

**1983 Senate Bill 301**

Date of enactment: **April 18, 1984**  
Date of publication: **April 23, 1984**

**1983 Wisconsin Act 200**

AN ACT *to renumber 180.43 (2); to renumber and amend 180.25 (5); to amend 180.72 (1) and (2), 552.01 (3) and (6) (c), 552.09 (1), 552.11 and 552.19 (1); and to create 180.02 (16) to (18), 180.25 (5) (b), 180.43 (2) (b), 180.69, 180.725, 552.01 (1m), 552.05 (7) and 552.10 of the statutes, relating to shareholder approval of business combinations, control share acquisitions of domestic corporations, registration, solicitation and limita-*

tion of corporate take-over offers and control bid and rights of objecting shareholders.

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

**SECTION 1. Legislative declaration.** It is declared that:

(1) Existing domestic corporation law provides substantial protection to shareholders when traditional methods of transferring control of the corporation are employed. In recent years the public tender offer has often replaced the traditional methods of obtaining control. Existing domestic corporation law provides no protection to shareholders when control of the corporation is sought through this method.

(2) The potential adverse impact from a change in control through a tender offer has been complicated by other acquisition tactics, including buying a significant amount of stock in the open market or through private transactions. Domestic corporations will continue to be subject to these less traditional methods of acquiring control.

(3) These less traditional methods are not subject to current law requiring shareholder approval of mergers or consolidations, but often result in a similar degree of transfer of control of the corporation. Shareholder approval of transfer of control of a corporation is no less important than the approval required when a corporation proposes to sell or transfer substantially all of its assets.

(4) A transfer of control through these less traditional methods often results in a fundamental change in the nature of a shareholder's investment, similar to the change brought about by a merger or consolidation. The form of the transaction by which this change is brought about should not determine whether shareholder approval is required.

(5) Tender offers are coercive because of individual shareholder concern that a majority of shareholders will tender their shares, leaving those who do not in a vulnerable minority position. Shareholders thus feel compelled to tender their shares, regardless of their position on corporate control. The opportunity for reasoned decision making is further hindered by the short time tender offers may remain open and the fact that individual shareholders typically receive or obtain tender offer materials much later than institutional shareholders. This structuring of tender offers is designed to coerce individual shareholders into tendering their shares quickly and without deliberation.

(6) Successful tender offers often disrupt existing businesses, causing unemployment, relocation of business operations and other economically depressing effects on the affected community.

(7) It is in the public interest to provide protections for domestic corporation shareholders in the transfer of corporate control, regardless of the method of transfer. These protections must afford the shareholders the opportunity to consider tender offers in a deliberate manner, free from coercion, similar to current law providing for shareholder approval in other transfers of control.

(8) In the absence of a general federal corporation law, this state recognizes an in loco parentis responsibility to domestic corporations and their shareholders. This state recognizes the responsibility to keep its regulation free of an undue burden on interstate commerce. Accordingly, the treatment of sections 180.02 (16) to (18), 180.25 (5), 180.43 (2), 180.69, 552.01 (1m) and (3) and 552.10 of the statutes by this act is limited in application to corporations having a substantial shareholder base in this state.

(9) This act is necessary to protect shareholders from fraudulent and manipulative attempts at transfer of corporate control and to ensure shareholder opportunity to approve transfer of control in a deliberate manner.

(10) Sections 552.05 (7), 552.09 (1) and 552.11 of the statutes are amended because this state also recognizes a responsibility to keep the Wisconsin corporate take-over law free of an undue burden on interstate commerce. Accordingly, the law is amended to

eliminate its extraterritorily regulatory effect and to increase the state nexus for application of the registration provisions of the law.

SECTION 2. 180.02 (16) to (18) of the statutes are created to read:

180.02 (16) "Issuing public corporation" means a domestic corporation with at least 100 persons in this state that are holders of record of its common shares and having its principal place of business, its principal executive offices or substantial assets located in this state.

(17) "Acquiring person" means a person required to deliver a statement to an issuing public corporation under s. 180.69 (2), but does not include the issuing public corporation itself.

(18) "Control share acquisition" means the acquisition of shares of an issuing public corporation, including shares issuable on conversion of convertible shares or on exercise of options or warrants, resulting in control of a new range of voting power in the election of directors specified in s. 180.69 (2) (d), but does not include any of the following:

(a) An acquisition before the effective date of this paragraph (1983).

