

***Effective 5/13/2014***

**7-8-11 Dividends.**

- (1) The board of directors of an industrial bank may declare a dividend out of the net profits of the industrial bank after providing for all expenses, losses, interest, and taxes accrued or due from the industrial bank in accordance with this section.
- (2) The industrial bank shall transfer to a surplus fund at least 10% of its net profits before dividends for the period covered by the dividend, until the surplus reaches 100% of its capital stock.
- (3) Any amount paid from the industrial bank's net earnings into a fund for the retirement of any debenture capital or preferred stock for the period covered by the dividend is considered an addition to its surplus fund if, upon the retirement of the debenture capital or preferred stock, the amount paid into the retirement fund for the period may be properly carried to the surplus fund of the industrial bank. In this case the industrial bank shall transfer to the surplus fund the amount paid into the retirement fund.

Amended by Chapter 97, 2014 General Session