

made by authority of such laws, nor to limit the use of a factory already erected or established, except to require the same to be operated in a sanitary manner.

(d) Any person sustaining loss or damage in his property by reason of the passage of an ordinance of the common council, made as herein authorized, may recover such loss or damage from the city by proceedings begun within three months after the adoption of such ordinance in the same manner as is now provided for recovery on claims or demands of any nature against such city, provided that such claim or demand shall be fully itemized and the recovery limited to such itemized statement.

(See c. 743.)

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No. 1084, A.]

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CHAPTER 458.

AN ACT to amend sections 1751, 1825 and 2989 of the statutes, and to create sections 1751n—1 to 1751n—23, inclusive, of the statutes, relating to the transfer of shares of stock in corporations uniform with those of other states.

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

SECTION 1. Sections 1751, 1825 and 2989 of the statutes are amended to read: Section 1751. The capital stock of every corporation, divided into shares, shall be deemed personal property. * * *

Section 1825. The stock of every such corporation shall be deemed personal estate. * * *

Section 2989. Any share or interest of a stockholder in any bank doing business in this state, whether organized under the laws of the United States or this state, or other stock corporation which shall have been organized under the laws of this state, may be levied upon by leaving a copy of the execution with the clerk, treasurer, or cashier of the bank or other corporation, if there be any such officer; otherwise, with any officer or person who has at the time the custody of the books and papers of such bank or corporation. The officer having such execution may demand of any such officer or person a certificate of the number of shares or the amount of the interest held by the judgment debtor in such bank or other corporation, and such officer or person shall give such certificate, and if he shall unreasonably refuse so to do or wilfully give a false certificate, shall be liable for double the amount of all damages occasioned thereby, to be recovered in

an action by the judgment creditor, unless the judgment be satisfied by the original debtor. If levy is desired on shares of any domestic railroad corporation not having its principal office within this state, which shall fail to keep in such office its general and principal books of account, including its stock books, and whose principal managing officer or superintendent shall not reside within this state; such copy of execution may be left by the officer having such execution with any station agent within this state, of such railroad corporation, and such station agent shall upon demand of such officer procure such certificate within twenty days thereafter, failing which, or if such railroad corporation through its said agent shall wilfully give a false certificate, the officers of such railroad corporation shall be liable in the same manner as hereinbefore provided; *provided, however, that no attachment or levy upon shares of stock for which a certificate is outstanding shall be valid until such certificate be actually seized by the officer making the attachment or levy, or be surrendered to the corporation which issued it, or its transfer by the holder be enjoined. Except where a certificate is lost or destroyed, such corporation shall not be compelled to issue a new certificate for the stock until the old certificate is surrendered to it.*

SECTION 2. There are added to the statutes twenty-three new sections to read: Section 1751n—1. 1. Title to a certificate and to the shares represented thereby can be transferred only:

(1) By delivery of the certificate indorsed either in blank or to a specified person by the person appearing by the certificate to be the owner of the shares represented thereby; or

(2) By delivery of the certificate and a separate document containing a written assignment of the certificate or a power of attorney to sell, assign, or transfer the same or the shares represented thereby, signed by the person appearing by the certificate to be the owner of the shares represented thereby. Such assignment or power of attorney may be either in blank or to a specified person.

2. The provisions of this section shall be applicable although the charter or articles of incorporation or code of regulations or by-laws of the corporation issuing the certificate and the certificate itself provide that the shares represented thereby shall be transferable only on the books of the corporation or shall be registered by a registrar or transferred by a transfer agent.

Section 1751n—2. Nothing in this act shall be construed as enlarging the powers of an infant or other person lacking full

legal capacity, or of a trustee, executor or administrator, or other fiduciary, to make a valid indorsement, assignment or power of attorney.

Section 1751n—3. Nothing in this act shall be construed as forbidding a corporation:

(1) To recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner; or

(2) To hold liable for calls and assessments a person registered on its books as the owner of shares.

Section 1751n—4. The title of a transferee of a certificate under a power of attorney or assignment not written upon the certificate, and the title of any person claiming under such transferee, shall cease and determine if, at any time prior to the surrender of the certificate to the corporation issuing it, another person, for value in good faith, and without notice of the prior transfer, shall purchase and obtain delivery of such certificate with the indorsement of the person appearing by the certificate to be the owner thereof, or shall purchase and obtain delivery of such certificate and the written assignment or power of attorney of such person, though contained in a separate document.

