

# State of Wisconsin



1995 Senate Bill 529

Date of enactment: **April 22, 1996**

Date of publication\*: **May 6, 1996**

## 1995 WISCONSIN ACT 271

AN ACT *to amend* 180.0122 (1) (a), 180.0122 (1) (m), 180.0122 (1) (n), 180.0122 (1) (o), 180.0122 (1m) (intro.), 180.0202 (1) (c), 180.0202 (1) (d) 2., 180.0202 (1) (e) 2., 180.0601 (1), 180.0601 (2), 180.0602 (1) (b), 180.0602 (2) (c), 180.0602 (2) (d), 180.0603 (1), 180.0631 (3) (b) (intro.), 180.0701 (4) (intro.), 180.1002 (8) and 180.1622 (1) (f); *to repeal and recreate* 180.0631 (3) (b) (intro.); and *to create* 180.0103 (11e), 180.0122 (1m), 180.0602 (1) (c), 180.1002 (7m), 180.1002 (8m) and 180.1002 (8n) of the statutes; **relating to:** corporations that are investment companies.

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

**SECTION 1.** 180.0103 (11e) of the statutes is created to read:

180.0103 (11e) "Investment company" means a corporation that is registered, or is organized for the purpose of registering, as a management investment company under 15 USC 80a-1 to 80a-64, if the corporation's articles of incorporation state that the corporation is registered or is organized for the purposes of registering as a management investment company under 15 USC 80a-1 to 80a-64.

**SECTION 2.** 180.0122 (1) (a) of the statutes is amended to read:

180.0122 (1) (a) Articles of incorporation, 1 cent for each authorized share, except the minimum fee is \$90 and the maximum fee is \$10,000 and except that the fee for investment companies is determined under sub. (1m).

**SECTION 3.** 180.0122 (1) (m) of the statutes is amended to read:

180.0122 (1) (m) Amendment of articles of incorporation, \$40; plus 1 cent for each authorized share after the amendment, less a credit of 1 cent for each authorized

share immediately before the amendment; except the maximum fee under this paragraph is \$10,000 and except that the fee for investment companies is determined under sub. (1m).

**SECTION 4.** 180.0122 (1) (n) of the statutes is amended to read:

180.0122 (1) (n) Restatement of articles of incorporation with or without amendment of articles, \$40; plus 1 cent for each authorized share after the restatement and any amendment, less a credit of 1 cent for each authorized share immediately before the restatement and any amendment; except the maximum fee under this paragraph is \$10,000 and except that the fee for investment companies is determined under sub. (1m).

**SECTION 5.** 180.0122 (1) (o) of the statutes is amended to read:

180.0122 (1) (o) Articles of merger, \$50 for each domestic corporation and each foreign corporation authorized to transact business in this state that is a party to the merger; plus 1 cent for each authorized share of the surviving domestic corporation after the merger, less a credit of 1 cent for each share that is authorized immediately before the merger by each domestic corporation that is a party to the merger; except the maximum fee under this

\* Section 991.11, WISCONSIN STATUTES 1993-94: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

paragraph is \$10,000 and except that the fee for investment companies is determined under sub. (1m).

**SECTION 6.** 180.0122 (1m) of the statutes is created to read:

180.0122 (1m) The secretary of state shall collect the following fees when the documents described in this subsection are delivered to him or her for filing by an investment company:

(a) Articles of incorporation; an amount determined as follows:

1. If the investment company declares an indefinite number of authorized shares, \$12,500.

2. If the investment company does not declare an indefinite number of authorized shares, 1 cent for each authorized share, except the minimum fee under this subdivision is \$90 and the maximum fee is \$10,000.

(b) Amendment of articles of incorporation; \$40, unless the amendment increases the number of authorized shares or declares an indefinite number of authorized shares, in which case an amount determined as follows shall be added to the \$40 fee:

1. If the amendment increases the number of authorized shares, 1 cent for each authorized share after the amendment, less a credit of 1 cent for each authorized share immediately before the amendment; except the maximum fee under this subdivision is \$10,000.

2. If the amendment declares an indefinite number of authorized shares, \$12,500, less a credit of 1 cent for each authorized share immediately before the amendment.