(b) An acquisition under an agreement entered into before the effective date of this paragraph (1983).

(c) An acquisition by a donee under an inter vivos gift not made to avoid s. 180.69 or by a distributee as defined in s. 851.07, if the donor or decedent did not obtain shareholder authorization for the acquisition under s. 180.69.

(d) An acquisition under a security agreement not created to avoid s. 180.69, if the person who gave the security did not obtain shareholder authorization for the acquisition under s. 180.69.

(e) An acquisition under s. 180.62, 180.63, 180.68 or 180.685, if the issuing public corporation is a party to the merger or consolidation.

(f) An acquisition from the issuing public corporation of a security registered or exempt from registration under ch. 551, or pursuant to a transaction exempt from registration under ch. 551.

SECTION 3. 180.25 (5) of the statutes is renumbered 180.25 (5) (a) and amended to read:

180.25 (5) (a) A shareholder may vote either in person or by proxy appointed in writing by the shareholder or by his duly authorized attorney-in-fact. ~~No~~ Except as provided in par. (b), no proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy.

SECTION 4. 180.25 (5) (b) of the statutes is created to read:

180.25 (5) (b) A proxy appointed in connection with shareholder authorization of a control share acquisition under s. 180.69:

1. May be revoked at any time by openly stating the revocation at a shareholder meeting or appointing a new proxy in writing.

2. Shall be solicited and appointed apart from the sale or offer to purchase shares of the issuing public corporation.

3. May not be solicited sooner than 30 days before the meeting called under s. 180.69 (3), unless otherwise agreed in writing by the acquiring person and the directors of the issuing public corporation.

SECTION 5. 180.43 (2) of the statutes is renumbered 180.43 (2) (a).

SECTION 6. 180.43 (2) (b) of the statutes is created to read:

180.43 (2) (b) An acquiring person may on written demand examine the records of shareholders for the purpose of communicating with them to obtain authorization for a control share acquisition under s. 180.69.

SECTION 7. 180.69 of the statutes is created to read:

**180.69 Control share acquisitions.** (1) (a) Unless otherwise provided in the articles of incorporation of an issuing public corporation, this section applies to a control share acquisition.

(b) The articles of incorporation of an issuing public corporation may restrict the transfer of shares in a control share acquisition, including requiring consent of the directors or shareholders, and may impose sanctions for violation of the restrictions, including refusing transfer or redemption of the shares or denying shareholder rights.

(2) A person proposing to make a control share acquisition shall deliver to the issuing public corporation at its principal executive offices a statement containing all of the following:

(a) The identity of the person.

(b) A reference that the statement is made under this section.

(c) The number of shares of the issuing public corporation owned by the person of record and beneficially under the meaning prescribed in rule 13d-3 under the securities exchange act of 1934.

(d) A specification of which of the following ranges of voting power in the election of directors would result from consummation of the control share acquisition:

1. At least 20% but less than 34%.
2. At least 34% but less than a majority.
3. At least a majority.

(e) The terms of the proposed control share acquisition in reasonable detail, including the source of funds or other consideration and other details of the financial arrangements for the control share acquisition.

(f) Representations, together with the facts on which they are based, that the proposed control share acquisition would not be contrary to law and that the person is financially able to consummate the proposed control share acquisition.

(3) Within 10 days after receipt of a statement under sub. (2), the directors of the issuing public corporation shall call a special meeting of the shareholders to vote on the proposed control share acquisition. The meeting shall be held no later than 50 days after receipt of a statement under sub. (2), unless the acquiring person agrees to a later date, and no sooner than 30 days after receipt of the statement under sub. (2), if the acquiring person so requests in writing when delivering the statement under sub. (2). The notice of the meeting shall include a copy of the statement delivered under sub. (2) and a statement by the directors of their position or lack of position on the proposed control share acquisition.

(4) (a) In this subsection, "interested share" means a share of an issuing public corporation entitling the holder to vote in the election of directors, if the share is held of record by any of the following:

1. An acquiring person.
2. An officer of the issuing public corporation elected or appointed by its directors.
3. A person who is a director and an employe of the issuing public corporation.

