacturing plant, fabricating plant, distribution center, warehouse building, office building, port terminal or facility, transportation and transfer facility, industrial plant, processing plant, commercial or agricultural facility, nursing or retirement facility or combination thereof, recreational facility, cultural facility, public facilities, job training or other vocational training facility, infrastructure facility, video-audio telecommunication conferencing facility, office building, facility for the prevention, reduction, disposal or control of pollution, sewage or solid waste, facility for conducting export trade activities, or research and development building in connection with any of the facilities defined as a project in this subdivision. The term "project" shall also include any improvements,
including, but not limited to, road or rail construction, alteration or relocation, and construction of facilities to provide utility service for any of the facilities defined as a project under this subdivision, along with any fixtures, equipment, and machinery, and any demolition and relocation expenses used in connection with any such projects and any capital used to promote and facilitate such facilities and notes payable from anticipated revenue issued by any development agency. The term “project” shall also include any transfer, expenditure or working capital of the state, any agency or department of the state or any development agency;

(14) "Public facility", any facility or improvements available for use by the general public including facilities for which user or other fees are charged on a nondiscriminatory basis.

362.1015. For purposes of sections 362.1010 to 362.1115, the following terms mean:

(1) "Authorized representative", if a family trust company is organized as a corporation, then an officer or director of the family trust company or, if a family trust company is organized as a limited liability company, then a manager, officer, or member of the family trust company;

(2) "Collateral kinship", a relationship that is not lineal but stems from a common ancestor;

(3) "Controlling stockholder or member", an individual who owns or has the ability or power to directly or indirectly vote ten percent or more of the outstanding shares, membership interest, or membership units of the family trust company;

(4) "Designated relative", a common ancestor of a family, either living or deceased, who is so designated in [an organizational instrument. No family trust company shall have more than one designated relative] a family trust company's initial registration application and any annual registration report;

(5) "Engage in trust company business with the general public", any sales, solicitations, arrangements, agreements, or transactions to provide trust or other business services, whether for a fee, commission, or any other type of remuneration, with any person who is not a family member or any sole proprietorship, partnership, limited liability company, joint venture, association, corporation, trust, estate, business trust, or other company that is not one hundred percent owned by one or more family members;
(6) "Family affiliate", a company or other entity wholly and exclusively
owned by, directly or indirectly, and operated for the sole benefit of:
(a) One or more family members; or
(b) Charitable foundations, charitable trusts, or other charitable entities
if such foundation, trust, or entity is funded exclusively by one or more family
members;
(7) "Family member":
(a) A designated relative;
(b) Any person within the tenth degree of lineal kinship of a designated
relative;
(c) Any person within the ninth degree of collateral kinship to a
designated relative;
(d) The spouse of any person who qualifies under paragraphs (a) through
(c) of this subdivision;
(e) Any former spouse of any person who qualifies under paragraphs (a)
through (c) of this subdivision;
(f) The probate estate of any person who qualified as a family member
under paragraphs (a) through (e) of this subdivision;
(g) A family affiliate;
(h) An irrevocable trust funded exclusively by one or more family
members of which all permissible distributees, as defined under subdivision (16)
of section 456.1-103, qualify under paragraphs (a) through (g) of this subdivision
or are charitable foundations, charitable trusts, or other charitable entities; [or]
(i) An irrevocable trust of which one or more family members are
the only permissible distributees; or
(j) A revocable trust of which one or more family members are the sole
settlers.
For purposes of this subdivision, a legally adopted person shall be treated as a
natural child of the adoptive parents; a stepchild shall be treated as a natural
child of the family member who is or was the stepparent of that child; and a
foster child or an individual who was a minor when a family member became his
or her legal guardian shall be treated as a natural child of the family member
appointed as foster parent or guardian. Degrees of kinship are calculated by
adding the number of steps from the designated relative through each person to
the family member either directly in case of lineal kinship or through the common
ancestor in the case of collateral kinship;
(8) "Family trust company", a corporation or limited liability company organized or qualified to do business in this state that is wholly owned and exclusively controlled by, directly or indirectly, one or more family members, excluding any former spouse of a family member; that operates for the exclusive benefit of a family member regardless of whether compensation is received or anticipated; and that does not engage in trust company business with the general public or otherwise hold itself out as a trustee for hire by advertisement, solicitation, or other means. The term "family trust company" shall include foreign family trust companies unless context indicates otherwise;

(9) "Family trust company affiliated party":
   (a) A director, officer, manager, employee, or controlling stockholder or member of a family trust company; or
   (b) A stockholder, member, or any other person as determined by the secretary who participates in the affairs of a family trust company;

(10) "Foreign family trust company", a family trust company that:
   (a) Is licensed by the District of Columbia or a state in the United States other than this state;
   (b) Has its principal place of business in the District of Columbia or a state in the United States other than this state;
   (c) Is operated in accordance with family or private trust company laws of the District of Columbia or of the state in which it is licensed;
   (d) Is subject to statutory or regulatory mandated oversight by the District of Columbia or state in which the principal place of business is located; and
   (e) Is not owned by or a subsidiary of a corporation, limited liability company, or other business entity that is organized in or licensed by any foreign country;

(11) "Lineal kinship", a relationship in the direct line of ascent or descent from a designated relative;

(12) "Officer", an individual, regardless of whether the individual has an official title or receives a salary or other compensation, who may participate in the major policy-making functions of a family trust company other than as a director. The term shall not include an individual who may have an official title and exercises discretion in the performance of duties and functions but who does not participate in determining the major policies of the family trust company and whose decisions are limited by policy standards established by other officers, regardless of whether the policy standards have been adopted by the board of
directors. The chair of the board of directors, the president, the chief executive
officer, the chief financial officer, the senior trust officer, all executive vice
presidents of a family trust company, and all managers if organized as a limited
liability company are presumed to be officers unless such officer is excluded, other
than in the capacity of a director, by resolution of the board of directors or
members or by the bylaws or operating agreement of the family trust company
from participating in major policy-making functions of the family trust company,
and such excluded officer does not actually participate therein;

(13) "Organizational instrument", the articles of incorporation for a
corporation or the articles of organization for a limited liability company, as they
may be amended or supplemented from time to time;

(14) "Principal place of business", the physical location where officers of
a family trust company direct, control, and coordinate the trust company's
activities;

(15) "Principal place of operations", the physical location in this state
where a foreign family trust company stores and maintains its books and records
pertaining to operations in this state;

(16) "Qualified beneficiary", the same meaning as defined under
subdivision (21) of section 456.1-103;

(17) "Registered agent", a business or individual designated by a family
trust company to receive service of process on behalf of the family trust company;

(18) "Reports of examinations, operations, or conditions", records
submitted to the secretary or prepared by the secretary as part of the secretary's
duties performed under sections 362.1010 to 362.1117;

(19) "Secretary", the secretary of state for the state of Missouri;

(20) "Secretary's designee", an attorney-at-law or a certified public
accountant designated by the secretary under subsection 1 of section 362.1085;

(21) "Working papers", the records of the procedures followed, tests
performed, information obtained, and conclusions reached in an investigation
under sections 362.1010 to 362.1117. The term shall also include books and
records.

362.1030. 1. There is hereby established in the state treasury the "Family
Trust Company Fund", which shall consist of all fees collected by the secretary
from family trust companies registering as provided in this section. The state
treasurer shall be custodian of the fund. In accordance with sections 30.170 and
30.180, the state treasurer may approve disbursements. The fund shall be a
6 dedicated fund, and moneys in the fund shall be used solely to support the
7 secretary's role and fulfillment of duties under sections 362.1010 to
8 362.1117. Notwithstanding the provisions of section 33.080 to the contrary, any
9 moneys remaining in the fund at the end of the biennium that exceed twenty
10 thousand dollars shall revert to the credit of the general revenue fund. The
11 state treasurer shall invest moneys in the fund in the same manner as other
12 funds are invested. Any interest and moneys earned on such investments shall
13 be credited to the fund.

2. [No] A family trust company that is not a foreign family trust
15 company shall not conduct business in this state unless such family trust
16 company:

   (1) Files its organizational instrument with the secretary;

   (2) Pays a one-time original filing fee of five thousand dollars to the
19 secretary; and

   (3) Registers by filing with the secretary an initial registration
21 application in a format prescribed by the secretary.

3. A foreign family trust company shall not conduct business in
23 this state unless such foreign family trust company:

   (1) Pays a one-time original filing fee of five thousand dollars to
25 the secretary;

   (2) Registers by filing with the secretary an initial registration
27 application in a format prescribed by the secretary; and

   (3) If such foreign family trust company is a corporation, files an
29 application for a certificate of authority or, if such foreign family trust
30 company is a limited liability company, files an application for
31 registration.

4. The secretary shall deposit all family trust company filing fees into the
33 family trust company fund established under subsection 1 of this section.

34 [3. To register, a family trust company that is not a foreign family trust
35 company shall file its organizational instrument with the secretary. At a
36 minimum, the organizational instrument shall state:

   (1) The name of the designated relative;

   (2) That the family trust company is a family trust company as defined
39 under sections 362.1010 to 362.1117; and

   (3) That its operations will comply with sections 362.1010 to 362.1117.

