

thousand eight hundred dollars, or so much thereof as may be necessary to pay the expenses which the special joint investigating committee appointed pursuant to joint resolution No. 11, A., has incurred or may incur pursuant to said joint resolution, including expenses for legal services, draftsman, clerks and stenographers and other expenses of said committee.

SECTION 2. All bills for the expenses of said committee shall be first approved by the committee and audited by the secretary of state who shall issue warrants therefor upon the state treasurer.

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

Approved July 15, 1915.

No. 576, S.]

[Published July 17, 1915.

CHAPTER 405.

AN ACT to amend sections 1786e—13 and 1786e—15 of the statutes, relating to dividends and reports of coöperative associations, and providing a penalty.

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

SECTION 1. Sections 1786e—13 and 1786e—15 of the statutes are amended to read: Section 1786e—13. 1. The directors, subject to revisions by the association at any general or special meeting, shall apportion the earnings by first paying dividends on the paid-up capital stock not exceeding * * * eight per cent per annum, then setting aside not less than ten per cent of the net profits for a reserve fund, until an amount has accumulated in said reserve fund equal to thirty per cent of the paid-up capital stock, and five per cent thereof for an educational fund to be used in teaching coöperation, and the remainder of said net profits by uniform dividend upon the amount of purchases of shareholders and upon the wages and salaries of employes, and one-half of such uniform dividend to nonshareholders on the amount of their purchases, which may be credited to the account of such nonshareholders on account of capital stock of the association; but in productive associations such as creameries, canneries, elevators, factories and the like, dividends shall be on raw material delivered instead of on goods purchased. In case the association is both a selling and a productive concern, the dividends may be on both raw material delivered and on goods purchased by patrons.

2. *Whenever the board of directors of any association authorizes the payment of dividends on the paid-up capital stock in excess of eight per cent, such act shall operate as a vacation of the office of each director or officer voting for, authorizing or in any manner sanctioning such payment and as a disqualification of such director or officer from holding any office of the association for a period of three years thereafter. Whenever any such association for a second time authorizes the payment of dividends on the paid-up capital stock in excess of eight per cent, the secretary of state may institute the proper proceedings for the forfeiture of the charter of such association.*

Section 1786e—15. Every association organized under the terms of sections 1786e—1 to 1786e—17, inclusive, shall annually, on or before the first day of March of each year, make a report to the secretary of state; such report shall contain the name of the company, its principal place of business in this state, and generally a statement as to its business, showing total amount of business transacted, amount of capital stock subscribed for and paid in, *the authorized rate per cent of dividends on the paid-up capital stock*, number of stockholders, total expenses of operation, amount of indebtedness or liabilities, and its profits and losses. *Any association failing to comply with the provisions of this section shall be subject to and governed by the provisions of section 1774a of the statutes in so far as said section relates to the failure of corporations to file reports and the penalty therefor.*

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

Approved July 15, 1915.