

(c) Any stockholder who receives any distribution, payment or release made contrary to the provisions of sub-section (b) hereof, shall be liable to the corporation, its receiver or other person winding up its affairs, to the extent that the amount distributed, paid or released to him was distributed, paid or released in violation of said sub-section (b).

33. (Dividends.) (a) The board of directors of any corporation of this State may declare, and the corporation may pay, dividends on its shares in cash, property, or its own shares, subject to the following provisions:

(1) No dividend shall be declared or paid contrary to any restrictions contained in the charter.

(2) No dividend shall be declared or paid at a time when the corporation is insolvent or its stated capital is impaired, or when the payment thereof would render the corporation insolvent or would impair its stated capital. For the purposes of this paragraph, a corporation shall be deemed to be insolvent if its debts exceed its assets taken at a fair valuation or if it is unable to meet its debts as they mature in the usual course of business.

(3) If a dividend is paid from any source other than earned surplus, the source of such dividend shall be disclosed to the stockholders receiving such dividend, prior to or concurrently with payment thereof, but no capital surplus paid in with respect to any class of stock may be used for the payment of dividends on any class of stock junior thereto.

(4) If a dividend is declared payable in shares of its own stock having par value, such shares shall be issued at the par value thereof, and there shall be transferred to stated capital at the time such dividend is paid, an amount of surplus equal to the aggregate par value of the shares to be issued as a dividend AND THERE MAY BE TRANSFERRED FROM EARNED SURPLUS TO CAPITAL SURPLUS SUCH ADDITIONAL AMOUNT AS THE BOARD OF DIRECTORS MAY DETERMINE.

(5) If a dividend is declared payable in shares of its own stock without par value, the stated value of such shares shall be fixed by the board of directors by resolution adopted at the time such dividend is declared, and there shall be transferred to stated capital at the time such dividend is paid, an amount of surplus equal to the aggregate stated value so fixed in respect of such shares. The amount per share transferred to stated capital shall be disclosed to the stockholders receiving such dividend, prior to or concurrently with payment thereof. STOCK WITHOUT PAR