4. A foreign family trust company shall register by filing with the
42 secretary:
43 (1) An initial registration to begin operations as a foreign family trust
44 company; and
45 (2) An application for a certificate of authority in accordance with and
46 subject to chapters 347 or 351.]
47 5. A foreign family trust company application shall be submitted on a
48 form prescribed by the secretary and be signed, under penalty of perjury, by an
49 authorized representative. At a minimum, the application shall include:
50 (1) A statement attesting that the foreign family trust company:
51 (a) Will comply with the provisions of sections 362.1010 to 362.1117; and
52 (b) Is in compliance with the family trust company laws and regulations
53 of the jurisdiction of its incorporation or organization;
54 (2) The current telephone number and street address of:
55 (a) The foreign family trust company's principal place of business in the
56 jurisdiction of its incorporation or organization;
57 (b) The foreign family trust company's principal place of operations; and
58 (c) Any other offices located within this state;
59 (3) The name and current street address in this state of its registered
60 agent;
61 (4) A certified copy of a certificate of good standing, or an equivalent
62 document, authenticated by the official having custody of records in the
63 jurisdiction where the foreign family trust company is incorporated or organized;
64 (5) Satisfactory proof, as determined by the secretary, that the foreign
65 family trust company is organized in a manner similar to a Missouri family trust
66 company and is in compliance with the family trust company laws and
67 regulations of the jurisdiction in which the foreign family trust company was
68 incorporated or organized; and
69 (6) Any other information reasonably and customarily required by the
70 secretary of foreign corporations or foreign limited liability companies seeking to
71 qualify to conduct business in this state.

362.1037. Exclusive authority to manage a family trust company shall be
2 vested in:
3 (1) If a corporation, a board of directors that consists of at least three
4 directors; or
5 (2) If a limited liability company, a board of directors or managers that
6 consists of at least three directors or managers.
At least one director or manager of the company shall be a resident of this state.

362.1040. 1. One or more persons may subscribe to an organizational instrument in writing for the purpose of forming a family trust company, subject to the conditions prescribed by law.

2. The organizational instrument of a family trust company shall set forth all of the information required under [chapters] chapter 347 or 351, as applicable, and the following:

(1) The name of the company, which shall distinguish the company from any other nonfamily trust company or family trust company formed or engaging in business in this state. If the word "trust" is included in the name, it shall be immediately preceded by the word "family" so as to distinguish the entity from a nonfamily trust company operating under this chapter. This subdivision shall not apply to a foreign family trust company using a fictitious name that is registered and maintained in this state pursuant to the requirements administered by the secretary and that distinguishes the foreign family trust company from a nonfamily trust company authorized to operate under this chapter;

(2) A statement that the purpose for which the company is formed, which shall clearly identify the restricted activities permissible to a family trust company, is to engage in any and all activities permitted under sections 362.1010 to 362.1117; and

(3) A statement affirming that the family trust company shall not engage in trust company business with the general public.

3. The term "trust company" in the name adopted by a family trust company shall not be deemed to violate section 362.425.

362.1070. 1. The assets forming the minimum capital account of a family trust company shall:

(1) Consist of cash, United States Treasury obligations, or any combination thereof; and

(2) Have an aggregate market value of at least one hundred percent of the company's required capital account, as specified under subsection 1 of section 362.1035. If the aggregate market value of one hundred percent of the company's capital account is, at any time, less than the amount required under subsection 1 of section 362.1035, the company shall have five business days to bring such capital account into compliance with subsection 1 of section 362.1035.

2. A family trust company may purchase or rent real or personal property
for use in conducting business and other activities of the company.

3. Notwithstanding any other provision of law, a family trust company may invest funds for its own account, other than those required or allowed under subsection 1 or 2 of this section, in any type or character of equity securities, debt securities, or other assets.

4. Notwithstanding any other provision of law, a family trust company may, while acting as a fiduciary, purchase directly from underwriters or broker-dealers or purchase in the secondary market:

   (1) Bonds or other securities underwritten or brokered by:

      (a) The family trust company;

      (b) A family affiliate; or

      (c) A syndicate, including the family trust company or a family affiliate;

   and

   (2) Securities of investment companies for which the family trust company acts as an advisor, custodian, distributor, manager, registrar, shareholder servicing agent, sponsor, or transfer agent. For purposes of this section, investment companies shall be deemed to include mutual funds, closed-end funds, or unit-investment trusts as defined under the Investment Company Act of 1940, P.L. 76-768, as amended.

5. The authority granted under subsection 4 of this section may be exercised only if:

   (1) The investment is not expressly prohibited by the instrument, judgment, decree, or order that establishes the fiduciary relationship;

   (2) The family trust company procures in writing the consent of all cofiduciaries with discretionary investment powers to the investment, if any; and

   (3) The family trust company discloses its intent to exercise the authority granted under subsection 4 of this section in writing to all [of the trust company's account statement recipients] family members for whom the investment is to be made, which shall occur before the first exercise of such authority, and each such disclosure states:

      (a) Any interest the family trust company has or reasonably expects to have in the underwriting or distribution of the bonds or securities;

      (b) Any fee or other compensation received or reasonably expected to be received by the family trust company as a result of the transaction or services provided to an investment company; and

      (c) Any relationship between the family trust company and an investment
6. Subsections 4 and 5 of this section shall not affect the degree of prudence required of fiduciaries under the laws of this state. However, a purchase of bonds or securities under this section shall be presumed unaffected by a conflict between the fiduciary's personal and fiduciary interests if such purchase:

(1) Is negotiated at a fair price;

(2) **If the family member served by the family trust company is a trust**, is in accordance with:

(a) The interest of the qualified beneficiaries of the trust for which the purchase is made; and

(b) The purposes of the trust; and

(3) Otherwise complies with:

(a) The Missouri prudent investor act, sections 469.900 to 469.913, unless such compliance is waived in a manner as provided by law; and

(b) The terms of the instrument, judgment, decree, or order establishing the fiduciary relationship.

7. Notwithstanding subsections 1 to 6 of this section, no family trust company shall, while acting as a fiduciary, purchase a bond or security issued by the family trust company, its parent, or a subsidiary company of either unless:

(1) The family trust company is expressly authorized to do so by:

(a) [The terms of the instrument creating the trust for which such purchase is made;]

(b) A court order;

(b) **The terms of the instrument, judgment, decree, or order establishing the fiduciary relationship; or**

(c) **If the fiduciary relationship was established by a trust instrument**, the written consent of the settlor [of such trust for which the family trust company is serving as trustee; or

(d) The written consent of every adult qualified beneficiary of such trust who, at the time of such purchase, is entitled to receive income under the trust or who would be entitled to receive a distribution of principal if the trust were terminated]** or **of every adult qualified beneficiary of the trust created under that instrument for which such purchase is made**; and

(2) The purchase of the security is at a fair price and complies with the Missouri prudent investor act, sections 469.900 to 469.913, unless compliance is
waived in a manner as provided by law, and with the terms of the instrument, judgment, decree, or order establishing the fiduciary relationship.

8. Except as otherwise expressly limited by this section, a family trust company is authorized, without limiting any powers otherwise conferred on fiduciaries by law, to do any of the following actions while acting as a fiduciary, and such actions shall be presumed to be unaffected by a conflict between the fiduciary's personal and fiduciary interests:

(1) Make an equity investment in a closely held entity that may or may not be marketable and that is directly or indirectly owned or controlled by one or more family members;

(2) Place a security transaction using a broker who is a family member;

(3) Enter into an agreement with a family member who is the settlor or a qualified beneficiary of a trust with respect to the appointment of the family trust company as a fiduciary of the trust or with respect to the compensation of the family trust company for service as a fiduciary;

(4) Transact business with a family member;

(5) Transact business with or invest in any asset of another trust, estate, guardianship, or conservatorship for which the family trust company is a fiduciary or in which a family member has an interest;

(6) Deposit trust assets in a financial institution that is owned, controlled, or operated by one or more family members;

(7) Purchase, sell, hold, own, or invest in a security, bond, real property, personal property, stock, or other asset of a family member; and

(8) With or without adequate security, lend moneys to or borrow moneys from a family member or a trust, estate, or guardianship for which the family trust company serves as a fiduciary.

9. If not inconsistent with and subject to the terms of subsections 4 to 8 of this section, the duty of loyalty under section 456.8-802 applies to a family trust company when the family trust company serves as trustee of a trust whose administration is subject to chapter 456.

370.010. Any seven persons, residents of the state of Missouri, may apply to the director of the division of credit unions, for permission to organize a credit union by signing and acknowledging [in triplicate] a certificate of organization and entering into articles of agreement, in which they shall bind themselves to comply with its requirements and with all the laws, rules and regulations applicable to credit unions.
370.020. The certificate of organization shall state:
(1) The name of the proposed credit union and the city, town, or village in which its business office is located;
(2) The names and addresses of the subscribers to the certificate, and the number of shares subscribed by each;
(3) A statement that organization as a credit union is desired under this particular law;
(4) The par value of the [general] regular shares, which shall not exceed one hundred dollars;
(5) The par value of membership shares, if any, which shall not be less than twenty-five nor more than one hundred dollars.

370.030. At the time of filing the certificate with the director of the division of credit unions, the organizers shall submit[1] in triplicate, sets of [2] the bylaws with acknowledgment of their adoption by the organizers which shall provide:
(1) For the annual meeting, which shall take place no later than one hundred eighty days following the close of the fiscal year, the manner of notification of meetings and the conduct of the same, the number of members constituting a quorum and regulations as to voting;
(2) The number of directors, which shall not be less than five, all of whom must be members, their powers and duties, together with the duties of officers elected by the board of directors;
(3) The qualifications for membership;
(4) The number of members of the credit committee and of the supervisory committee, if elected or appointed, which shall not be less than three each, their terms of office, together with their respective powers and duties;
(5) The conditions under which shares may be issued, transferred and withdrawn, loans made and repaid, and the funds otherwise invested; [and]
(6) The charges, if any, which shall be made for failure to meet obligations punctually, whether or not the credit union shall have the power to borrow, the method of receipting for money, the manner of accumulating a reserve fund and determining a dividend.