Section 1751n—5. The delivery of a certificate to transfer title in accordance with the provisions of section 1751n—1, is effectual, except as provided in section 1751n—7, though made by one having no right of possession and having no authority from the owner of the certificate or from the person purporting to transfer the title.

Section 1751n—6. The indorsement of a certificate by the person appearing by the certificate to be the owner of the shares represented thereby is effectual, except as provided in section 1751n—7, though the indorser or transferor:

(1) Was induced by fraud, duress or mistake, to make the indorsement or delivery: or

(2) Has revoked the delivery of the certificate, or the authority given by the indorsement or delivery of the certificate: or

(3) Has died or become legally incapacitated after the indorsement, whether before or after the delivery of the certificate: or

(4) Has received no consideration.

Section 1751n—7. 1. The possession of the certificate may be reclaimed and the transfer thereof rescinded:

(1) If the indorsement or delivery of a certificate was produced by fraud or duress, or was made under such mistake as to make the indorsement or delivery inequitable; or

(2) If the delivery of a certificate was made without authority from the owner, or after the owner's death or legal incapacity, the possession of the certificate may be reclaimed and the transfer thereof rescinded.

2. The provisions of subsection 1 shall apply unless:

(1) The certificate has been transferred to a purchaser for value in good faith without notice of any facts making the transfer wrongful; or

(2) The injured person has elected to waive the injury, or has been guilty of laches in endeavoring to enforce his rights.

3. Any court of appropriate jurisdiction may enforce specifically such right to reclaim the possession of the certificate or to rescind the transfer thereof and, pending litigation, may enjoin further transfer of the certificate or impound it.

Section 1751n—8. Although the transfer of a certificate or of shares represented thereby has been rescinded or set aside, nevertheless, if the transferee has possession of the certificate or of a new certificate representing part or the whole of the same shares of stock, a subsequent transfer of such certificate by the transferee, mediately or immediately, to a purchaser for value in good faith, without notice of any facts making the transfer wrongful, shall give such purchaser an indefeasible right to the certificate and the shares represented thereby.

Section 1751n—9. The delivery of a certificate by the person appearing by the certificate to be the owner thereof without the indorsement requisite for the transfer of the certificate and the shares represented thereby, but with intent to transfer such certificate or shares shall impose an obligation, in the absence of an agreement to the contrary, upon the person so delivering, to complete the transfer by making the necessary indorsement. The transfer shall take effect as of the time when the indorsement is actually made. This obligation may be specifically enforced.

Section 1751n—10. An attempted transfer of title to a certificate or to the shares represented thereby without delivery of the certificate shall have the effect of a promise to transfer and the obligation, if any, imposed by such promise shall be determined by the law governing the formation and performance of contracts.

Section 1751n—11. 1. A person who for value transfers a certificate, including one who assigns for value a claim secured by a certificate, unless a contrary intention appears, warrants:

(1) That the certificate is genuine;

(2) That he has a legal right to transfer it; and

(3) That he has no knowledge of any fact which would impair the validity of the certificate.

2. In the case of an assignment of a claim secured by a certificate, the liability of the assignor upon such warranty shall not exceed the amount of the claim.

Section 1751n—12. A mortgagee, pledgee, or other holder for security of a certificate who in good faith demands or receives payment of the debt for which such certificate is security, whether from a party to a draft drawn for such debt, or from any other person, shall not by so doing be deemed to represent or to warrant the genuineness of such certificate, or the value of the shares represented thereby.

Section 1751n—13. A creditor whose debtor is the owner of a certificate shall be entitled to such aid from courts of appropriate jurisdiction, by injunction and otherwise, in attaching such certificate or in satisfying the claim by means thereof as is allowed at law or in equity, in regard to property which can not readily be attached or levied upon by ordinary legal process.

Section 1751n—14. There shall be no lien in favor of a corporation upon the shares represented by a certificate issued by such corporation and there shall be no restriction upon the transfer of shares so represented by virtue of any by-laws of such corporation, or otherwise, unless the right of the corporation to such lien or the restriction is stated upon the certificate.