(b) The acquiring person may make the proposed control share acquisition if all of the following occur:

1. The proposed control share acquisition is authorized at the meeting called under sub. (3) by a majority of a quorum of the voting power of shares which may be voted in the election of directors, other than interested shares. For purposes of this subdivision, a quorum exists at a meeting called under sub. (3) if at least a majority of shares which may

be voted in the election of directors, other than interested shares, are represented at the meeting.

2. The proposed control share acquisition is consummated within 180 days after its authorization at a meeting called under sub. (3).

(c) 1. For purposes of this paragraph, a “competing control share acquisition” means a control share acquisition that is the subject of a statement filed with the issuing public corporation under sub. (2) before the time a pending control share acquisition has been consummated under par. (b) 2.

2. If the shareholder vote under par. (b) 1 with respect to a pending control share acquisition has not occurred before the time a statement with respect to a competing control share acquisition is filed, consummation of the pending control share acquisition shall be conditional upon both its authorization under par. (b) 1 and no competing control share acquisition being authorized under par. (b) 1. If a competing control share acquisition is authorized under par. (b) 1, only the last competing control share acquisition that is authorized may be consummated.

3. If a pending control share acquisition has been authorized under par. (b) 1 before the time a statement with respect to a competing control share acquisition is filed, consummation of the pending control share acquisition shall be subject only to par. (b) 2, and the pending control share acquisition shall be deemed to have been consummated for the purpose of determining the holders of record of shares in connection with any shareholder vote authorizing a competing control share acquisition.

4. If 2 or more control share acquisitions are subject to shareholder vote under par. (b) 1, an interested share held by an acquiring person within the meaning of par. (a) 1 is a share held by the acquiring person who has delivered or caused to be delivered the statement describing the acquiring person under sub. (2) (a), and any acquiring person has the right granted under s. 180.43 (2) (b).

SECTION 8. 180.72 (1) and (2) of the statutes are amended to read:

180.72 (1) Any shareholder of a corporation shall have the right to file with the corporation a written objection, at least 48 hours prior to the meeting of shareholders at which any of the following corporate actions are proposed to be voted upon: a) Any plan of merger or consolidation to which the corporation is a party; or b) Any sale or exchange of all or substantially all of the property and assets of the corporation not made in the usual and regular course of its business, including a sale in dissolution, but not including a sale pursuant to an order of a court having jurisdiction in the premises or a sale for cash, with or without an assumption of liabilities of the seller, on terms requiring that all or substantially all of the net proceeds of sale be distributed to the shareholders in accordance with their respective interests within one year after the date of sale. A shareholder may object as to less than all of the shares registered in his name; and in that event, his rights shall be determined as if the shares as to which he has objected and his other shares were registered in the names of different shareholders. This subsection shall not apply to the shareholders of the surviving corporation in a merger if a vote of the shareholders of such corporation is not necessary to authorize such merger. ~~Not~~ Except in a business combination, as defined in s. 180.725 (1) (d), which is subject to s. 180.725 (2) or exempt under s. 180.725 (3), this subsection shall not apply to the holders of shares of any class or series if the shares of such class or series were registered on a national securities exchange or quoted on the national association of securities dealers, inc., automated quotations system on the date fixed to determine the shareholders entitled to vote at the meeting of shareholders at which a plan of merger or consolidation or a proposed sale or exchange of property and assets is to be acted upon unless the articles of incorporation of the corporation shall otherwise provide.

(2) If such written objection by a shareholder to such proposed corporate action has been filed, and if such proposed corporate action be approved by the required vote and such shareholder shall not have voted in favor thereof, such shareholder may, within 10 days after the date on which the vote was taken, or if a corporation is to be merged without a vote of its shareholders into another corporation any of its shareholders may, within 20 days after the plan of such merger shall have been mailed to such shareholders, make written demand on the corporation, or, in the case of a merger or consolidation, on the surviving or new corporation, domestic or foreign, for payment of the fair value of such shareholder's shares, and, if such proposed corporate action is effected, such corporation shall pay to such shareholder, upon surrender of the certificate or certificates representing such shares, the fair value thereof as of the day prior to the date on which the vote was taken approving the proposed corporate action, excluding any appreciation or depreciation in anticipation of such corporate action, except as provided in s. 180.725. In a business combination, as defined in s. 180.725 (1) (d), the fair value shall be the market value determined under s. 180.725 (1) (k) 1. a to d. Any shareholder failing to make demand within the applicable 10-day or 20-day period shall be bound by the terms of the proposed corporate action. Any shareholder making such demand shall thereafter be entitled only to payment as in this section provided and shall not be entitled to vote or to any other rights of a shareholder.