370.071. A credit union may have the following additional powers:
(1) To contract for group insurance plans, approved by the state of Missouri, on behalf of members electing to participate in such insurance programs and to charge a fee for providing such services;
(2) To exercise such additional powers, with the approval of the director, as federally chartered credit unions may be authorized under federal statutes; however, this section shall not apply to field of membership provisions within this chapter;

(3) To hold membership in central credit unions whose field of membership includes credit unions, and to invest funds in shares of corporations to aid the liquidity of credit unions;

(4) To act as the fiscal or transfer agent of the United States, of any state, municipality, or political subdivision and in such capacity to receive and disburse money, to transfer, register and countersign certificates of stock, bonds and other evidences of indebtedness;

(5) Notwithstanding any other law to the contrary, a credit union may charge initial and/or recurring membership fees, provided such fees have been approved by a majority of the membership in attendance at any regular or special meeting or by a mail or electronic ballot as provided in the credit union bylaws, after notice of the purpose thereof shall have been mailed or delivered to each member, at least seven days and no longer than sixty days prior to the date of such meeting. Such membership fees shall not be construed as reserve income but shall be used at the sole discretion of the board of directors for the benefit of the credit union.

370.110. 1. Each credit union shall make a report of its condition [on or before January thirty-first of each year], verified by the president or the president’s designee, as required by the federal credit union insurer and at such other times as the director of the division of credit unions may require.

2. [Such reports shall be made on blank forms to be provided by the director of the division of credit unions and shall be verified under oath or affirmation of the president and treasurer of the credit union.

3.] Any credit union which neglects to make any report when due, or makes such report that is inaccurate or incomplete, shall forfeit to the state, payable to the director of revenue, twenty-five dollars for each day of the first seven days of such neglect and seventy-five dollars for each additional day thereafter, after the due date of such report or such subsequent due date established by the director in a notice to the credit union to correct an inaccurate or incomplete report unless such payments are excused in whole or in part by the director of the division of credit unions.
370.120. 1. The director of the division of credit unions, in person or by his or her agents, shall examine each credit union annually and at other times as he or she shall direct, and at all times shall have free access to all books, papers, securities and other sources of information pertaining to the credit union; except that the division of credit unions shall examine qualifying credit unions, as determined by the director, at least once each eighteen calendar months.

2. The director of the division of credit unions and his or her agents may subpoena and examine witnesses under oath or affirmation, and documents pertaining to the business of the credit unions.

3. The director of the division of credit unions may accept, in lieu of making an annual examination of a credit union, an audit report of the condition of the credit union made by an auditor approved by the director of the division of credit unions for the purpose of making such credit union audits, the cost of which audit shall be borne by the credit union.

4. The director of the division of credit unions may accept, in lieu of conducting an annual examination of a credit union, a final examination report of the credit union made by the federal credit union insurer.

370.130. 1. If any credit union neglects for [fifteen] thirty days to make the required reports or to pay the required charges, including charges for delay in filing reports, the director shall notify such credit union of his or her intention to revoke its certificate of approval.

2. If such neglect or failure continues for an additional fifteen days, the director may revoke the certificate of approval of such credit union.

3. Whenever the director revokes the certificate of approval of any credit union, he or she shall file notice of such revocation with the secretary of state.

370.151. 1. The director may call a special meeting of the members to consider and act upon a plan of reorganization; but he or she may at his or her option require the president or secretary to do so. Notice of the meeting shall be mailed or delivered to each member, or posted in a conspicuous place frequented by the members, at least seven days before the meeting.

2. If the plan of reorganization is approved by a two-thirds majority of the votes cast at the meeting, it shall become effective upon the date, terms and conditions specified therein, and the director shall, upon, or as of, the date, return the possession, assets and conduct of the business of the credit union to its directors and officers.
3. If a reorganization plan, when submitted to the members as herein provided, is not approved by the required majority, the director may issue a notice of involuntary liquidation and appoint a liquidating agent to liquidate the credit union.

370.170. 1. Special meetings of the members may be held by order of the board of directors, or the supervisory committee, and shall be held on request of ten percent of the members.

2. At all meetings a member shall have but one vote.

3. No member may vote by proxy, but a society, association, copartnership, or corporation, having membership in a credit union, may be represented by one person, previously authorized by such society, association, copartnership or corporation to transact business with the credit union. The bylaws of a credit union, when approved by the membership, may provide for mail or electronic ballots for the election of officers.

4. By majority vote of those present at any meeting, the members may decide on any matter of interest to the credit union, amend the bylaws relating to qualifications for membership, the election or appointment of the supervisory committee, determine the requirements for a credit committee and if such committee should be elected or appointed, and overrule the directors on any matter concerning guidelines for future plans and objectives, provided the notice of the meeting has stated any such matter to be considered upon a written request of any member, except that the members cannot cause the credit union to breach or abrogate any legally binding obligation or contract previously executed by the board.

370.190. 1. [At the first meeting, and at each first meeting in the fiscal year, the board of directors shall elect from their own number a president, vice president, secretary and treasurer. If the bylaws so provide, the offices of secretary and treasurer may be held by the same person.

2. Where the credit union bylaws so provide] At its first meeting following the annual membership meeting, the board of directors[, in lieu of the officers specified in subsection 1,] shall elect from their own number a [chairman] chair of the board of directors, a vice [chairman] chair, a secretary and a treasurer; and further shall designate such administrative officers [including a president of the credit union and a vice president] as the bylaws may provide. [In the event the bylaws of a credit union provide for the designation of officers as provided in this subsection, where in this chapter there is a reference
13 to a "president" and "vice president", for such a credit union, the reference shall
14 be understood to be to "chairman of the board" and "vice chairman of the board";
15 and the word "manager" shall be understood to refer to a "president". If the
16 bylaws so provide, the offices of secretary and treasurer may be held
17 by the same person.

[3.] 2. The duties of the officers shall be prescribed by the board of
directors unless otherwise specified in the bylaws.

370.200. 1. The board of directors shall have the general management of
the affairs, funds, and records of the corporation, and unless they shall be
specifically reserved to the members or delegated to the president or
operating manager, it shall be the special duty of the directors:

(1) To act upon [all] applications for membership [and on the exclusion
of members or the board may delegate to a membership officer the approval of
membership applications, and a record of such officer's approval or denial of
membership shall be available to the board of directors for inspection, and a
person denied membership by such officer may appeal such denial to the board]
in the credit union;

(2) To determine, from time to time, rates of interest which shall be
charged on loans;

(3) [To fix the amount of the surety bond which shall be required of each
officer having the custody of funds;

(4)] To fix the maximum number of shares which may be held by and the
maximum amount, both secured and unsecured, which may be loaned to any one
member, such limitations to apply alike to all members;

[(5) To declare dividends;

(6) To accept and act upon resignations and determine and fill vacancies
on the board of directors, credit committee, and, if the bylaws so provide, the
supervisory committee until the election or appointment of qualified successors;

(7)] and

(4) To have charge of the investment of funds of the credit union, other
than loans to members, and to perform such other duties as the members may,
from time to time, authorize[;

(8) To amend the bylaws except for those provisions in other sections of
this chapter specifically reserved for membership action].

2. Additionally, the board shall have the duty to:

(1) Authorize the employment and compensation of the chief
executive officer;

(2) Approve an annual operating budget for the credit union;

(3) Declare dividends on regular shares;

(4) Accept and act upon resignations and determine and fill vacancies on the board of directors, credit committee, and, if the bylaws so provide, the supervisory committee until the election or appointment of qualified successors;

(5) Amend the bylaws except for those provisions in other sections of this chapter specifically reserved for membership action; and

(6) Consider an appeal of a person denied membership by the credit union.

3. Unless specifically prohibited by the bylaws, directors may participate in and act at any meeting of the board through the use of a telephone or other electronic means. Participation in the meeting in this manner shall constitute attendance.

370.220. 1. The credit committee or, if authorized, credit manager [if authorized.] shall approve every loan or advance made by the credit union to its members follow the bylaws, policies, and procedures established by the board of directors regarding loans and advances.

2. [Every application for a loan shall be in the format approved by the board of directors.] The applicant shall state the purpose for which the loan is desired and the security, if any, offered.

3. Security must be taken for any loan in excess of the limit set by written policy of the board of directors. Endorsement of a note or assignment of shares in any credit union shall be deemed security within the meaning of this section.

4. No loan shall be made unless it has received the majority approval of the members of the committee present when the loan was considered, which number shall constitute at least a majority of the committee. However, in the case of any credit union having total assets in excess of one hundred thousand dollars, the board of directors may appoint a credit manager. The credit manager may be delegated authority to act on all or some applications for loans, reporting monthly thereon to the credit committee or board of directors, as the case may be.

5. An applicant for a loan may appeal to the directors from the decision of the credit committee or credit manager, if it is so provided in the bylaws, and in the way and manner therein provided.
6. Notwithstanding any other provisions in this chapter, the board of directors may delegate to the treasurer, or manager, the power to make loans to members provided the amount of any one such loan shall not exceed one hundred dollars and the period of any such loan shall not exceed thirty days.

