

16-4-308 Status of shares purchased by corporation, officer, or director.

- (1)
- (a) Title to any shares purchased by a corporation under Section 16-4-307 vests in the corporation upon expiration of the 30-day redemption period if the right of redemption is not exercised.
 - (b) Shares purchased by a corporation under Section 16-4-307 are treated as treasury shares and shall be held and disposed of in a manner expressly provided for in Title 16, Chapter 10a, Utah Revised Business Corporation Act.
 - (c) Any shares held by a corporation under this section are not assessable.
 - (d) No dividends or distributions may be made on shares held by the corporation.
- (2)
- (a) Title to any shares purchased by an officer or director of the corporation for the officer's or director's own benefit vest in the officer or director upon expiration of the 30-day redemption period if the right of redemption is not exercised.
 - (b) Shares purchased by an officer or director for the officer's or director's own benefit are subject to all assessments levied by the corporation after the assessment that was the basis for the sale at which the officer or director purchased the shares.

Enacted by Chapter 367, 2007 General Session