

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.

**SEC. 5. Penalty.** Any officer, agent or representative of a corporation who violates any of the provisions hereof shall, upon conviction, be fined not less than two hundred (200) dollars nor more than one thousand (1,000) dollars, and be imprisoned in the county jail for not less than thirty (30) days nor more than six (6) months.

Approved April 4, A. D. 1907.

## CHAPTER 72.

### FALSE STATEMENTS CONCERNING PECUNIARY CONDITION OF CORPORATIONS.

S. F. 171.

**AN ACT** to prohibit the making or publishing of false or exaggerated statements or publications of or concerning the affairs, pecuniary condition or property of any corporation, or joint stock association, which said statements or publications are intended to give or shall have a tendency to give a less or greater apparent value to the shares, bonds or property, or any part thereof, of said corporation or joint stock association than the said shares, bonds or property shall really and in fact possess, and providing a penalty therefor. [Additional to chapter one (1) of title nine (IX) of the code.]

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

**SECTION 1. False statements—penalty.** Every director, officer or agent of any corporation or joint-stock association, who knowingly concurs in making, publishing or posting, either generally or privately to the stockholders or other persons, any written report, exhibit, or statement of its affairs or pecuniary condition, or book or notice containing any material statement which is false, or any untrue or willfully or fraudulently exaggerated report, prospectus, account, statement of operations, values, business, profits, expenditures, or prospects, or any other paper or document intended to produce or give, or having a tendency to produce or give, the shares of stock in such corporation a greater value or a less apparent or market value than they really possess, is guilty of a felony, and upon conviction thereof shall be punished by imprisonment in the penitentiary not to exceed one year, or by imprisonment in the county jail not to exceed six months or a fine not exceeding five hundred dollars.

Approved March 26, A. D. 1907.

## CHAPTER 73.

### POLITICAL CONTRIBUTIONS BY CORPORATIONS.

S. F. 88.

**AN ACT** prohibiting any corporation doing business within the state or any officer, agent or representative thereof acting for such corporation, from giving or contributing any money, property, labor or thing of value, to any member of any political committee, party or employe thereof, or to any candidate for any office, for campaign expenses or political purpose whatsoever, or to any person, partnership or corporation for the purpose of influencing or causing said person, partnership or corporation to influence any elector of the state to vote for or against any candidate for public office or candidate for nomination for any public office or to any public officer for the purpose of influencing his official action. And prohibiting any member of any political committee, party or employe thereof, or any candidate for any office from soliciting, requesting or knowingly receiving any such contribution from any corporation for campaign expenses or political