

No. 437, A.]

[Published June 16, 1959.

**CHAPTER 86**

AN ACT to repeal 204.26; and to repeal and recreate 200.06 of the statutes, relating to the impairment and restoration of capital of a domestic insurance corporation.

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

SECTION 1. 200.06 of the statutes is repealed and recreated to read:

200.06 RESTORATION OF CAPITAL. (1) Any domestic insurance corporation which is directed by the commissioner to make good its capital shall forthwith assess its stockholders the necessary amount therefor. If any stockholder fails to pay the amount of the assessment against his stock within 10 days after the same has become due and payable, the directors shall by resolution declare the stock of such person canceled and in lieu thereof, shall issue new certificates for such shares and sell the same at public sale upon 10 days' notice to be given by posting copies of such notice of sale in 5 public places in the town, village or city where such company is located. Upon such sale, the purchaser shall forthwith pay

the amount of the assessment against said stock. The amount received from the sale of said stock, less the cost and expenses of such sale, shall be paid to the original owner of such stock.

(2) If losses accrue from risks taken after the expiration of the period limited by said commissioner for restoring the capital before such deficiency is made up, the directors shall be individually liable therefor. The transfer of the stock of such corporation, made during the investigation by the commissioner, shall not release the transferor from his liability for losses which occurred previous to such transfer. Nothing herein contained shall be construed to impose any liability on any stockholder other than the return of the certificate of stock held by him as herein provided.

SECTION 2. 204.26 of the statutes is repealed.

Approved June 12, 1959.

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