SECTION 9. 180.725 of the statutes is created to read:

**180.725 Special voting requirements.** (1) In this section:

(a) "Affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with a specified person.

(b) "Associate" of a person means any of the following:

1. An organization, other than the corporation or a subsidiary of the corporation, of which the person is an officer, director or partner or is, directly or indirectly, the beneficial owner of 10% or more of a class of equity securities.

2. A trust or estate in which the person has a substantial beneficial interest or as to which the person serves as trustee or in a similar fiduciary capacity.

3. A relative or spouse of the person, or a relative of the spouse, who has the same principal residence as the person or who is a director or officer of the corporation or an affiliate of the corporation.

(c) "Beneficial owner" has the meaning prescribed in rule 13d-3 under the securities exchange act of 1934.

(d) "Business combination" means any of the following:

1. Unless the merger or consolidation is subject to s. 180.685, does not alter the contract rights of the shares as set forth in the articles of incorporation or change or convert in whole or in part the outstanding shares of the corporation, a merger or consolidation of the corporation or a subsidiary with:

a. An interested shareholder; or

b. Any other corporation, whether or not itself an interested shareholder, which is, or after the merger or consolidation would be, an affiliate of an interested shareholder that was an interested shareholder before the transaction.

2. A sale, lease, exchange or other disposition of all, or substantially all, of the property and assets, with or without goodwill, of a corporation, if not made in the usual and regular course of its business.

(e) "Commencement of a tender offer" has the meaning prescribed in rule 14d-2 under the securities exchange act of 1934.

(f) "Common shares" means shares other than preferred or preference shares.

(g) "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract or otherwise.

(h) "Determination date" means the date on which an interested shareholder first becomes an interested shareholder.

(i) "Equity security" means any of the following:

1. Shares or similar security, certificate of interest or participation in a profit-sharing agreement, voting trust certificate or certificate of deposit for an equity security.

2. A security convertible, with or without consideration, into an equity security, or a warrant or other security carrying a right to subscribe to or purchase an equity security.

3. A put, call, straddle or other option or privilege of buying or selling an equity security without being bound to do so.

(j) "Interested shareholder", with respect to a corporation, means a person that is the beneficial owner, directly or indirectly, of 10% or more of the voting power of the outstanding voting shares of the corporation; or is an affiliate of the corporation and within the 2-year period immediately before the date in question was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding voting shares of the corporation. For the purpose of determining whether a person is an interested shareholder, the number of voting shares deemed to be outstanding includes shares deemed owned by the person as the beneficial owner but does not include any other voting shares which may be issuable under an agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(k) "Market value" means:

1. In the case of shares:

a. The highest closing sale price during the 30-day period immediately preceding the date in question of a share on the composite tape for New York stock exchange-listed shares.

b. If the shares are not quoted on the composite tape, on the New York stock exchange.

c. If the shares are not listed on that exchange, on the principal U. S. securities exchange registered under the securities exchange act of 1934 on which the shares are listed.

d. If the shares are not listed on an exchange, the highest closing bid quotation with respect to a share during the 30-day period preceding the date in question on the national association of securities dealers, inc., automated quotations system or any system then in use.

e. If no quotation is available, the fair market value on the date in question of a share as determined in good faith by the board of directors of the corporation.

2. In the case of property other than cash or shares, the fair market value of the property on the date in question as determined in good faith by the board of directors of the corporation.

(L) "Organization" means a person other than an individual.

(m) "Subsidiary" means a corporation of which voting shares having a majority of the votes entitled to be cast are owned, directly or indirectly, by one other corporation.

(n) "Valuation date" means the later of the day before the date of the shareholders' vote pursuant to sub. (2) or the day 20 days before the consummation of the business combination.

(o) "Voting shares" means capital shares of a corporation entitled to vote generally in the election of directors.

(2) In addition to a vote otherwise required by law or the articles of incorporation of the corporation, a business combination must be recommended by the board of directors and approved by the affirmative vote of at least:

(a) Eighty percent of the votes entitled to be cast by outstanding voting shares of the corporation, voting together as a single voting group; and

(b) Two-thirds of the votes entitled to be cast by holders of voting shares other than voting shares held by an interested shareholder who is a party to the business combination or an affiliate or associate of an interested shareholder who is a party to the business combination, voting together as a single voting group.

