

1991 Senate Bill 460

Date of enactment: **April 13, 1992**  
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## 1991 WISCONSIN ACT 173

AN ACT *to renumber* 706.03 (1); *to amend* 180.0202 (1) (f), 180.0744 (1), 180.1422 (1) (intro.), 180.1706 (1), 180.1706 (3), 180.1708 (7) (b), 180.1907 and 706.03 (2); and *to create* 180.1708 (7) (bm) and 706.03 (1) of the statutes, **relating to:** corporate law revisions.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**SECTION 1.** 180.0202 (1) (f) of the statutes is amended to read:

180.0202 (1) (f) ~~Whether~~ Any provision authorizing the board of directors is authorized to act under s. 180.0602 (1) and, if so, the extent of the authorization.

**SECTION 2.** 180.0744 (1) of the statutes, as created by 1991 Wisconsin Act 16, is amended to read:

180.0744 (1) The court shall dismiss a derivative proceeding on motion by the corporation if the court finds, subject to the burden of proof assigned under sub. (5) or (6), that one of the groups specified in sub. (2) or (6) has determined, acting in good faith after conducting a reasonable inquiry upon which its conclusions are based, that maintenance of the derivative proceeding is not in the best interests of the corporation, ~~unless the court finds that the members of the group so voting were not independent or were not acting in good faith.~~

**SECTION 3.** 180.1422 (1) (intro.) of the statutes is amended to read:

180.1422 (1) (intro.) A corporation that is administratively dissolved ~~under s. 180.1421~~ may apply to the secretary of state for reinstatement within 2 years after the later of January 1, 1991, or the effective date of dissolution. The application shall include all of the following:

**SECTION 4.** 180.1706 (1) of the statutes, as affected by 1991 Wisconsin Act 16, is amended to read:

180.1706 (1) Except to the extent that the corporation's articles of incorporation ~~or bylaws~~ are amended to provide that the voting requirements of s. 180.1003 (3), 180.1103 (3), 180.1202 (3), 180.1402 (3) or 180.1404 (2) apply, subs. (2) and (3) govern the shareholder vote required on a proposal concerning a subject covered by s. 180.1003 (3), 180.1103 (3), 180.1202 (3), 180.1402 (3) or 180.1404 (2) if the corporation was organized before January 1, 1973, and has not expressly elected, before January 1, 1991, majority or greater affirmative voting requirements under s. 180.25 (2) (a), 1987 stats., with respect to the subject matter of the proposal.

**SECTION 5.** 180.1706 (3) of the statutes, as affected by 1991 Wisconsin Act 16, is amended to read:

180.1706 (3) Whenever, with respect to a proposal described in sub. (1), the articles of incorporation ~~or bylaws adopted under authority granted in the articles of incorporation~~ require the vote or concurrence of the holders of a greater proportion of the shares, or of any class or series of shares, than is required by sub. (2), the provisions of the articles of incorporation ~~or bylaws~~ shall control.

**SECTION 6.** 180.1708 (7) (b) of the statutes is amended to read:

180.1708 (7) (b) Sections 180.1420 ~~to~~ 180.1421 and 180.1423 apply to an administrative dissolution based on grounds arising under s. 180.1420 on or after January 1, 1991.

**SECTION 7.** 180.1708 (7) (bm) of the statutes is created to read:

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180.1708 (7) (bm) Section 180.1422 applies to an administrative dissolution before, on or after January 1, 1991.

**SECTION 8.** 180.1907 of the statutes, as affected by 1991 Wisconsin Act 16, is amended to read:

**180.1907 Corporate name.** The service corporation may bear the last name of one or more persons formerly or currently associated with it. A service corporation may adopt a name which does not include the surname of any present or former shareholder. The corporate name shall end with the word “chartered” or “limited”, or the words “service corporation”, or the abbreviation “Ltd.” or “S.C.”. A service corporation in existence on January 1, 1991, need not change its name to comply with this section.

**SECTION 9.** 706.03 (1) of the statutes is renumbered 706.03 (1m).

**SECTION 10.** 706.03 (1) of the statutes is created to read:

706.03 (1) In this section:

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(a) “Private corporation” means a corporation other than a public corporation.

(b) “Public corporation” means this state, a county, town, city or village in this state, a subunit of the state, county, town, city or village, a special purpose district in this state or any state or municipal authority or similar organization financed in whole or in part by public funds.

**SECTION 11.** 706.03 (2) of the statutes, as affected by 1991 Wisconsin Act 16, is amended to read:

706.03 (2) Unless a different authorization is recorded under sub. (3) or is contained in the corporation’s articles of incorporation, any one officer of a private corporation, ~~whose signature is attested by another officer,~~ is authorized to sign conveyances in the corporate name. The absence of a corporate seal shall not invalidate any corporate conveyance. Public corporations shall authorize and execute conveyances as provided by law.

**SECTION 12. Initial applicability.** The treatment of section 706.03 (1) and (2) of the statutes and the creation of section 706.03 (1) of the statutes first applies to a conveyance signed on the effective date of this SECTION.