

complete statistics are available, and to be recovered in the name of the state of Wisconsin as for a common debt. Said interest shall be computed from the date that the secretary of the interior of the United States gives written notice of unwillingness to accept the foregoing conveyance. The salary due any commissioner or commissioners against whom action shall be taken, as herein provided, shall be subject to attachment, garnishment or setoff for any sum or sums which may be lost to the normal school fund hereunder.

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CHAPTER 350.

AN ACT to amend 182.14 (1) and 182.19 (1); to renumber 182.19 (3) to be 182.19 (4); and to create 182.19 (3) of the statutes, relating to shares of corporate stock and payment of dividends.

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

SECTION 1. 182.14 (1) of the statutes is amended to read:

182.14 (1) Any corporation, including a public service corporation, may, if so provided in its articles of incorporation or in an amendment thereof, issue shares of stock (other than stock preferred as to dividends or preferred as to its distributive share of the assets of the corporation or subject to redemption at a fixed price) without any nominal or par value. Every share of such stock without nominal or par value shall be equal to every other share of such stock, except that the articles of incorporation may provide that such stock shall be divided into different classes with such designations and voting powers or restrictions or qualifications thereof as shall be stated therein, but all such stock shall be subordinate to the preferences given to preferred stock, if any. Such stock may be issued by the corporation from time to time for such consideration of money or of property or services valued in terms of money, as may be fixed from time to time by the board of directors thereof, pursuant to authority conferred in the articles of incorporation, or by the organizers prior to the first meeting of the stockholders and election of directors, or, if

the articles shall not so authorize the directors to fix the price, then such consideration shall be determined by the consent of the holders of two-thirds of each class of stock then outstanding and entitled to vote given at a meeting called for that purpose in such manner as shall be prescribed by the by-laws, and any and all such shares so issued, the full consideration for which has been paid or delivered, shall be deemed full paid stock and not liable to any further call or assessment thereon, and the holder of such shares shall not be liable for any further payments under the provisions of this chapter. The amount of all moneys and the money value of any services or property paid for shares without par value as fixed at the time of the issuance of the shares therefor by the organizers, the directors, or the stockholders, whichever shall have fixed the price for the issuance thereof, shall constitute the capital applicable to such shares, which capital may be increased or diminished by the board of directors if authorized in the Articles of Incorporation, or if the Articles shall not so authorize the directors, then by the consent of the holders of two-thirds of each class of stock then outstanding and entitled to vote, given at a meeting called for that purpose in such manner as shall be prescribed by the by-laws. The capital at the time applicable to shares without par value shall not be diminished by the payment of dividends. In case, however, of the issuance of such shares in exchange for the shares of an existing business then having a surplus, such surplus may be retained as a surplus available for the payment of dividends, or in case said shares without par value are sold by a corporation which has accumulated a surplus, such portion of the price as shall bear the same proportion to the total price as the surplus bears to the total of capital and surplus of the corporation, may by resolution of the board of directors adopted prior to the sale of such stock be treated as surplus available for dividends. In the event of the payment of a stock dividend in stock without par value, the resolution providing for such dividend shall specify the amount of the surplus distributed by such dividend and such amount shall become capital.

SECTION 2. 182.19 (1) of the statutes is amended to read:

182.19 (1) No dividend shall be paid by any corporation until at least 50 per cent of each class of the authorized capital stock * * * shall have been fully paid in, and then only on shares which shall have been fully paid. Dividends may be

*paid out of net profits properly applicable thereto, * * * or as provided in subsection (2) or out of capital surplus; provided that the payment of such dividend shall not in any way impair or diminish the capital applicable to its outstanding stock, and that no dividend out of capital surplus created by an amendment to its articles of incorporation shall be paid until the debts of the corporation existing at the time of such amendment have been paid and discharged. * * * At the time of paying any dividend declared and paid from any source other than net profits, notice shall be given of the source of such dividend. If any dividend shall be paid contrary to * * * the provisions hereof, every stockholder receiving the same shall be liable to restore the full amount thereof unless the capital be subsequently made good; and * * * the directors * * *, authorizing any such payment contrary to the provisions hereof not having reason to believe that * * * such payment will not impair or diminish the capital shall be jointly and severally liable to the creditors of the corporation at the time of declaring such dividends to the amount of their claim.*

SECTION 3. 182.19 (3) of the statutes is renumbered to be 182.19 (4).

SECTION 4. 182.19 (3) of the statutes is created to read:

182.19 (3) Any corporation which issues shares of stock in exchange for all of the assets of an existing business and assumes all of the liabilities of such existing business, shall have the right to use any earned surplus or other surplus applicable to dividends of such existing business for the payment of dividends.

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