WEST VIRGINIA CODE: §31D-6-601

PART 1. SHARES.

§31D-6-601. Authorized shares.

(a) The articles of incorporation must prescribe the classes of shares and the number of shares of each class that the corporation is authorized to issue. If more than one class of shares is authorized, the articles of incorporation must prescribe a distinguishing designation for each class and, prior to the issuance of shares of a class, the preferences, limitations and relative rights of that class must be described in the articles of incorporation. All shares of a class must have preferences, limitations and relative rights identical with those of other shares of the same class except to the extent otherwise permitted by section six hundred two of this article.

(b) The articles of incorporation must authorize: (1) One or more classes of shares that together have unlimited voting rights; and (2) one or more classes of shares which may be the same class or classes as those with voting rights that together are entitled to receive the net assets of the corporation upon dissolution.

(c) The articles of incorporation may authorize one or more classes of shares that:

(1) Have special, conditional or limited voting rights, or no right to vote, except to the extent prohibited by this chapter;

(2) Are redeemable or convertible as specified in the articles of incorporation: (A) At the option of the corporation, the shareholder or another person or upon the occurrence of a designated event; (B) for cash, indebtedness, securities or other property; or (C) in a designated amount or in an amount determined in accordance with a designated formula or by reference to extrinsic data or events;

(3) Entitle the holders to distributions calculated in any manner, including dividends that may be cumulative, noncumulative or partially cumulative; or

(4) Have preference over any other class of shares with respect to distributions, including dividends and distributions upon the dissolution of the corporation.

(d) The description of the designations, preferences, limitations and relative rights of share classes in subsection (c) of this section is not exhaustive.

WV Legislature