

shall authorize the person receiving the same to engage in the business of a transient merchant within this state.

SECTION 2. This act shall take effect upon passage and publication.

Became law without the approval of the Governor.

No. 102, S.]

[Published May 25, 1925.

## CHAPTER 181.

AN ACT to amend subsection (2) of section 185.08 and to renumber subsection (3) of section 185.08 to be section 185.081, of the statutes, relating to the contracts of cooperative associations.

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

SECTION 1. Subsection (2) of section 185.08 of the statutes is amended to read: (185.08) (2) Contracts between any association organized under sections 185.01 to 185.22, inclusive, and its members, whereby such members agree to sell all or a specified part of their products to or through, or to buy all or a specified part of goods from or through the association or any facilities created by the association, shall, if otherwise lawful, be valid; provided, that the term of such contracts does not exceed five years; provided, however, that this requirement shall not prevent such contracts from being made self-renewing for periods not exceeding five years each.

(3) A provision in any such contract determining a specific sum to be paid by the member as liquidated damages for breach of said contract shall be valid; provided, that the amount of said liquidated damages does not exceed \* \* \* *thirty per cent* of the value of the products which are the subject of the breach. *In lieu of a specific sum, such liquidated damages may be stated to be an amount equal to a certain percentage, not exceeding thirty per cent, of the value of the products which are the subject of the breach. Where a specific sum is provided as liquidated damages but the specific sum exceeds thirty per cent of the value of the products which are the subject of the breach then the contract shall be construed as providing for an amount equal*

*to said thirty per cent. The provisions of this subsection shall apply to all contracts authorized by subsection (2) of this section, whether heretofore or hereafter made.*

(4) The association, in the event of a breach or threatened breach of any such contract by a member, shall be entitled to an injunction to prevent the breach or further breach thereof and to a decree for specific performance. \* \* \* *Pending the final determination of such an action and upon the filing of a verified complaint showing the breach or threatened breach, and upon the filing of a sufficient bond, the association shall be entitled to a temporary restraining order and preliminary injunction against the member.*

(5) The association may cause to be filed in the office of the \* \* \* *register of deeds of the county in which the member maker of such contract resides, a copy of any such contract to sell to the association. \* \* \* In case it has more than one contract in any one \* \* \* county, it may cause a copy of any uniform contract, together with a sworn list of the names of all makers of such contracts residing in any such \* \* \* county, to be so filed. \* \* \* Such sworn statement shall contain the further statement that the said uniform contract and such sworn statement are filed pursuant to the provisions of this section. \* \* \* The register of deeds shall file such contracts and shall make endorsements thereon and entries thereof in the same manner as is provided by section 341.10 of the statutes with reference to filing chattel mortgages and shall be entitled to receive the same fees for filing as in the case of chattel mortgages.* From and after the date of such filing the same shall constitute notice to any and all persons that an interest in the title to all property so *agreed to be sold* by the maker of such contract during the term of such contract is vested in the said association. \* \* \* In case of a purchase thereafter of any such property \* \* \* by any party other than the association *from any party other than the association* no title of any kind or nature shall pass to such other purchaser, and the said association may recover the possession of such property from any and all such other parties or from any party in whose possession the same may be found, by replevin action, *or may sue for an injunction.* \* \* \* *Any action \* \* \* under the provisions of this section shall be tried in the circuit court of*

either the county where \* \* \* the property \* \* \* which is the subject of such contract is located at the time of commencement of such action or in the county where such association has its principal office, according to its articles of incorporation.

(6) Where any contract exists between an association and a member, any person who, with knowledge or notice of the existence of the contract, induces or attempts to induce or aids in the breach thereof by any means, shall be liable to the aggrieved party for damages on account of such interference with said contract and shall also be subject to an injunction to prevent the interference or further interference therewith.

(7) The legislature intends that subsection (5) of this section shall protect property interests of an association under those contracts to sell to the association which are specifically authorized by subsection (2) of this section. The legislature intends that subsection (6) of this section shall prevent wrongful interference with any contract between an association and its member, no matter whether said contract is such a contract to sell to the association or is one of agency or otherwise, and regardless of whether said contract is specifically authorized by subsection (2) of this section or not, and irrespective of whether the interference is with the rights of the association or of the member under said contract.

SECTION 2. Subsection (3) of section 185.08 of the statutes is renumbered to be section 185.081.

SECTION 3. This act shall take effect upon passage and publication.

Became law without approval of Governor.

No. 353, A.]

[Published May 25, 1925.]

## CHAPTER 182.

AN ACT to create subsection (7) of section 20.10 and section 33.05 of the statutes, relating to sale of laws in pamphlet form and of election supplies, and making an appropriation.

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