

described by the by-laws and that the stockholders or member shall lose the power to vote if he ceases to belong to the class of persons designated or described in said by-laws. Any association organized under this sub-title may limit the number of shares which any person may hold and may reserve to the Board of Directors of the association the prior option to buy for the association the stock of any stockholder which is offered by such stockholder, and may reserve to said board of directors the right to recall the stock of any stockholder, subject to the further limitation that such associations, upon exercising said option to buy or right to recall, shall pay for this stock at its book value or at its par value where the book value is less than the par value, provided that no restrictions upon the ownership or transfer or voting of stock authorized by this section shall be valid, unless a provision setting out such restrictions is contained in the articles of incorporation of the association and printed upon the stock subscription paper, if any, and upon the stock certificate.

1922, ch. 197, sec. 484.

434. No member in any association organized without capital stock and no holder of stock whether common or preferred, shall be entitled to more than one vote, but every member in an association organized without capital stock and every holder of commonstock shall be entitled to one vote in any association organized under this sub-title of which he may be a member.

1922, ch. 197, sec. 485.

435. Voting by proxy shall not be allowed in any association organized under this sub-title except as provided in section 438.

1922, ch. 197, sec. 486.

436. Whenever an association organized under this sub-title, shall purchase the business of another corporation, association, partnership or person it may pay for the same in whole or in part by issuing to the selling corporation, association, partnership or person certificates of indebtedness or shares of its capital stock to an amount, which at par value would equal the fair market value of the business purchased, and in such case the transfer to the association of such business at such valuation shall be equivalent to payment in cash for the shares of stock so issued. In any such transaction, the directors of the purchasing association are authorized to hold the shares in trust for the vendor and to dispose of the same to such persons and within such time as may be mutually satisfactory to the parties in interest, and to pay the proceeds thereof as currently received to the vendor.

1922, ch. 197, sec. 487.

437. Certificates of stock shall not be issued to any subscriber until fully paid. In an association organized without capital stock, no certificate of membership shall be issued to any person until such person has paid in full the membership fee.