



Ohio Revised Code

Section 1701.06 Express terms of shares.

Effective: March 17, 2000

Legislation: House Bill 78 - 123rd General Assembly

(A) The express terms of shares may include statements specifying any of the following:

(1) Dividend or distribution rights, which may be cumulative or noncumulative; at a specified rate, amount, or proportion; with or without further participation rights; and in preference to, junior to, or on a parity in whole or in part with dividend or distribution rights of shares of any other class;

(2) Liquidation rights, preferences, and price;

(3) Redemption rights and price;

(4) Sinking fund requirements, which may require the corporation to provide a sinking fund out of earnings or otherwise for the purchase or redemption of the shares or for dividends or distributions on them;

(5) Voting rights, which may be full, limited, or denied, except as otherwise required by law;

(6) Pre-emptive rights, or the denial or limitation of them;

(7) Conversion rights;

(8) Restrictions on the issuance of shares;

(9) Rights of alteration of express terms;

(10) The division of any class of shares into series;

(11) The designation and authorized number of shares of each series;



(12) The right of the directors, subject to any limitations that may be stated, to adopt amendments to the articles determining, in whole or in part, the express terms, within the limits set forth in this chapter, of any class of shares before the issuance of any shares of that class, or of one or more series within a class before the issuance of any shares of that series;

(13) Any other relative, participating, optional, or other special rights and privileges of, and qualifications or restrictions on, the rights of holders of shares of any class or series.

(B) Each series of a class shall be given a distinguishing designation. All shares of a series shall have express terms identical with those of other shares of the same series. Any of the express terms of any class or series of shares may be made dependent upon facts ascertainable outside the articles or any amendment to those articles, provided that the manner in which the facts operate upon the express terms is set forth in the articles or any amendment to those articles.