(3) (a) The vote required by sub. (2) does not apply to a business combination if each of the following conditions is met:

1. The aggregate amount of the cash and the market value as of the valuation date of consideration other than cash to be received per share by holders of common shares in the business combination is at least equal to the highest of the following:

a. The highest per share price, including brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the interested shareholder for common shares of the same class or series acquired by it within the 2-year period immediately before the date of commencement of a tender offer initiated by the interested shareholder, or in the transaction in which it became an interested shareholder, whichever is higher.

b. The market value per common share of the same class or series on the date of commencement of a tender offer initiated by the interested shareholder or on the determination date, whichever is higher.

2. The aggregate amount of the cash and the market value as of the valuation date of consideration other than cash to be received per share by holders of shares of a class or series of outstanding shares other than common shares is at least equal to the highest of the following:

a. The highest per share price, including brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the interested shareholder for shares of such class of shares acquired by it within the 2-year period immediately before the date of commencement of a tender offer initiated by the interested shareholder, or in the transaction in which it became an interested shareholder, whichever is higher.

b. The highest preferential amount per share to which the holders of shares of the class of shares are entitled in a voluntary or involuntary liquidation or dissolution of the corporation.

c. The market value per share of such class of shares on the date of commencement of a tender offer initiated by the interested shareholder or on the determination date, whichever is higher.

3. The consideration to be received by holders of a class or series of outstanding shares is to be in cash or in the same form as the interested shareholder has previously paid for shares of the same class or series. If the interested shareholder has paid for shares of a class of shares with varying forms of consideration, the form of consideration for the class of shares shall be either cash or the form used to acquire the largest number of shares of the class or series of shares previously acquired by it.

(b) Unless the articles of incorporation of the corporation provide otherwise, sub. (2) does not apply to a business combination of any of the following:

1. A corporation having fewer than 100 persons in this state that are holders of record of its common shares.

2. A corporation whose original articles of incorporation have a provision expressly electing not to be governed by this section.



3. A corporation whose shareholders adopt an amendment to the articles of incorporation on or after the effective date of this subdivision (1983), by a vote of at least 80% of the votes entitled to be cast by outstanding shares of voting shares of the corporation, voting together as a single voting group and two-thirds of the votes entitled to be cast by persons, if any, who are not interested shareholders of the corporation, voting together as a single voting group, expressly electing not to be governed by this section.

4. An investment company registered under the investment company act of 1940.

(4) A business combination of a corporation that has a provision of the articles of incorporation permitted by s. 180.25 is subject to sub. (2) unless one of the exemptions of sub. (3) have been met.

SECTION 10. 552.01 (1m) of the statutes is created to read:

552.01 (1m) "Control bid" means an offer to purchase or a purchase of an equity security from a resident of this state if after the purchase the purchaser would be the direct or indirect beneficial owner of more than 10% of any class of outstanding securities of the issuer.

SECTION 11. 552.01 (3) and (6) (c) of the statutes are amended to read:

552.01 (3) "Offeror" means a person who makes or in any way participates in making a take-over offer or control bid, and includes all affiliates and associates of that person, and all persons acting jointly or in concert for the purpose of acquiring, holding or disposing of or exercising any voting rights attached to the equity securities for which a take-over offer is made. "Offeror" does not include any bank or broker-dealer loaning funds to an offeror in the ordinary course of its business, or any bank, broker-dealer, attorney, accountant, consultant, employe, or other person furnishing information or advice to or performing ministerial duties for an offeror, and not otherwise participating in the take-over offer.

(6) (c) Whose equity securities of any class are or have been registered under ch. 551 or predecessor laws, exempted from registration under s. 551.22 (3), (4) or (5) or predecessor laws or are registered under s. 12 of the securities exchange act of 1934; and

SECTION 12. 552.05 (7) of the statutes is created to read:

552.05 (7) Notwithstanding s. 552.01 (6) (d), this section applies only to a target company that meets the requirements of any one of the following:

(a) The target company does not have any of its securities registered under section 12 of the securities exchange act of 1934.

(b) The target company has at least 51% of its securities specified in s. 552.01 (6) (c) held of record or beneficially by residents of this state.

