

## 2021 Kansas Statutes

**40-233. Dividends, interest or bonus; payment from earned surplus.** It is unlawful for the directors, trustees, managers or officers of an insurance company organized under the laws of this state, directly or indirectly, to make or pay dividends on its capital stock, or pay any interest, bonus or other allowance in lieu of dividends except out of earned surplus as distinguished from contributed surplus. Earned surplus shall be calculated after reserving a sum equal to all liabilities of the company and may include all or part of surplus arising from unrealized capital gains or revaluation of assets. Any dividends or payments made contrary to the provisions of this section shall subject the company to a forfeiture of its charter.

**History:** L. 1927, ch. 231, 40-233; L. 1935, ch. 196, § 1; L. 1993, ch. 45, § 1; July 1.