

Chap. 63.

An Act providing for the organization of Joint Stock Companies.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

Organization.

SECTION 1. All corporations organized and established under the provisions of this law, shall be capable of suing and being sued, pleading and being impleaded, answering and being answered unto, appearing and prosecuting to final judgment, in any court in this state; they may have a common seal, and alter the same at pleasure; elect in such manner as they may determine, a necessary officers, fix their compensation, and define their duties; ordain and establish by-laws for the government and regulation of their affairs, and alter and repeal the same, and employ all such agents, mechanics, and other laborers as they shall think proper.

Election of officers.

Number of persons requisite to constitute a body politic.

SEC. 2. Any number of persons not less than three, who by articles of agreement in writing, shall associate according to the provisions of this law, under any name assumed by them, for the purpose of engaging in, and carrying on any kind of manufacturing, mechanical, mining, or quarrying business, or any other lawful business, and who shall comply with the provisions of this law, shall, with their successors and assigns, constitute a body politic and corporate, under the name assumed by them in their articles of association.

Amount of stock required.

SEC. 3. The amount of the capital stock in every such corporation, shall be fixed and limited in their articles of association, and shall in no case be less than four thousand dollars, nor more than three hundred thousand dollars, and shall be divided into shares of twenty-five dollars each.

Purposes for which established.

SEC. 4. The purpose for which every such corporation shall be established, shall be distinctly and definitely specified by the stockholders in their articles of association, and it shall not be lawful for said corporation, to direct its operations, or appropriate its funds to any other purpose.

Two members may call first meeting.

SEC. 5. When any number of persons, shall have associated according to the provisions of this law, any two of them may call the first meeting of the corporation, at such time and place as they may appoint by giving notice thereof in any one or more newspapers, published in the county in which said corporation is to be established, or in any adjoining county, at least fifteen days before the time appointed for such meeting.

SEC. 6. The stock, property, affairs and business, of every such corporation, shall be under the care of, and shall be managed by not less than three directors, who shall be chosen annually, by the stockholders, at such time and place as shall be provided by the by-laws of said corporation, and who shall be stockholders; and shall hold their offices for one year, and until others shall be chosen in their stead.

Three directors to be chosen annually.

SEC. 7. Every such corporation shall, by their said name, have power to acquire and hold all such lands, tenements, and hereditaments, and all such property, of every kind, as shall be necessary, for the purposes of said corporation; and such other lands, tenements, and hereditaments, as shall be taken in payment of, or as security for debts, due to such corporation, and to manage and dispose of the same at pleasure.

Their powers.

SEC. 8. The directors of every such corporation shall choose one of their number to be president, and shall also choose a secretary and treasurer, and such officers as the by-laws of the corporation shall prescribe, who shall hold their offices until others shall be chosen in their stead.

May appoint president and officers.

SEC. 9. The directors may call in the subscription of the capital stock of such corporation, by installments, in such proportion and at such times and places as they shall think proper, by giving such notice thereof, as the by-laws shall prescribe; and in case any stockholder shall neglect or refuse payment of any such installment, for the space of sixty days, after the same shall have become due, and payable, and after he shall have been, notified thereof, the stock of such negligent stockholder, shall be sold by the directors at public auction, giving at least thirty days notice in some newspaper, published in the county where the business of such corporation is transacted, or in an adjoining county; and the proceeds of such sale, shall be first applied in payment of the installment called for, and the expenses attending the call, and the residue shall be refunded to the owner thereof; and such sale shall entitle the purchaser to all the rights of a stockholder, to the extent of the shares so bought.

May call in subscription of capital stock.

Power to sell in case of non-payment.

SEC. 10. A majority of the directors of any such corporation, convened according to the by-laws, shall constitute a quorum for the transaction of business; and a majority of the stockholders present at any legal meeting, shall be capable of transacting the business of that meeting; and at all meetings of such stockholders, each share shall entitle the holder thereof to one vote.