(c) The target company has at least 33% of its securities specified in s. 552.01 (6) (c) held of record or beneficially by residents of this state, has its principal office in this state and its business or operations have a substantial economic effect in this state.

SECTION 13. 552.09 (1) of the statutes is amended to read:

552.09 (1) Solicitation of any offeree for acceptance or rejection of a take-over offer, acquisition of any equity security of a target company subject to s. 552.05, or acquisition, removal or exercise of control, directly or indirectly, of any target company assets in this state, in connection with a ~~nonexempt~~ take-over offer subject to s. 552.05, before the take-over offer is permitted to be made under this chapter.

SECTION 14. 552.10 of the statutes is created to read:

**552.10 Control bids.** (1) It is unlawful for a person who makes or opposes a control bid to do any of the following directly or indirectly:

(a) Make a false statement of a material fact.

(b) Fail to state a material fact necessary to prevent a statement made from being misleading in light of the circumstances under which it was made.

(c) Commit any act or engage in any practice or course of business which operates or would operate as a fraud on a control bid offeree.

(d) Engage in any manipulative act or practice.

(2) A person who makes or opposes a control bid is subject to service of process as provided in s. 551.65 for any action or proceeding under this chapter. This subsection does not prevent service of process in any other manner authorized by law.

(3) A person making or opposing a control bid is subject to the liabilities and penalties applicable to a seller and a control bid offeree or purchaser is entitled to the remedies applicable to a purchaser under s. 552.21.

SECTION 15. 552.11 of the statutes is amended to read:

**552.11 Limitations on offerors.** (1) No offeror may make a take-over offer involving a target company which is not made to its stockholders in this state, or which is not made to ~~stockholders~~ security holders in this state on substantially the same terms as the offer is made to ~~stockholders~~ security holders outside this state.

(2) An offeror shall provide that any equity securities of a target company subject to s. 552.05 deposited or tendered pursuant to a registered take-over offer may be withdrawn by or on behalf of any offeree at any time within 7 days from the date the offer has become effective under this chapter and after 60 days from the date the offer has become effective under this chapter, except as to ~~offers subject to and made in compliance with withdrawal requirements under the securities exchange act of 1934 or rules and regulations under that act, or except~~ as the commissioner may otherwise prescribe by rule or order for the protection of investors. In any offer permitted to commence by an exemption order under s. 552.05 (1), the offeror shall provide that any equity securities tendered or deposited pursuant to the conditional offer will be purchased by the offeror only in the event a subsequent registration of the offer occurs under this chapter.

(3) If an offeror makes a take-over offer for less than all the outstanding equity securities of any class of securities of a target company subject to s. 552.05, and if the number of securities deposited or tendered pursuant thereto within ~~40~~ 20 days after the offer has become effective under this chapter and copies of the offer, or notice of any increase in the consideration offered, are first published or sent or given to security holders is greater than the number the offeror has offered to accept and pay for, the securities shall be accepted proportionally, disregarding fractions, according to the number of securities deposited or tendered by each offeree.

(4) If an offeror varies the terms of a take-over offer for a target company subject to s. 552.05 before its expiration date by increasing the consideration offered to security holders, the offeror shall pay the increased consideration for all equity securities accepted, whether such securities have been accepted by the offeror before or after the variation in the terms of the offer.

(5) No offeror may make a take-over offer involving a target company ~~in this state~~ subject to s. 552.05, or acquire any equity securities of ~~a the~~ target company pursuant to the offer, at any time when an administrative or injunctive proceeding has been brought by the commissioner against the offeror for violation of this chapter that has not been finally determined.

(6) No offeror may acquire, remove or exercise control, directly or indirectly, over any assets located in this state of a target company ~~located in this state~~ subject to s. 552.05 unless the take-over offer is effective or exempt under this chapter, except as permitted by order of the commissioner.

SECTION 16. 552.19 (1) of the statutes, as affected by 1983 Wisconsin Act 36, is amended to read:

552.19 (1) Any person, including a controlling person of an offeror or target company, who wilfully violates this chapter or any rule under this chapter, or any order of which the person has notice, may be fined not more than \$5,000 or imprisoned not more than 5 years or both. Each of the acts specified constitutes a separate offense and a prosecution or conviction for any one of the offenses does not bar prosecution or conviction for any other offense.

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