(c) Restatement of articles of incorporation with or without amendment of articles; \$40, unless the restatement also amends the articles to increase the number of authorized shares or to declare an indefinite number of authorized shares, in which case an amount determined as follows shall be added to the \$40 fee:

1. If the restatement amends the articles to increase the number of authorized shares, 1 cent for each authorized share after the amendment, less a credit of 1 cent for each authorized share immediately before the amendment; except the maximum fee under this subdivision is \$10,000.

2. If the restatement amends the articles to declare an indefinite number of authorized shares, \$12,500, less a credit of 1 cent for each authorized share immediately before the amendment.

(d) Articles of merger; \$50 for each domestic or foreign investment company that is a party to the merger, plus the following:

1. If the surviving domestic investment company has an indefinite number of authorized shares, \$12,500, less a credit for each share that is authorized immediately before the merger by each domestic investment company that is a party to the merger.

2. If the surviving domestic investment company does not have an indefinite number of authorized shares, 1 cent for each authorized share of the surviving domestic

corporation after the merger, less a credit of 1 cent for each share that is authorized immediately before the merger by each domestic corporation that is a party to the merger; except the maximum fee under this subdivision is \$10,000.

**SECTION 7.** 180.0122 (1m) (intro.) of the statutes, as created by 1995 Wisconsin Act .... (this act), is amended to read:

180.0122 (1m) (intro.) The ~~secretary of state~~ department shall collect the following fees when the documents described in this subsection are delivered to ~~him or her~~ the department for filing by an investment company:

**SECTION 8.** 180.0202 (1) (c) of the statutes is amended to read:

180.0202 (1) (c) The number of authorized shares, except that an investment company may declare an indefinite number of authorized shares.

**SECTION 9.** 180.0202 (1) (d) 2. of the statutes is amended to read:

180.0202 (1) (d) 2. The number of shares of each class that the corporation is authorized to issue, except that an investment company may declare that each class has an indefinite number of authorized shares.

**SECTION 10.** 180.0202 (1) (e) 2. of the statutes is amended to read:

180.0202 (1) (e) 2. The number of shares of each series that the corporation is authorized to issue, except that an investment company may declare that each series has an indefinite number of authorized shares.

**SECTION 11.** 180.0601 (1) of the statutes is amended to read:

180.0601 (1) The articles of incorporation shall prescribe the classes of shares and the number of shares of each class that the corporation is authorized to issue, except that an investment company may prescribe that each class has an indefinite number of authorized shares. If more than one class of shares is authorized, the articles of incorporation shall prescribe a distinguishing designation for each class. Before the issuance of shares of a class, the corporation shall describe in its articles of incorporation the preferences, limitations and relative rights of that class. All shares of a class shall have preferences, limitations and relative rights identical with those of other shares of the same class unless the class is divided into series.

**SECTION 12.** 180.0601 (2) of the statutes is amended to read:

180.0601 (2) The articles of incorporation may create series of shares within a class of shares, except that an investment company may prescribe that each series has an indefinite number of authorized shares. Before the issuance of shares of a series, the corporation shall describe in its articles of incorporation the number of shares of each series that the corporation is authorized to issue or that there is an indefinite number of authorized shares, a distinguishing designation for each series within a class

and the preferences, limitations and relative rights of that series. All shares of a series shall have preferences, limitations and relative rights identical with those of other shares of the same series and, except to the extent otherwise provided in the description of the series, with those of other series of the same class.

**SECTION 13.** 180.0602 (1) (b) of the statutes is amended to read:

180.0602 (1) (b) Create one or more series within a class, and, with respect to any series, determine the number of shares of the series, the distinguishing designation and the preferences, limitations and relative rights, in whole or in part, before the issuance of any shares of that series, except that an investment company may prescribe that each series has an indefinite number of authorized shares.

**SECTION 14.** 180.0602 (1) (c) of the statutes is created to read:

180.0602 (1) (c) In the case of an investment company, change the distinguishing designation of a class or series of shares, whether or not shares of the class are issued and outstanding, if the change does not affect the preferences, limitations and relative rights, in whole or in part, of the class or series.