Number required to transact business.

To fill vacancies.

SEC. 11. The directors of every such corporation, for the time being, shall have power to fill any vacancy which may happen in their board by death, resignation or otherwise, for the current year.

Election of directors.

SEC. 12. If it shall so happen that an election of directors in any such corporation shall not take place at the annual meeting thereof, in any year, such corporation shall not thereby be dissolved, but an election may be had at any time within one year, to be fixed upon, and notice given by the directors.

May call meetings.

SEC. 13. The by-laws of such association formed under this law, shall contain ample provisions for the calling of meetings, in case of a failure to hold the regular annual meeting.

Books open for inspection.

SEC. 14. The books of every corporation, containing their accounts, shall at all reasonable times be open for the inspection of any of the stockholders, and as often as once in each year, a statement of the accounts of such corporation shall be made by order of the directors.

May increase capital.

SEC. 15. Every such corporation may increase its capital stock, and the number of shares therein, at any meeting of the stockholders specially called for that purpose: *Provided*, That the amount so increased, shall not exceed the amount authorized by the provisions of this law.

Stock deemed personal property.

SEC. 16. The stock of every such corporation shall be deemed personal property, and be transferred only on the books of such corporation, in such form as the directors shall prescribe; and such corporation shall at all times have a lien upon all the stock or property of its members, invested therein, for all debts due from them to such corporation.

Lien on.

Articles of corporation to be published before formed.

SEC. 17. Before any corporation formed and established by virtue of the provisions of this law, shall commence business, the president and directors thereof, shall cause their articles of association to be published at full length, in two newspapers published in the county in which said corporation is located, or in an adjoining county if there be such papers, if not, in the newspaper published nearest to the location of said corporation; they shall also make a certificate of the purposes for which such corporation is formed, the amount of their capital stock, the amount actually paid in, and the names of their shareholders, and the number of shares by each respectively owned; which certificate shall be signed by the president and a majority of the directors, and deposited

Purposes for which formed.

Certificate to be signed by president.

with the secretary of state, and a duplicate thereof, with the town clerk of the town, or clerk of the village or city, in which said corporation is to transact its business; and said secretary of state, and town clerk shall record the same, in books to be kept by them for that purpose; and within thirty days after the payment of any installment called for by the directors of such corporation, a certificate thereof shall be made, signed, deposited and recorded, as aforesaid.

SEC. 18. If any such corporation shall increase its capital stock as before provided, the president and directors shall, within thirty days thereafter, make a certificate thereof, which shall be signed, deposited and recorded, as in the preceding section is provided. Increase of capital stock.

SEC. 19. Every such corporation shall annually, in the month of January or of July, make a certificate containing the amount of their capital, actually paid in, the amount of their debts and credits at the time of the making of such certificate, as nearly as the same can be ascertained, with the name of each stockholder, and the number of shares held by him at the date of such certificate, which certificate shall be signed by the president and secretary of said company, and deposited with the town clerk of the town, or clerk of the city or village in which such corporation transact their business; and whenever any stockholder shall transfer his stock in any such corporation, a certificate of such transfer shall forthwith be deposited with the clerk as aforesaid, who shall note the time of said deposit, and record it at full length, in a book kept by him for that purpose; and no transfer of stock shall be valid as against any creditor of such stockholder, until such certificate has been so deposited; and all certificates of transfers of stock made pursuant to the provisions of this section, shall be valid without being verified by the oath or affirmation of the person subscribing the same. Certificate of capital. Notice of transfer. When not valid. When valid.

SEC. 20. The certificates required by the three preceding sections, except certificates of transfer of stock, shall be made under oath or affirmation, by the person subscribing the same; and if any person shall, as to any material facts, knowingly swear or affirm falsely, he shall be deemed guilty of perjury, and be punished accordingly. Certificates required on oath. Penalty for false swearing.