7.] The credit committee or, when authorized, a credit manager may approve in advance, upon its or his or her own motion or upon application by a member, an extension of credit, and loans may be granted to such members within the limits of such extensions of credit. When an extension of credit has been approved, applications for loans need no further consideration as long as the aggregate obligation does not exceed the limits of such extension of credit. The credit committee or, when authorized, the credit manager shall, at least once a year, review, or cause to be reviewed, all extensions of credit and any extension of credit shall expire if the member becomes more than ninety days delinquent in his or her obligation to the credit union.

370.230. 1. The supervisory committee shall make, or cause to be made, an examination of the affairs of the credit union, at least annually, including its books and accounts, and shall make, or cause to be made, a verification of members' share and loan accounts in the same manner and with the same frequency as required by federal law for federal credit unions, and shall review the acts of the board of directors, credit committee and officers, any or all of whom the supervisory committee may suspend at any time by a majority vote.

2. Within seven days after such suspension, the supervisory committee shall cause notice to be given the members of a special meeting to take action on such suspension, the call for the meeting to indicate clearly its purpose.

3. By a majority vote the committee may call a meeting of the members to consider any violation of this chapter or of the bylaws, or any practice of the credit union which, in the opinion of said committee, is unsafe and unauthorized.

4. During the fiscal year, the supervisory committee shall make or cause to be made a thorough audit of the receipts, disbursements, income, assets, and liabilities of the credit union, and shall make a full report on such audit to the directors. In the event that a credit union has over one million dollars in assets, an independent audit shall be required in lieu of the audit by the supervisory committee, and a report on such audit shall be read at the annual meeting and shall be filed and preserved with the records of the credit union.

5. If the credit union bylaws so provide, the supervisory committee shall elect a chair from their own number.
6. The supervisory committee shall fill vacancies in their own number until the next annual meeting or, if the bylaws so provide, vacancies may be filled by appointment by the board of directors.

370.235. [1.] As a condition precedent to qualification or entry upon the discharge of his or her duties, every person appointed or elected to any position requiring the receipt, payment of money or other personal property owned by a credit union or in its custody or control as collateral or otherwise, shall give a bond with some surety company, licensed to do business in this state, as surety thereon in such reasonably adequate sum as the director shall require and approve. The term "reasonably adequate" as used herein, requires the director to have reasonable regard for the protection of the accounts and assets of the credit union. In lieu of individual bonds, the director may accept a schedule or blanket bond which covers all of the officers and employees of any credit union whose duties include the receipt, payment or custody of money or other personal property on behalf of the credit union. All bonds shall be in the form prescribed by the director.

[2. Within forty-five days next after approval of such bonds by the board of directors, attested copies thereof, with a certificate of their custodian that the originals are in his possession, shall be filed with the director.]

370.260. 1. A credit union may, upon the resignation or expulsion of a member, cancel the shares of such member and apply the withdrawal value of such shares toward the liquidation of the member's indebtedness.

2. Each member shall keep the credit union informed about his or her current address. In the event a member fails to do this, a quarterly charge may be made to the member's share account [for the actual cost of necessary locator service in determining such address; provided, however, that such charge shall not exceed five dollars. The charge shall be made only for amounts paid to a person or concern normally engaged in providing such service, and shall be made against the account or accounts of any one member not more than once in any twelve-month period].

370.275. Shares, share certificates, deposits and deposit certificates may be held in the name of a member in trust for a beneficiary, in the name of a nonmember in trust for a beneficiary who is a member or in the name of a trustee of a trust of which a member is grantor, trustee or beneficiary. Beneficiaries may be a minor or minors. No beneficiary, trustee or grantor of a trust, unless a member in his or her own right, shall be permitted to vote, obtain loans, or hold
office [or be required to pay an entrance or membership fee]. Payment of part or all of such a trust account to the party in whose name the account is held shall, to the extent of such payment, discharge the liability of the credit union to that party and to the beneficiary, and the credit union shall be under no obligation to see to the application of such payment. In the event of death of the party in whose name a trust account is held, and if the credit union has been given no other written notice of the existence or terms of any trust, account funds and any dividends or interest thereon shall be paid to the beneficiary.

370.288. 1. A credit union may refuse to make a payment from an account to a depositor, a shareholder, any trust or payable-on-death account beneficiary, or any other person claiming an interest in the account if the credit union:

(1) Is uncertain under the agreement governing the account of who is entitled to receive the payment; or

(2) Has actual knowledge of a dispute between any depositors, shareholders, beneficiaries with present vested rights in the account, or other persons concerning ownership of the moneys in the account, the proposed withdrawal, or any previous withdrawals from the account.

2. If a credit union refuses to make a payment under subsection 1 of this section, the credit union:

(1) Shall notify, in writing, all depositors, shareholders, beneficiaries with present vested rights in the account, and other persons claiming an interest in the account of the basis for the credit union's refusal; and

(2) May refuse to make the payment until all interested parties consent in writing to the requested payment or a court with proper jurisdiction orders the credit union to make the payment.

3. The credit union shall not be liable for damages as a result of an action taken under this section.

370.310. 1. A credit union may lend to its members, as herein provided, for such purposes and upon such security as the bylaws provide and the credit committee or credit manager shall approve, provided that no secured or unsecured loan shall be made in excess of two thousand dollars, except that if ten percent of the assets of the credit union exceeds two thousand dollars then the maximum amount of a loan by the credit union shall be ten percent of its assets,
and unsecured loans to any one member shall not exceed the limitations found
in current written policies of the board of directors.

2. [A member who needs funds with which to purchase necessary supplies
for growing crops may receive a loan in installments instead of one sum.

3. A borrower may repay the whole or any part of his loan on any day on
which the office of the credit union is open for the transaction of business.

4.] All loans to directors, credit and supervisory committee members of the
credit union shall comply with all the requirements in this chapter and the credit
union bylaws with respect to loans to other members and may not be on terms
more favorable than those of loans extended to other member-borrowers and such
loans shall also be reported at the next regularly scheduled meeting of the board
of directors; and further, all such loans shall be reported to the director of the
division of credit unions annually.

370.340. 1. At any regularly called meeting the members, by a two-thirds
vote of those present, may expel from the credit union any member thereof.

2. A member may withdraw from a credit union[. as herein provided, by
filing a written notice of such intention] upon request.

3. The board of directors, the president, or an executive officer
designated by the board may expel a member pursuant to a written policy
adopted by [it] the board. Any person expelled [by the board] shall have the
right to [request a hearing before the board to reconsider the expulsion] appeal
the decision pursuant to a written policy adopted by the board.

4. The share balance of an expelled or withdrawing member, with any
dividends credited to his or her shares to the date of expulsion, or withdrawal,
shall be paid to said member but only as funds therefor become available, and,
after deducting any amounts due to the credit union by said member. The share
balance of an expelled or withdrawing member, with any dividends credited to his
or her shares, shall be paid to such member, subject to sixty days' notice, and
after deducting any amounts due to the credit union by said member.

5. Said member, when withdrawing shares, shall have no further right in
said credit union or to any of its benefits, but such expulsion or withdrawal shall
not operate to relieve such member from any remaining liability to the credit
union.

370.350. 1. At any meeting called for the purpose, notice of the purpose
being contained in the call, three-fourths of the membership present may vote to
dissolve the credit union and shall thereupon signify their consent to such
dissolution in writing and shall file such consent with the director of the division of credit unions attested by a majority of its officers, with a statement of the names and addresses of the directors and officers duly verified.

2. The director of the division of credit unions shall execute a certificate to the effect that such consent and statement have been filed and that it appears therefrom that the credit union has complied with this section.

3. Such certificate shall be filed by the director in the office of the secretary of state.

4. The director shall then appoint the share insurer or guarantor of the credit union, or other suitable person or persons, or entities, as liquidating agent, who shall proceed to liquidate the credit union by procedures as defined by rules and regulations.

5. The director of the division of credit unions is authorized to promulgate rules and regulations concerning the dissolution of credit unions and, upon the termination of such credit union, and upon notice to the director from his or her appointed liquidating agent, the director of the division of credit unions shall notify the secretary of state of such final dissolution.

6. No rule or portion of a rule promulgated under the authority of this chapter shall become effective unless it has been promulgated pursuant to the provisions of section 536.024.

7. The director of the division of credit unions, with the consent of another credit union, may transfer the existing membership and related field of membership of a credit union in dissolution to the second credit union and the liquidating agent, upon receiving notice of such action, shall forward its records of the members so to be transferred to the second credit union.

8. Notwithstanding any other provisions of this section, following a membership vote to dissolve the credit union, the director of the division of credit unions, or his or her appointee, may at the request of the board of directors proceed to bring about an orderly dissolution of the credit union as provided in subsection 4 of this section.

370.355. 1. Upon approval by the director of the division of credit unions, articles of merger or articles of consolidation shall be executed by each credit union, by its [president] chair, or a vice [president] chair, and verified by him or her, and with the corporate seal of each credit union affixed thereto, attested by its secretary or an assistant secretary, and shall set forth:

(1) The plan of merger or plan of consolidation;
(2) The total membership of each credit union; and

(3) As to each credit union the number of members voting for and against the plan, respectively.

2. If the director of the division of credit unions finds that the articles conform to law, when all required taxes or fees have been paid, the director shall file the same, keeping one copy as a permanent record, forward a copy to the secretary of state after having issued a certificate of merger or a certificate of consolidation, and a verified copy of the certificate, to which shall affix the other copy of the articles.

3. Upon the issuance of the certificate of merger or the certificate of consolidation by the director of the division of credit unions, the merger or consolidation shall be effected.