**SECTION 15.** 180.0602 (2) (c) of the statutes is amended to read:

180.0602 (2) (c) The number of shares of the class or series of shares created, except that an investment company may prescribe that each class and each series have an indefinite number of authorized shares.

**SECTION 16.** 180.0602 (2) (d) of the statutes is amended to read:

180.0602 (2) (d) A statement that none of the shares of the class or series has been issued, except that this statement is not required if the only amendment to the articles of incorporation is made pursuant to sub. (1) (c).

**SECTION 17.** 180.0603 (1) of the statutes is amended to read:

180.0603 (1) A corporation may issue the number of shares of each class or series authorized by the articles of incorporation. If an investment company has authorized an indefinite number of shares, there is no limit on the number of shares that the investment company may issue. Shares that are issued are outstanding shares until they are reacquired, redeemed, converted or canceled.

**SECTION 18.** 180.0631 (3) (b) (intro.) of the statutes is amended to read:

180.0631 (3) (b) (intro.) If the articles of incorporation prohibit the reissuance of acquired shares, the number of authorized shares is reduced by the number of shares acquired by the corporation, effective upon amendment of the articles of incorporation, except in the case of an investment company that has authorized an indefinite number of shares. The board of directors may adopt articles of amendment under this paragraph without shareholder action and deliver them to the secretary

of state for filing. The articles shall include all of the following information:

**SECTION 19.** 180.0631 (3) (b) (intro.) of the statutes, as affected by 1995 Wisconsin Acts 27 and .... (this act), is repealed and recreated to read:

180.0631 (3) (b) (intro.) If the articles of incorporation prohibit the reissuance of acquired shares, the number of authorized shares is reduced by the number of shares acquired by the corporation, effective upon amendment of the articles of incorporation, except in the case of an investment company that has authorized an indefinite number of shares. The board of directors may adopt articles of amendment under this paragraph without shareholder action and deliver them to the department for filing. The articles shall include all of the following information:

**SECTION 20.** 180.0701 (4) (intro.) of the statutes is amended to read:

180.0701 (4) (intro.) If so provided in the articles of incorporation or bylaws of a corporation registered under ~~the federal investment company act of 1940, as amended, the corporation an investment company, the investment company~~ is not required to hold an annual meeting of shareholders in any year in which none of the following matters is required to be acted on by the shareholders under ~~the federal investment company act of 1940, as amended~~ 15 USC 80a-1 to 80a-64:

**SECTION 21.** 180.1002 (7m) of the statutes is created to read:

180.1002 (7m) In the case of an investment company, to change the corporate name, if the investment company notifies shareholders of the change in corporate name not less than 30 days before the effective date of the change.

**SECTION 22.** 180.1002 (8) of the statutes is amended to read:

180.1002 (8) If the articles of incorporation so provide, to ~~create a series of shares, to determine the numbers of shares of a series, the distinguishing designation and the preferences, limitations and relative rights of a series of shares, or to determine the preferences, limitations and relative rights of a class of shares, to the extent make a change~~ permitted by s. 180.0602.

**SECTION 23.** 180.1002 (8m) of the statutes is created to read:

180.1002 (8m) In the case of an investment company, to declare an indefinite number of authorized shares.

**SECTION 24.** 180.1002 (8n) of the statutes is created to read:

180.1002 (8n) In the case of a company that is registered, or is organized for the purpose of registering, as a management investment company under 15 USC 80a-1 to 80a-64, to state that the corporation is registered or is organized for the purposes of registering as a management investment company under 15 USC 80a-1 to 80a-64.

**SECTION 25.** 180.1622 (1) (f) of the statutes is amended to read:

180.1622 (1) (f) The total number of authorized shares, itemized by class and series, if any, within each class ~~and, with respect to a,~~ A foreign corporation, shall itemize the total number of authorized shares by par value of shares and shares without par value. An investment company that has an indefinite number of authorized shares shall state that it has declared an indefinite number of authorized shares.

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**SECTION 26. Effective dates.** This act takes effect on the first day of the first month beginning after publication, except as follows:

(1) The amendment of section 180.0122 (1m) (intro.) of the statutes and the repeal and recreation of section 180.0631 (3) (b) (intro.) of the statutes take effect on July 1, 1996, or on the first day of the first month beginning after publication, whichever is later.