Section 1751n—15. The alteration of a certificate, whether fraudulent or not and by whomsoever made, shall not deprive the owner of his title to the certificate and the shares originally represented thereby, and the transfer of such a certificate shall convey to the transferee a good title to such certificate and to the shares originally represented thereby.

Section 1751n—16. Where a certificate has been lost or destroyed, a court of competent jurisdiction may order the issue of a new certificate therefor on service of process upon the corporation and on reasonable notice by publication, and in any other way which the court may direct, to all persons interested, and upon satisfactory proof of such loss or destruction and upon the giving of a bond with sufficient surety to be approved by the court to protect the corporation or any person injured by the issue of the new certificate from any liability or expense which it or they may incur by reason of the original certificate remaining outstanding. The court may also in its discretion order the payment of the corporation's reasonable costs and counsel fees. The issue of a new certificate under an order of the court as provided in this section, shall not relieve the corpora-

tion from liability in damages to a person to whom the original certificate has been or shall be transferred for value without notice of the proceedings or of the issuance of the new certificate.

Section 1751n—17. In any case not provided for by sections 1751n—1 to 1751n—23, inclusive, the rules of law and equity, including the law merchant, and in particular the rules relating to the law of principal and agent, executors, administrators and trustees, and to the effect of fraud, misrepresentation, duress or coercion, mistake, bankruptcy, or other invalidating cause, shall govern.

Section 1751n—18. The provisions of sections 1751n—1 to 1751n—23, inclusive, shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it.

Section 1751n—19. A certificate is indorsed when an assignment or a power of attorney to sell, assign or transfer the certificate or the shares represented thereby is written on the certificate and signed by the person appearing by the certificate to be the owner of the shares represented thereby, or when the signature of such person is written without more upon the back of the certificate. In any of such cases a certificate is indorsed though it has not been delivered.

Section 1751n—20. The person to whom a certificate was originally issued is the person appearing by the certificate to be the owner thereof, and of the shares represented thereby, until and unless he indorses the certificate to another specified person, and thereupon such other specified person is the person appearing by the certificate to be the owner thereof until and unless he also indorses the certificate to another specified person. Subsequent special indorsements may be made with like effect.

Section 1751n—21. 1. In sections 1751n—1 to 1751n—23, inclusive, unless the context or subject matter otherwise requires:

(1) "Certificate" means a certificate of stock in a corporation organized under the laws of this state or of another state whose laws are consistent with this act.

(2) "Delivery" means voluntary transfer of possession from one person to another.

(3) "Person" includes a corporation or partnership or two or more persons having a joint or common interest.

(4) To "purchase" includes to take as mortgagee or as pledgee.

(5) "Purchaser" includes mortgagee and pledgee.

(6) "Shares" means a share or shares of stock in a corporation organized under the laws of this state or of another state whose laws are consistent with this act.

(7) "State" includes state, territory, district and insular possessions of the United States.

(8) "Transfer" means transfer of legal title.

(9) "Title" means legal title and does not include a merely equitable or beneficial ownership or interest.

(10) "Value" is any consideration sufficient to support a simple contract.

2. An antecedent or pre-existing obligation, whether for money or not, constitutes value where a certificate is taken either in satisfaction thereof or as security therefor.

3. A thing is done "in good faith" within the meaning of this act, when it is in fact done honestly, whether it be done negligently or not.

Section 1751n—22. The provisions of sections 1751n—1 to 1751n—23, inclusive, apply only to certificates issued after the taking effect of such sections.

Section 1751n—23. This act may be cited as the uniform stock transfer act.

SECTION 3. This act shall take effect and be in force from and after its passage and publication.

Approved June 7, 1913.

No. 417, S.]

[Published June 9, 1913.

CHAPTER 459.

AN ACT to create subsection 7 of section 33, to amend subsection 4 of section 41, subdivision (c) of subsection 1 of section 37, subdivision (b) of subsection 10 of section 38, sections 78, 87, 87m, 88 and subsections 1 and 4 of section 94a of the statutes, relating to elections.

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

SECTION 1. There is added to section 33 of the statutes a new subsection to read: (Section 33) 7. Whenever a constitutional amendment or other question is required to be submitted to a vote of the people, the secretary of state shall, not less than fourteen or more than twenty days prior to the election at which such amendment or question is required to be submitted, transmit by mail a certified copy thereof to each county clerk in the state.

SECTION 2. Subsection 4 of section 41, subdivision (c) of sub-