4. The certificate of merger with a copy of the articles of merger affixed thereto by the director of the division of credit unions, or the certificates of consolidation with the copy of the articles of consolidation and certified copy thereof, with the copy of the articles of consolidation affixed thereto by the director of the division of credit unions, shall be returned to the surviving credit union, or new credit union, as the case may be, or to its representative.

370.356. 1. If a shareholder of a credit union which is a party to a merger or consolidation files with such credit union, prior to or at the meeting of shareholders or members at which the plan of merger or consolidation is submitted to a vote, a written objection to such a plan of merger or consolidation, and shall not vote in favor thereof, and the shareholder within ten days after the merger or consolidation is effected, makes written demand on the surviving or new credit union for payment of the fair value of his or her share as of the day prior to the date on which the vote was taken approving the merger or consolidation, the surviving or new credit union shall pay to such shareholder, upon surrender of his or her pass book or other record representing the shares, the fair value thereof as reflected by the books of the company, not including any goodwill or statutory reserve fund that may be had by the credit union.

2. The demand shall state the number of shares owned by the dissenting shareholder.

3. Any shareholder failing to make demand within the ten day period shall be conclusively presumed to have consented to the merger or consolidation, and shall be bound by the terms thereof.

370.358. 1. A credit union organized under the laws of another state may
apply to the director of the division of credit unions for a certificate of
organization as a credit union under the laws of this state and may be issued
such a certificate by complying with the provisions of this section.

2. The application shall state:

(1) The name of the credit union and the state or country under the laws
of which it is organized;

(2) The date of its organization and the period of its duration;

(3) The place where its business office will be located in this state;

(4) The names and address of its directors and officers;

(5) A statement of its capital and the amount of its surplus, if any; and

(6) Such additional information as may be necessary or appropriate in
order to enable the director of the division of credit unions to determine whether
the credit union should be issued a certificate of organization.

3. The application shall be executed [in triplicate] by the credit union by
its [president] chair or a vice [president] chair and verified by him or her.

4. There shall be delivered to the director of the division of credit unions
with the application a copy of its certificate of organization in the state in which
it is organized, and all amendments thereto and a copy of its bylaws and
amendments duly authenticated by the proper officer of the state or country
where it was organized. There shall also be submitted a statement similarly
authenticated that the credit union is in good standing in the state or country.

5. (1) When the application is filed in conformity with the foregoing
sections and the same fee paid to the director of the division of credit unions as
would be paid by applicants for organization of a credit union in Missouri, the
director of the division of credit unions, if he or she finds the application is in
conformity herewith, may issue a certificate of organization creating the credit
union as a Missouri corporation pending cancellation of its charter in the state
in which it is organized, but having a duration of ninety days. A copy of the
certificate shall be filed in the office of the secretary of state.

(2) When the director of the division of credit unions receives a certificate
duly authenticated by the proper officer of the state or country where it was
organized that the credit union's charter in that state has been cancelled, then
[he] the director shall issue a certificate of approval as provided for in
subsection 2 of section 370.040.

(3) Thereafter, the provisions of subsections 2, 3 and 4 of section 370.040
shall be followed in organizing the credit union as a Missouri corporation.
6. Any credit union organized under the laws of this state and in good standing may transfer its charter to another state or country by complying with the following requirements:

   (1) The proposition for the transfer shall first be approved by the board of directors of the credit union and a date set for a vote thereon by the members. Written notice of the proposition to transfer and of the date of the members' meeting to vote on the same shall be mailed or delivered to each member at the member's address as it appears on the credit union records, not more than thirty nor less than seven days prior to the date. Approval of the proposition to transfer shall be by the affirmative vote of a majority of the members voting in person or by a written or electronic ballot filed with the credit union secretary on or before the date of the meeting. The board of directors may prescribe the form of the ballot and the procedure for its use.

   (2) An application for the transfer shall be filed with the director of the division of credit unions with a statement of the results of the vote of the meeting verified by the affidavits of the president or vice president and the secretary of the credit union within ten days after the date of the meeting.

   (3) The transfer of the credit union to another state or country shall be subject to the approval of the director of the division of credit unions.

   (4) After the application and approval, there shall be filed with the director of the division of credit unions a written certificate duly authenticated by the official of another state or country in charge of issuing credit union charters stating that upon cancellation of the charter of the Missouri credit union it will be organized as a credit union in the state or country with all of the rights of its members unimpaired.

   (5) When the foregoing provisions are complied with the director of the division of credit unions may issue a certificate of cancellation of the credit union charter, a copy of which shall be filed with the secretary of state.

370.359. 1. A credit union holding a certificate of organization under the laws of this state may be converted into a federal credit union under the laws of the United States by complying with the following requirements:

   (1) The proposition for the conversion shall first be approved, and a date set for a vote thereon by the members, either at a meeting to be held on the date or by ballot to be cast on or before the date, by a majority of the directors of the state credit union. Written notice of the proposition and of the date set for the vote shall then be delivered in person to each member, or mailed or delivered to
each member at the address for the member appearing on the records of the credit union, not more than thirty nor less than fourteen days prior to the date. Approval of the proposition for conversion shall be by the affirmative vote of a majority of the members who vote by written or electronic ballot. All members should be provided the opportunity to vote, without being required to attend the meeting where the proposition is voted on;

(2) A statement of the results of the vote, verified by the affidavits of the [president] chair or vice [president] chair and the secretary, shall be filed with the director of the division of credit unions and the secretary of state within ten days after the vote is taken;

(3) Promptly after the vote is taken and in no event later than ninety days thereafter, if the proposition for conversion was approved by the vote, the credit union shall take such action as may be necessary under the United States law to make it a federal credit union, and within ten days after receipt of the federal credit union charter there shall be filed with the secretary of state and the director of the division of credit unions, a copy of the charter thus issued. Upon filing, the credit union shall cease to be a state credit union;

(4) Upon ceasing to be a state credit union, the credit union shall no longer be subject to any of the provisions of this chapter. The successor federal credit union shall be vested with all of the assets and shall continue responsible for all the obligations of the state credit union to the same extent as though the conversion had not taken place.

2. A federal credit union, organized under the laws of the United States, may be converted into a state credit union by:

(1) Complying with all federal requirements requisite to enabling it to convert to a state credit union;

(2) Filing with the director of the division of credit unions proof of the compliance, satisfactory to him or her; and

(3) Filing with the director of the division of credit unions a certificate of organization as required by this chapter.

3. When the director of the division of credit unions has been satisfied that all of these requirements, and all other requirements of this chapter, have been complied with, he or she shall approve the organization certificate, a copy of which shall be filed with the secretary of state. Upon approval, the federal credit union shall become a state credit union as of the date it ceases to be a federal credit union. The state credit union shall be vested with all of the assets
and shall continue responsible for all of the obligations of the federal credit union
to the same extent as though the conversion had not taken place.

376.945. 1. The department shall, as a condition of the issuance of a
certificate of authority pursuant to section 376.935, require that the provider
establish a reserve of an amount equal to at least fifty percent of any entrance fee
paid by the first occupant of a living unit under a life care contract. The reserve
shall be maintained by the provider on a current basis, in escrow with a bank,
trust company, or other escrow agent approved by the department. [Such] The
entire amount of such reserve shall be amortized and earned by and
available for release to the provider at the rate of one percent per month on
the balance of the reserve, provided, however, that at no time shall the entrance
fee reserve together with all interest earned thereon total less than an amount
equal to one [and one-half times the percentage] hundred percent of the annual
long-term debt principal and interest payments of the provider applicable only to
living units occupied under life care contracts. Such portion of each entrance fee
as is necessary to maintain the entrance fee reserve as set forth herein shall be
paid to the reserve fund for the second and all subsequent occupancies of a living
unit occupied under a life care contract. The requirements of this subsection
may be met in whole or in part by other reserve funds held for the
purpose of meeting loan obligations, provided that the total amount
equals or exceeds the amount required under this subsection.

2. In addition, each provider shall establish and maintain separately for
each facility, a reserve equal to not less than five percent of the facility's total
outstanding balance of contractually obligated move-out refunds at the close of
each fiscal year. [All reserves required hereunder for move-out refunds]

3. All reserve funds held under subsection 1 or 2 of this section
shall be held in liquid assets consisting of federal government or other
marketable securities, deposits, or accounts insured by the federal government.

4. This section shall be applicable only to life care contracts executed for
occupancy of living units constructed after September 28, 1981.

385.015. All life insurance, accident and sickness insurance, involuntary
unemployment insurance, credit casualty insurance, and property insurance
written in connection with loans or other credit transactions shall be subject to
the provisions of sections 385.010 to 385.080, except insurance for which no
identifiable charge is made to the debtor and insurance written in connection
with a loan or other credit transaction of more than [ten] fifteen years duration;
nor shall insurance be subject to the provisions of sections 385.010 to 385.080 if
the issuance of the insurance is an isolated transaction on the part of the insurer
not related to an agreement or a plan for insuring debtors of the creditor or where
the issuance of such insurance is in connection with a residential real estate
secured credit transaction commitment exceeding twenty-five thousand dollars,
which may be accessed on a discretionary basis by the debtor.

408.512. 1. Any traditional installment loan lender licensed under
sections 367.100 to 367.200 or section 408.510 shall be permitted to make loans
and charge fees and interest as authorized under sections 408.100, 408.140, and
408.170.

