

524.526 Fractional shares.

1. A state bank incorporated as a stock corporation may issue fractions of a share or in lieu of doing so may do any of the following:

a. Pay in cash the value of fractions of a share.

b. Issue scrip in registered or bearer form entitling the holder to receive a full share upon surrendering enough scrip to equal a full share.

c. Arrange for disposition of fractional shares by the shareholders of the state bank.

2. Each certificate representing scrip must be conspicuously labeled “scrip” and must contain the information required by [section 524.523, subsection 2](#).

3. The holder of a fractional share or scrip is entitled to exercise the rights of a shareholder, including the rights to vote, to receive dividends, and to participate in the assets of the state bank upon liquidation, but only if the fractional share or scrip provides for such rights.

4. The board of directors may authorize the issuance of scrip subject to any condition, including either of the following:

a. That the scrip will become void if not exchanged for full shares before a specified date.

b. That the shares for which the scrip is exchangeable may be sold and the proceeds paid to the scrip holders.

[95 Acts, ch 148, §43](#); [2012 Acts, ch 1017, §10, 18](#); [2022 Acts, ch 1062, §45](#)