

hereby authorized to meet the authorities in control and charge of the public highways in the adjoining counties of other states and agree upon and assign the portion or part of each public highway upon the state line between such states to be kept in repair by the authorities in the state of Iowa and such other states.

Approved April 13, A. D. 1907.

## CHAPTER 70.

### CORPORATIONS FOR PECUNIARY PROFIT.

H. F. 287.

AN ACT to amend the law as it appears in section sixteen hundred and ten (1610) of the supplement to the code in-relation to corporations for pecuniary profit.

*Be it enacted by the General Assembly of the State of Iowa:*

**SECTION 1. Approval of articles of incorporation.** That the law as it appears in section sixteen hundred and ten (1610) of the supplement to the code be, and the same is hereby amended by adding thereto the following:

“When articles of incorporation are presented to the secretary of state for the purpose of being filed, if he is satisfied that they are in proper form to meet the requirements of law, that their object is a lawful one and not against public policy, that their plan for doing business, if any be provided for, is honest and lawful, he shall file them; but if he is of the opinion that they are not in proper form to meet the requirements of law, or that their object is an unlawful one, or against public policy, or that their plan for doing business is dishonest or unlawful, he shall refuse to file them. Should a question of doubt arise as to the legality of the articles, he shall submit them to the attorney general whose duty it shall be to forthwith examine and return them with an opinion in writing touching the point or points concerning which inquiry has been made of him. If such opinion is in favor of the legality of the articles, and no other objections are apparent, they shall then, upon payment of the proper fee, be filed and otherwise dealt with as the law provides. If, however, such opinion be against their legality they shall not be filed. Upon the rejection of any articles of incorporation by the secretary of state, except for the reason that they have been held by the attorney general to be illegal, they shall, if the person or persons presenting them so request, be submitted to the executive council, which shall, as soon as practicable, consider the said articles and if the council determines that the articles are in proper form, of honest purpose, not against public policy, nor otherwise objectionable, it shall so advise the secretary of state in writing, whereupon he shall, upon the payment of the proper fees, file the same and proceed otherwise as the law directs; but if the council sustains the previous action of the secretary of state in rejecting said articles, such decision by the council shall be reported to the secretary of state in writing, and he shall then return said articles to the person or persons presenting them with such explanation as shall be proper in the case. Nothing in this act shall be construed as repealing or modifying any statute now in force in respect to the approval of articles of incorporation relating to insurance companies, building and loan associations or investment companies.”

**SEC. 2. In effect.** This act, being deemed of immediate importance, shall take effect and be in force from and after its passage and publication in the

Register and Leader and Des Moines Daily News, newspapers published at Des Moines, Iowa.

Approved April 6, A. D. 1907.

I hereby certify that the foregoing act was published in the Des Moines Daily News, April 9, 1907, and the Register and Leader, April 10, 1907.

W. C. HAYWARD,  
*Secretary of State.*

## CHAPTER 71.

### CORPORATIONS FOR PECUNIARY PROFIT.

S. F. 109.

AN ACT to amend the law as it appears in chapter one (1), title nine (IX) of the code, relating to corporation for pecuniary profit.

*Be it enacted by the General Assembly of the State of Iowa:*

**SECTION 1. Capital stock—how issued—executive council to fix value.** That from and after the passage of this act no corporation organized under the laws of the state of Iowa, except building and loan associations as defined and provided for in chapter thirteen (13), title (9) of the code, shall issue any capital stock or any certificate or certificates of shares of capital stock, or any substitute therefor, until the corporation has received the par value thereof. If it is proposed to pay for said capital stock in property or in any other thing than money, the corporation proposing the same must, before issuing capital stock in any form, apply to the executive council of the state of Iowa for leave so to do. Such application shall state the amount of capital stock proposed to be issued for a consideration other than money, and set forth specifically the property or other thing to be received in payment for such stock. Thereupon, it shall be the duty of the executive council to make investigation, under such rules as it may prescribe, and to ascertain the real value of the property or other thing which the corporation is to receive for the stock; and shall enter its finding, fixing the value at which the corporation may receive the same in payment for capital stock; and no corporation shall issue capital stock for the said property or thing in a greater amount than the value so fixed and determined by the executive council.

**SEC. 2. Certificate filed with secretary of state.** It shall be the duty of every corporation to file a certificate under oath with the secretary of state, within ten (10) days after the issuance of any capital stock, stating the date of issue, the amount issued, the sum received therefor, if payment be made in money, or the property or thing taken, if such be the method of payment.

**SEC. 3. Cancellation of stock.** The capital stock of any corporation issued in violation of the terms and provisions hereof shall be void, and in a suit brought by the attorney general on behalf of the state of Iowa in any court having jurisdiction, a decree of cancellation shall be entered; and if the corporation has received any money or thing of value for the said stock, it shall remain the property of the corporation for the benefit of the remaining stockholders.

**SEC. 4. Dissolution of corporation.** Any corporation violating the provisions hereof shall, upon the application of the attorney general, in behalf of the state, made to any court of competent jurisdiction, be dissolved, its affairs wound up, and its assets distributed among the stockholders other than those who have received the stock so unlawfully issued.