2. No charter provision, ordinance, rule, order, permit, policy, guideline,
or other governmental action of any political subdivision of the state, local
government, city, county, or any agency, authority, board, commission,
department, or officer thereof shall:

(1) Prevent, restrict, or discourage traditional installment loan lenders
from lending under sections 408.100, 408.140, and 408.170;

(2) Prevent, restrict, or discourage traditional installment loan lenders
from operating in any location where any lender who makes loans payable in
equal installments over more than ninety days is permitted; or

(3) Create any disincentives for any traditional installment loan
lender from engaging in lending under sections 408.100, 408.140, and
408.170. Any fee charged to any traditional installment loan lender that
is not charged to all lenders licensed or regulated by the division of
finance shall be a disincentive in violation of this section.

The provisions of this subsection shall not apply where a charter provision or
valid ordinance as of August 28, 2014, expressly applies to traditional installment
loan lenders.

3. As used in this section, the following terms shall mean:

(1) "Fully amortized", the principal, defined as amount financed under the
federal Truth in Lending Act, and the scheduled interest, defined as finance
charge under the federal Truth in Lending Act, are repaid in substantially equal
multiple installments at fixed intervals to fulfill the consumer's obligation;

(2) "Traditional installment loan", fixed rate, fully amortized closed-end
extensions of direct consumer loans. However, if any of the following are true,
the transaction is not a traditional installment loan:

(a) The transaction has a repayment term of one hundred eighty-one days
or fewer and is secured by the title to the borrower's motor vehicle or auto;
(b) The transaction requires that the full amount of the credit extended
together with all fees and charges for the credit be repaid in ninety-one days or
fewer;
(c) The transaction's scheduled repayment plan contains one or more
interest-only payments or a payment that is more than ten percent greater than
the average of all other scheduled payment amounts;
(d) The transaction, at origination, requires the borrower:
   a. To agree to a preauthorized automatic withdrawal in the form of a bank
draft, a preapproved automated clearing house or its equivalent;
   b. To agree to an allotment or an agreement to defer presentment of one
or more contemporaneously-dated or postdated checks; or
   c. To repay the loan in full at a borrower's next payday or other recurring
deposit cycle, where the repayment is connected with a bank account;
(3) "Traditional installment loan lender", a licensee under sections
367.100 to 367.200 or section 408.510 whose direct consumer loans are limited
only to traditional installment loans.
4. Nothing in this section shall apply to or preempt any ordinance
governing installment lenders, or any amendment to any such ordinance, in a
home rule city with more than four hundred thousand inhabitants and located in
more than one county.
5. Traditional installment loan lenders may charge, in addition
to any other contractual fees, a convenience fee or surcharge for
payments made by a debit or credit card in an amount not to exceed
any third-party charge.
6. Any traditional installment loan lender who prevails against
a political subdivision in an action to enforce this section or in
defending an action using this section as a defense shall receive from
the political subdivision costs actually incurred including, but not
limited to, attorney's fees.
409.605. As used in sections 409.600 to 409.630, the following terms shall
mean:
(1) "Agencies", the department of health and senior services and the
commissioner of securities;
(2) "Agent", shall have the same meaning as in section 409.1-102;
(3) "Broker-dealer", shall have the same meaning as in section 409.1-102;
(4) "Financial exploitation", the wrongful or unauthorized taking, withholding, appropriation, or use of money, real property, or personal property of a qualified adult;

(5) "Immediate family member", a spouse, child, parent, or sibling of a qualified adult;

(6) "Investment adviser", the same meaning as under section 409.1-102;

(7) "Investment adviser representative", shall have the same meaning as under section 409.1-102;

(8) "Qualified adult":

(a) A person sixty years of age or older; or

(b) A person who:

a. Has a disability as defined in section 192.2005; and

b. Is between the ages of eighteen and fifty-nine;

[(7)] (9) "Qualified individual":

(a) A broker-dealer;

(b) An investment adviser; or

(c) A person associated with a broker-dealer or investment adviser who serves in a supervisory, compliance, or legal capacity as part of his or her job.

409.610. If a qualified individual reasonably believes that financial exploitation of a qualified adult has occurred, has been attempted, or is being attempted, the qualified individual may notify the agencies. Subsequent to notifying the agencies, an agent, investment adviser representative, or qualified individual may notify an immediate family member, legal guardian, conservator, co-trustee, successor trustee, or agent under a power of attorney of the qualified adult or other individual reasonably associated with the qualified adult of such belief. The agencies may provide information regarding a qualified adult to the reporting qualified individual, agent, or investment adviser representative upon request.

409.615. 1. A qualified individual may refuse a request for disbursement or transaction from the account of a qualified adult, or an account on which a qualified adult is a beneficiary or beneficial owner, if:

(1) The qualified individual reasonably believes that the requested disbursement or transaction will result in financial exploitation of the qualified adult; and

(2) The [broker-dealer or] qualified individual[:
(a), within two business days:

(a) Makes a reasonable effort to notify all parties authorized to transact business on the account orally or in writing, unless such parties are reasonably believed to have engaged in suspected or attempted financial exploitation of the qualified adult; [and]

(b) [Within three business days] Notifies the agencies; and

(c) Sends written notice to the qualified adult. Such notice shall include the name and contact information for the qualified individual who refused the disbursement or transaction and for the investor protection hotline administered by the securities division of the secretary of state.

2. Any refusal of a disbursement or transaction as authorized by this section shall expire upon the sooner of:

(1) The time when the [broker-dealer or] qualified individual reasonably believes that the disbursement or transaction will not result in financial exploitation of the qualified adult; or

(2) Ten business days after the initial refusal of disbursement or transaction by the qualified individual.

3. Notwithstanding subsection 2 of this section to the contrary, following the refusal by a qualified individual of an initial request for disbursement or transaction from the account of a qualified adult:

(1) A court of competent jurisdiction may enter an order extending the refusal of a disbursement or transaction or any other protective relief;

(2) The commissioner of securities may enter an order extending the refusal of a disbursement or transaction for the time necessary to protect the qualified adult; or

(3) The director of the department of health and senior services, after notifying the commissioner of securities, may enter an order to extend the refusal of a disbursement or transaction for the time necessary to protect the qualified adult.

Subsequent to the issuance of an order under subdivision (2) or (3) of this subsection, the agency that issued the order shall conduct a review of the circumstances every thirty days to determine if the order extension should remain in effect.

409.620. Notwithstanding any other provision of law to the contrary, [a broker-dealer] an investment adviser representative, agent, or qualified
individual who, in good faith and exercising reasonable care, complies with section 409.610 or 409.615 shall be immune from any civil liability under those sections.

409.625. A [broker-dealer may] qualified individual shall, upon request, provide access to or copies of records that are relevant to the suspected financial exploitation of a qualified adult to the agencies or law enforcement. The records may include historical records or records relating to the most recent disbursement as well as disbursements that comprise the suspected financial exploitation of a qualified adult. All records made available to the agencies under this section shall not be considered a public record as defined under chapter 610.

409.630. No later than September 1, [2016] 2021, the commissioner of securities shall develop and make available a website that includes training resources to assist broker-dealers [and], investment advisers, agents, and investment adviser representatives in the prevention and detection of financial exploitation of qualified adults. Such resources shall include, at a minimum, indicators of financial exploitation of qualified adults and potential steps broker-dealers [and], investment advisers, agents, and investment adviser representatives may take to prevent suspected financial exploitation of qualified adults as authorized by law.

409.3-302. (a) With respect to a federal covered security, as defined in Section 18(b)(2) of the Securities Act of 1933 (15 U.S.C. Section 77r(b)(2)), that is not otherwise exempt under sections 409.2-201 to 409.2-203, a rule adopted or order issued under this act may require the filing of any or all of the following records:

(1) Before the initial offer of a federal covered security in this state, all records that are part of a federal registration statement filed with the Securities and Exchange Commission under the Securities Act of 1933 and a consent to service of process complying with section 409.6-611 signed by the issuer and the payment of a fee of one hundred dollars;

(2) After the initial offer of the federal covered security in this state, all records that are part of an amendment to a federal registration statement filed with the Securities and Exchange Commission under the Securities Act of 1933; and

(3) To the extent necessary or appropriate to compute fees, a report of the value of the federal covered securities sold or offered to persons present in this state, if the sales data are not included in records filed with the Securities and
Exchange Commission and payment of a fee of one-twentieth of one percent of the
amount of securities sold in this state during that previous fiscal year. In no case
shall this fee exceed three thousand dollars.

(b) A notice filing under subsection (a) is effective for one year
commencing on the later of the notice filing or the effectiveness of the offering
filed with the Securities and Exchange Commission. On or before expiration, the
issuer may renew a notice filing by filing a copy of those records filed by the
issuer with the Securities and Exchange Commission that are required by rule
or order under this act to be filed and by paying a renewal fee of one hundred
dollars. A previously filed consent to service of process complying with section
409.6-611 may be incorporated by reference in a renewal. A renewed notice filing
becomes effective upon the expiration of the filing being renewed.

(c) With respect to a security that is a federal covered security under
Section 18(b)(4)(D) of the Securities Act of 1933 (15 U.S.C. Section 77r(b)(4)(D)),
a rule under this act may require a notice filing by or on behalf of an issuer to
include a copy of Form D, including the Appendix, as promulgated by the
Securities and Exchange Commission, and a consent to service of process
complying with section 409.6-611 signed by the issuer not later than fifteen days
after the first sale of the federal covered security in this state and the payment
of a fee of one hundred dollars; and the payment of a fee of fifty dollars for any
late filing.