SEC. 21. If the capital stock of any such corporation shall be withdrawn, and refunded to the stockholders, before the payment of all the debts of the corporation, for which said stock would have been liable, the stockholders Liability of stockholders.

shall be liable to any such creditor, of such corporation, in an action founded on this statute, to the amount of the sum refunded to them respectively, as aforesaid: *Provided always*, That if any such stockholder shall be compelled by any such action to pay the debts of any creditor, or any part thereof, he shall have the right by bill in equity, to call upon all the stockholders to whom any part of said stock has been refunded, to contribute their proportional part of the sum paid by him as aforesaid.

Proviso.

Liability of directors.

SEC. 22. If the directors of any such corporation shall declare and pay a dividend when the corporation is insolvent, or any dividend, the payment of which would render it insolvent, knowing such corporation to be insolvent, or that such dividend would render it so, the directors assenting therunto shall be jointly and severally liable in an action founded on this statute, for all debts due from such corporation at the time of such dividend.

Liability of president, directors, secretary, &c.

SEC. 23. If the president, directors, or secretary of any such corporation shall intentionally neglect or refuse to comply with the provisions of, and to perform the duties required of them, respectively, by the 17th, 18th, and 19th, sections of this act, such of them so neglecting or refusing, shall jointly and severally, be liable, in an action founded on this statute, for all debts of such corporation contracted during the period of any such neglect and refusal.

Penalty for violation of law.

SEC. 24. If any corporation organized and established under authority of this act, shall violate any of its provisions, and shall thereby become insolvent, the directors ordering or assenting to such violation, shall jointly and severally, be liable in an action founded on this statute, for all debts contracted after such violation as aforesaid.

Liability of stockholders.

SEC. 25. The stockholders of any corporation, organized under the provisions of this act, shall be jointly and severally liable for all debts that may be due or owing to all their laborers, servants and apprentices, for service performed by them for such corporation, within six months next preceding the demand made for any such debt, and if any stockholder is compelled to pay such debts, he shall have his remedy by bill in equity, or otherwise, to obtain a contribution from the other stockholders of their proportion of such debt.

Legislature may rescind

SEC. 26. The legislature may at any time, for just cause rescind the powers of any corporation organized under this

act, and prescribe such mode as may be necessary for the settlement of its affairs. powers of corporation.

SEC. 27. Chapter 51 of the revised statutes of this state, and all other laws conflicting with the provisions as herein established for the organization and government of joint stock companies, are hereby repealed.

Approved, April 2, 1853.

An Act to prohibit the circulation of unauthorized Bank paper.

Chap. 69

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows :

SECTION 1. No person or persons, shall issue, pay out or pass, and no body corporate, shall issue, pay out or pass, or receive in this state as money, or as an equivalent for money, any promissory note, draft, order, bill of exchange, certificate of deposit, or other paper of any form whatever, in the similitude of bank paper, circulating or intended to circulate as money or banking currency, that is not at the time of such issuing, paying out, passing, or receiving, expressly authorized by some positive law of the United States, or one of the United States or of Canada, and redeemable in current gold and silver coin, at the place where it purports to have been issued. And the burden of proving the existence of such law, and the redemption of the promissory note, bill of exchange, draft, order, certificate of deposit, as aforesaid, at the place of issue, shall rest upon the person or body corporate, paying out, passing, receiving or issuing the same. Circulation of unauthorized bank paper prohibited.

SEC. 2. From and after the first day of January, A. D. 1854, no person or persons, or body corporate shall pay, give or receive in payment, or in any way, circulate as money, any bank bill, promissory note, check, draft, or other evidence of debt, which shall purport to be for the payment of a less sum than five dollars, and which may have been issued by any banking association or corporation out of this state, and any person or persons, or body corporate offending against any of the provisions of this section, shall forfeit and pay for every such offence not less than five, nor more than one hundred dollars, to be recovered by any person, suing therefor, as debts of the like amount are by law recoverable, one half for his own use and the other half to be paid into the county treasurer. Of a sum less than five dollars.