(d) Except with respect to a federal security under Section 18(b)(1) of the
Securities Act of 1933 (15 U.S.C. Section 77r(b)(1)), if the commissioner finds that
there is a failure to comply with a notice or fee requirement of this section, the
commissioner may issue a stop order suspending the offer and sale of a federal
covered security in this state. If the deficiency is corrected, the stop order is void
as of the time of its issuance and no penalty may be imposed by the
commissioner.

(e) With respect to a security that is a federal covered security
under Section 18(b)(3) or 18(b)(4) of the Securities Act of 1933 (15 U.S.C.
Section 77r(b)(3) or 77r(b)(4)), a rule under this act may require a
notice filing by or on behalf of an issuer to include:

(1) A copy of Form 1-A, Parts I through III, as well as all other
forms and appendices required and promulgated by the Securities and
Exchange Commission;

(2) A consent to service of process complying with section 409.6-
signed by the issuer no later than the fifteenth day after the first sale of the federal covered security in this state and the payment of a fee of one hundred dollars; and

(3) The payment of a fee of fifty dollars for any late filing.

(a) If the commissioner finds that the order is in the public interest and subsection (d) authorizes the action, an order issued under this act may deny an application, or may condition or limit registration: (1) of an applicant to be a broker-dealer, agent, investment adviser, or investment adviser representative, and (2) if the applicant is a broker-dealer or investment adviser, of any partner, officer, director, person having a similar status or performing similar functions, or person directly or indirectly controlling the broker-dealer or investment adviser.

(b) If the commissioner finds that the order is in the public interest and subsection (d) authorizes the action an order issued under this act may revoke, suspend, condition, or limit the registration of a registrant and if the registrant is a broker-dealer or investment adviser, any partner, officer, or director, any person having a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser. However, the commissioner:

(1) May not institute a revocation or suspension proceeding under this subsection based on an order issued by another state that is reported to the commissioner or designee later than one year after the date of the order on which it is based; and

(2) Under subsection (d)(5)(A) and (B), may not issue an order on the basis of an order under the state securities act of another state unless the other order was based on conduct for which subsection (d) would authorize the action had the conduct occurred in this state.

(c) If the commissioner finds that the order is in the public interest and subsection (d)(1) to (6), (8), (9), (10), or (12) and (13) authorizes the action, an order under this act may censure, impose a bar, or impose a civil penalty in an amount not to exceed [a maximum of five] twenty-five thousand dollars for [a single] each violation [or fifty thousand dollars for several violations] on a registrant and, if the registrant is a broker-dealer or investment adviser, on any partner, officer, or director, any person having similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser.

(d) A person may be disciplined under subsections (a) to (c) if the person:
(1) Has filed an application for registration in this state under this act or the predecessor act within the previous ten years, which, as of the effective date of registration or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained a statement that, in light of the circumstances under which it was made, was false or misleading with respect to a material fact;

(2) Willfully violated or willfully failed to comply with this act or the predecessor act or a rule adopted or order issued under this act or the predecessor act within the previous ten years;

(3) Has been convicted of a felony or within the previous ten years has been convicted of a misdemeanor involving a security, a commodity future or option contract, or an aspect of a business involving securities, commodities, investments, franchises, insurance, banking, or finance;

(4) Is enjoined or restrained by a court of competent jurisdiction in an action instituted by the commissioner under this act or the predecessor act, a state, the Securities and Exchange Commission, or the United States from engaging in or continuing an act, practice, or course of business involving an aspect of a business involving securities, commodities, investments, franchises, insurance, banking, or finance;

(5) Is the subject of an order, issued after notice and opportunity for hearing by:

   (A) The securities, depository institution, insurance, or other financial services regulator of a state or by the Securities and Exchange Commission or other federal agency denying, revoking, barring, or suspending registration as a broker-dealer, agent, investment adviser, federal covered investment adviser, or investment adviser representative;

   (B) The securities regulator of a state or by the Securities and Exchange Commission against a broker-dealer, agent, investment adviser, investment adviser representative, or federal covered investment adviser;

   (C) The Securities and Exchange Commission or by a self-regulatory organization suspending or expelling the registrant from membership in the self-regulatory organization;

   (D) A court adjudicating a United States Postal Service fraud order;

   (E) The insurance regulator of a state denying, suspending, or revoking the registration of an insurance agent; or

   (F) A depository institution regulator suspending or barring a person from
the depository institution business;

(6) Is the subject of an adjudication or determination, after notice and opportunity for hearing, by the Securities and Exchange Commission, the Commodity Futures Trading Commission; the Federal Trade Commission; a federal depository institution regulator, or a depository institution, insurance, or other financial services regulator of a state that the person willfully violated the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, or the Commodity Exchange Act, the securities or commodities law of a state, or a federal or state law under which a business involving investments, franchises, insurance, banking, or finance is regulated;

(7) Is insolvent, either because the person's liabilities exceed the person's assets or because the person cannot meet the person's obligations as they mature, but the commissioner may not enter an order against an applicant or registrant under this paragraph without a finding of insolvency as to the applicant or registrant;

(8) Refuses to allow or otherwise impedes the commissioner from conducting an audit or inspection under section 409.4-411(d) or refuses access to a registrant's office to conduct an audit or inspection under section 409.4-411(d);

(9) Has failed to reasonably supervise an agent, investment adviser representative, or other individual, if the agent, investment adviser representative, or other individual was subject to the person's supervision and committed a violation of this act or the predecessor act or a rule adopted or order issued under this act or the predecessor act within the previous ten years;

(10) Has not paid the proper filing fee within thirty days after having been notified by the commissioner of a deficiency, but the commissioner shall vacate an order under this paragraph when the deficiency is corrected;

(11) After notice and opportunity for a hearing, has been found within the previous ten years:

(A) By a court of competent jurisdiction to have willfully violated the laws of a foreign jurisdiction under which the business of securities, commodities, investment, franchises, insurance, banking, or finance is regulated;

(B) To have been the subject of an order of a securities regulator of a foreign jurisdiction denying, revoking, or suspending the right to engage in the business of securities as a broker-dealer, agent, investment adviser, investment adviser representative, or similar person; or
(C) To have been suspended or expelled from membership by or participation in a securities exchange or securities association operating under the securities laws of a foreign jurisdiction;

(12) Is the subject of a cease and desist order issued by the Securities and Exchange Commission or issued under the securities, commodities, investment, franchise, banking, finance, or insurance laws of a state;

(13) Has engaged in dishonest or unethical practices in the securities, commodities, investment, franchise, banking, finance, or insurance business within the previous ten years; or

(14) Is not qualified on the basis of factors such as training, experience, and knowledge of the securities business. However, in the case of an application by an agent for a broker-dealer that is a member of a self-regulatory organization or by an individual for registration as an investment adviser representative, a denial order may not be based on this paragraph if the individual has successfully completed all examinations required by subsection (e). The commissioner may require an applicant for registration under section 409.4-402 or 409.4-404 who has not been registered in a state within the two years preceding the filing of an application in this state to successfully complete an examination.

(e) A rule adopted or order issued under this act may require that an examination, including an examination developed or approved by an organization of securities regulators, be successfully completed by a class of individuals or all individuals. An order issued under this act may waive, in whole or in part, an examination as to an individual and a rule adopted under this act may waive, in whole or in part, an examination as to a class of individuals if the commissioner determines that the examination is not necessary or appropriate in the public interest and for the protection of investors.

(f) The commissioner may suspend or deny an application summarily; restrict, condition, limit, or suspend a registration; or censure, bar, or impose a civil penalty on a registrant before final determination of an administrative proceeding. Upon the issuance of an order, the commissioner shall promptly notify each person subject to the order that the order has been issued, the reasons for the action, and that within fifteen days after the receipt of a request in a record from the person the matter will be scheduled for a hearing. If a hearing is not requested and none is ordered by the commissioner within thirty days after the date of service of the order, the order becomes final by operation of law. If a hearing is requested or ordered, the commissioner, after notice of and opportunity
for hearing to each person subject to the order, may modify or vacate the order
or extend the order until final determination.

(g) An order issued may not be issued under this section, except under
subsection (f), without:

(1) Appropriate notice to the applicant or registrant;

(2) Opportunity for hearing; and

(3) Findings of fact and conclusions of law in a record.

(h) A person that controls, directly or indirectly, a person not in
compliance with this section may be disciplined by order of the commissioner
under subsections (a) to (c) to the same extent as the noncomplying person, unless
the controlling person did not know, and in the exercise of reasonable care could
not have known, of the existence of conduct that is a ground for discipline under
this section.

(i) The commissioner may not institute a proceeding under subsection (a),
(b), or (c) based solely on material facts actually known by the commissioner
unless an investigation or the proceeding is instituted within one year after the
commissioner actually acquires knowledge of the material facts.

(j) Any applicant denied an agent, broker-dealer, investment adviser or
investment adviser representative registration by order of the commissioner
pursuant to subsection (a) may file a petition with the administrative hearing
commission alleging that the commissioner has denied the registration. The
administrative hearing commission shall conduct hearings and make findings of
fact and conclusions of law. The commissioner shall have the burden of proving
a ground for denial pursuant to this act.

(k) If a proceeding is instituted to revoke or suspend a registration of any
agent, broker-dealer, investment adviser, or investment adviser representative
pursuant to subsection (b), the commissioner shall refer the matter to the
administrative hearing commission. The administrative hearing commission shall
conduct hearings and make findings of fact and conclusions of law in such
cases. The commissioner shall have the burden of proving a ground for
suspension or revocation pursuant to this act. The administrative hearing
commission shall submit its findings of fact and conclusions of law to the
commissioner for final disposition.

(l) Hearing procedures before the commissioner or the administrative
hearing commission and judicial review of the decisions and orders of the
commissioner and of the administrative hearing commission, and all other
procedural matters pursuant to this act shall be governed by the provisions of
chapter 536. Hearings before the administrative hearing commission shall also
be governed by the provisions of chapter 621.

409.6-604. (a) If the commissioner determines that a person has engaged,
is engaging, or is about to engage in an act, practice, or course of business
constituting a violation of this act or a rule adopted or order issued under this act
or that a person has materially aided, is materially aiding, or is about to
materially aid an act, practice, or course of business constituting a violation of
this act or a rule adopted or order issued under this act, the commissioner may:

(1) Issue an order directing the person to cease and desist from engaging
in the act, practice, or course of business or to take other action necessary or
appropriate to comply with this act;

(2) Issue an order denying, suspending, revoking, or conditioning the
exemptions for a broker-dealer under section 409.4-401(b)(1)(D) or (F) or an
investment adviser under section 409.4-403(b)(1)(C); or

(3) Issue an order under section 409.2-204.

(b) An order under subsection (a) is effective on the date of issuance. Upon
issuance of the order, the commissioner shall promptly serve each person subject
to the order with a copy of the order and a notice that the order has been
entered. The order must include a statement whether the commissioner will seek
a civil penalty or costs of the investigation, a statement of the reasons for the
order, and notice that, within fifteen days after receipt of a request in a record
from the person, the matter will be scheduled for a hearing. If a person subject
to the order does not request a hearing and none is ordered by the commissioner
within thirty days after the date of service of the order, the order becomes final
as to that person by operation of law. If a hearing is requested or ordered, the
commissioner, after notice of and opportunity for hearing to each person subject
to the order, may modify or vacate the order or extend it until final
determination.

(c) If a hearing is requested or ordered pursuant to subsection (b), a
hearing before the commissioner must be provided. A final order may not be
issued unless the commissioner makes findings of fact and conclusions of law in
a record in accordance with the provisions of chapter 536 and procedural rules
promulgated by the commissioner. The final order may make final, vacate, or
modify the order issued under subsection (a).

(d) In a final order under subsection (c), the commissioner may:
(1) Impose a civil penalty up to [one] **twenty-five** thousand dollars for [a single] **each** violation [or up to ten thousand dollars for more than one violation];

(2) Order a person subject to the order to pay restitution for any loss, including the amount of any actual damages that may have been caused by the conduct and interest at the rate of eight percent per year from the date of the violation causing the loss or disgorge any profits arising from the violation;

(3) In addition to any civil penalty otherwise provided by law, impose an additional civil penalty not to exceed [five] **fifteen** thousand dollars for each such violation if the commissioner finds that a person subject to the order has violated any provision of this act and that such violation was committed against an elderly or disabled person. For purposes of this section, the following terms mean:

(A) "Disabled person", a person with a physical or mental impairment that substantially limits one or more of the major life activities of such individual, a record of such impairment, or being regarded as having such an impairment;

(B) "Elderly person", a person sixty years of age or older.

(e) In a final order, the commissioner may charge the actual cost of an investigation or proceeding for a violation of this act or a rule adopted or order issued under this act. These funds may be paid into the investor education and protection fund.

(f) If a petition for judicial review of a final order is not filed in accordance with section 409.6-609, the commissioner may file a certified copy of the final order with the clerk of a court of competent jurisdiction. The order so filed has the same effect as a judgment of the court and may be recorded, enforced, or satisfied in the same manner as a judgment of the court.

(g) If a person does not comply with an order under this section, the commissioner may petition a court of competent jurisdiction to enforce the order. The court may not require the commissioner to post a bond in an action or proceeding under this section. If the court finds, after service and opportunity for hearing, that the person was not in compliance with the order, the court may adjudge the person in civil contempt of the order. The court may impose a further civil penalty against the person for contempt in an amount not less than five thousand dollars but not greater than one hundred thousand dollars for each violation and may grant any other relief the court determines is just and proper in the circumstances.

(h) The commissioner is authorized to issue administrative consent orders
in the settlement of any proceeding in the public interest under this act.

443.717. 1. Mortgage loan originators shall satisfy a prelicensing education requirement through approved education courses of at least twenty hours approved in accordance with subsection 2 of this section, which shall include at least:

   (1) Three hours of federal law and regulations;
   (2) Three hours of ethics, which shall include instruction on fraud, consumer protection, and fair lending issues; and
   (3) Two hours of training related to lending standards for the nontraditional mortgage product marketplace.

2. For purposes of subsection 1 of this section, prelicensing approved education courses include courses reviewed and approved by the NMLSR based upon reasonable standards. Review and approval of a prelicensing education course shall include review and approval of the course provider.

3. Nothing in this section shall preclude any prelicensing education course, as approved by the NMLSR, that is provided by the employer of the applicant or person who is affiliated with the applicant by an agency contract, or any subsidiary or affiliate of such employer or person.

4. Prelicensing education may be offered in a classroom, online, or by any other means approved by the NMLSR.

5. The prelicensing education requirements approved by the NMLSR in subdivisions (1) to (3) of subsection 1 of this section for any state shall be accepted as credit towards completion of prelicensing education requirements in Missouri.

6. A person previously licensed under sections 443.701 to 443.893 applying to be licensed again shall prove that they have completed all of the continuing education requirements, if any, for the year in which the license was last held.

7. A prelicensing education course completed by an individual shall not satisfy the prelicensing education requirement if the course precedes an application by a certain period as established by the NMLSR.

443.825. 1. Application for a residential mortgage loan broker license shall be made as provided in sections 443.833 and 443.835. The application shall be in writing, made under oath, and on a form provided by the director.

2. The director may, by rule, revise and conform the residential mortgage
loan broker license application and renewal process, and the licensing dates and periods under sections 443.701 to 443.893 to a system of licensing residential mortgage loan brokers administered in cooperation with the NMLSR.

3. The application shall contain the name and complete business and residential address or addresses of the applicant. If the applicant is a form of business organization, the application shall contain the names and complete business and residential addresses of each member, director and principal officer of such person. Such application shall also include a description of the activities of the applicant, in such detail and for such periods as the director may require, including all of the following:

   (1) An affirmation of financial solvency noting such capitalization requirements as may be required by the director, and access to such credit as may be required by the director;

   (2) An affirmation that the applicant or the applicant's members, directors or principals, as may be appropriate, are at least eighteen years of age;

   (3) Information that would support findings under subdivision (4) of section 443.821 as to the character, fitness, financial and business responsibility, background, experience and criminal records of any:

      (a) Person or ultimate equitable owner that owns or controls, directly or indirectly, ten percent or more of any class of stock of the applicant;

      (b) Person or ultimate equitable owner that is not a depository institution that lends, provides or infuses, directly or indirectly, in any way, funds to or into an applicant, in an amount equal to, or more than, ten percent of the applicant's net worth;

      (c) Person or ultimate equitable owner that controls, directly or indirectly, the election of twenty-five percent or more of the members of the board of directors of the applicant; and

      (d) Person or ultimate equitable owner that the director finds influences management of the applicant.

4. All persons listed under subdivision (3) of subsection 3 of this section shall furnish fingerprints to the NMLSR for submission to the Federal Bureau of Investigation and any governmental agency or person authorized to receive such information for a state, national, and international criminal history background check.

5. For the purposes of this chapter and in order to reduce the points of contact that the Federal Bureau of Investigation may have to
maintain, the director may use the NMLS as an agent for requesting information from and distributing information to the Department of Justice or any other governmental agency.

443.855. The director may prescribe rules governing the advertising of mortgage loans, including, without limitation, [the following requirements:

(1) rules that advertising pursuant to sections 443.701 to 443.893 may not be false, misleading or deceptive. No person whose activities are regulated pursuant to the provisions of sections 443.701 to 443.893 may advertise in any manner so as to indicate or imply that the person's interest rates or charges for loans are in any way recommended, approved, set or established by the state or federal government or by the provisions of sections 443.701 to 443.893;]

(2) All advertisements by a licensee shall contain the name and an office address of such person, which shall conform to a name and address on record with the director].

443.857. Each residential mortgage loan broker shall maintain, in the state of Missouri, at least one full-service office with staff reasonably adequate to efficiently handle all matters relating to any proposed or existing home mortgage with respect to which such residential mortgage loan broker is performing services; except that, this provision may be waived by the director for persons providing mortgage loan servicing [under section 443.812] or exclusively engaged in the business of loan processing or underwriting as defined in this chapter.

476.419. 1. Notwithstanding any provision of law to the contrary, a court shall not divide securities among multiple recipients in such a way that negotiable securities become nonnegotiable securities.

2. A court may divide securities into increments equal to a multiple of an allowable tradeable amount. For purposes of this section, an "allowable tradeable amount" is the minimum amount or denomination accepted by the industry, as defined in the official statement or offering document of the original security. If the provisions of this section prevent the distribution of property in the proportion that other law requires, a court may:

(1) Distribute different values of securities to different recipients and distribute other property in a way so that the total value of property each recipient receives is as close to the proper proportion as practicable;
(2) Liquidate the securities and distribute the resulting moneys among recipients; or

(3) Take other action within its power, including a combination of subdivisions (1) and (2) of this subsection.

[370.270. A credit union may charge an entrance fee, as may be provided in the bylaws which shall, however, not exceed one dollar. Fully paid-up shares may be transferred to any person upon election to membership, upon such terms as the bylaws may provide and upon the payment of a transfer fee which shall not exceed one dollar.]