

13 found and the date of the record. No publication of notice of the
14 incorporation of such an association shall be required."

1 SEC. 2. **Publication.** This act being deemed of immediate impor-
2 tance shall take effect and be in full force from and after its publica-
3 tion in the Laurens Sun, a newspaper published at Laurens, Iowa, and
4 Winnebago Republican, a newspaper published in Forest City, Iowa.

Senate File No. 47. Approved March 9, A. D. 1929.

I hereby certify that the foregoing act was published in the Laurens Sun March 14,
1929, and the Winnebago Republican March 21, 1929.

ED. M. SMITH, *Secretary of State.*

CHAPTER 6

CORPORATION STOCK WITHOUT PAR VALUE

AN ACT to provide for and regulate the issue of shares of stock of corporations without nominal or par value.

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

1 SECTION 1. Any corporation, heretofore or hereafter organized for
2 pecuniary profit under the laws of this state, except banks, savings
3 banks, trust companies, building and loan associations and insurance
4 companies, may create one or more classes of stock without any
5 nominal or par value, with such rights, preferences, privileges, voting
6 powers, limitations, restrictions and qualifications thereon not incon-
7 sistent with law as shall be expressed in its articles of incorporation,
8 or any amendment thereto. Stock without par value which is pre-
9 ferred as to dividends, or as to its distributive share of the assets of
10 the corporation upon dissolution, may be made subject to redemption
11 at such times and prices as may be determined in such articles of
12 incorporation, or any amendment thereto. In the case of stock with-
13 out par value which is preferred as to its distributive share of the
14 assets of the corporation upon dissolution, the amount of such prefer-
15 ence shall be stated in the articles of incorporation, or any amend-
16 ment thereto.

1 SEC. 2. In any case in which the par value of the shares of stock
2 of a corporation shall be required to be stated in the articles of incor-
3 poration, or any amendment thereto, or in any other place, it shall
4 be stated in respect to shares without par value that such shares are
5 without par value, and when the amount of such stock authorized,
6 issued or outstanding shall be required to be stated, the number of
7 shares thereof authorized, issued or outstanding, as the case may
8 be, shall be stated, and it shall also be stated that such shares are
9 without par value.

1 SEC. 3. For the purpose of any rule of law or of any statutory
2 provision relating to the amount of capital stock issued and repre-
3 sented by shares of stock without par value except as otherwise pro-
4 vided in this act, such amounts shall be taken to be the amount of
5 money or the actual value of the consideration, as fixed by the direc-

6 tors or otherwise, in accordance with law, as the case may be, for
7 which such shares of stock shall have been issued. In any such case
8 in which stock having a par value shall have been issued with stock
9 without par value for a specified combined consideration, in determin-
10 ing the amount of the capital stock issued and represented by shares
11 of stock without par value the then book value of such stock having
12 a par value shall first be deducted from the amount of the money or
13 actual value of the consideration determined as aforesaid, and the
14 excess thereof, if any, shall be taken to be the amount of capital
15 stock represented by the shares of stock without par value so issued.

1 SEC. 4. Subject to any limitations and restrictions set forth in the
2 articles of incorporation, or amendment thereto, any such corpora-
3 tion may issue its authorized capital stock without par value for such
4 consideration as may be prescribed in the articles of incorporation,
5 or amendment thereto, or, if not prescribed, then for such considera-
6 tion as may be fixed by resolution passed by the stockholders of such
7 corporation at any annual meeting thereof, or at any special meeting
8 thereof duly called for that purpose, or by the board of directors act-
9 ing under authority of such stockholders given in like manner. In
10 the absence of fraud in the transaction, the judgment of the board
11 of directors in fixing and determining such sale value as shall be con-
12 clusive as to the creditors and stockholders. Nothing in this act shall
13 be so construed as to repeal the law as it now appears in sections
14 eighty-four hundred thirteen (8413), eighty-four fourteen (8414),
15 and eighty-four fifteen (8415), code of Iowa, 1927.

1 SEC. 5. Any and all shares without par value issued for the con-
2 sideration as prescribed or fixed in the preceding paragraph of this
3 act shall be deemed fully paid and nonassessable and the holder of
4 such shares shall not be liable to the corporation or to its creditors
5 in respect thereto.

1 SEC. 6. Except as to any preferences, rights, limitations, privileges
2 and restrictions, lawfully granted or imposed with respect to any
3 stock or class thereof, shares of stock without nominal or par value
4 shall be deemed to be an aliquot part of the aggregate capital of the
5 corporation issuing the same and equal to every other share of stock
6 of the same class.

1 SEC. 7. Each stock certificate issued for shares without nominal or
2 par value shall have plainly written or printed upon its face the num-
3 ber of shares which it represents, and the number of such shares the
4 corporation is authorized to issue, and no such certificate shall state
5 any nominal or par value of such shares or express any rate of divi-
6 dend to which it shall be entitled in terms of percentage of any par
7 or other value.

1 SEC. 8. The number of authorized shares of stock without par
2 value may be increased or reduced in the manner and subject to the
3 conditions provided by law for the increase or reduction of the capital
4 stock of a similar corporation having shares with par value. All
5 other statutory provisions relating to stock having a par value shall
6 also apply to stock without par value, so far as the same may be

7 legally, necessarily or practically applicable to, and not inconsistent
8 with, the provisions of this act.

1 SEC. 9. Any such corporation may, by appropriate amendments to
2 its articles of incorporation, adopted by a two-third affirmative vote
3 of each class of stock then issued and outstanding and affected by
4 such amendment, change its stock (common or preferred) having a
5 par value to an equal, greater or less number of shares of stock hav-
6 ing no par value, and, in connection therewith, may fix the amount of
7 capital represented by such shares of stock without par value.

1 SEC. 10. The articles of incorporation, or any amendment thereto,
2 of any such corporation may provide that shares of stock of any class
3 shall be convertible into shares of stock of any other class upon such
4 terms and conditions as may be therein stated.

1 SEC. 11. For the purpose of computing the statutory fee for in-
2 corporating or for any other statutory provision based on the par
3 value of shares of stock, but for no other purpose, each share of stock
4 without par value shall be considered equivalent to a share having a
5 nominal or par value of one hundred dollars (\$100.00).

1 SEC. 12. Except as otherwise provided by this act, such corpora-
2 tions issuing shares without par value, under the provisions hereof,
3 shall be and remain subject to the laws of this state, now or hereafter
4 in force, relating to the formation, regulation, consolidation, or
5 merger, rights, powers and privileges of corporations organized for
6 pecuniary profit, and all other laws applicable thereto.

1 SEC. 13. All acts or parts of acts providing for the incorporation,
2 organization, administration and management of the affairs of cor-
3 porations organized for pecuniary profit and having shares of stock
4 with a par value are hereby made applicable to corporations having
5 shares of stock without par value, except where the same are incon-
6 sistent with the provisions of this act.

Senate File No. 328. Approved April 16, A. D. 1929.

CHAPTER 7

CORPORATIONS

AN ACT to amend, revise, and codify section ten thousand one hundred two (10102),
code, 1927, relating to acknowledgments.

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

1 SECTION 1. Section ten thousand one hundred two (10102), code,
2 1927, is amended, revised, and codified to read as follows:
3 "10102. **Officers of corporation.** If the acknowledgment is made
4 by the officers of a corporation, the certificate shall show that such
5 persons as such officers, naming the office of each person, acknowl-
6 edged the execution of the instrument as provided in section ten
7 thousand one hundred three (10103)."

Senate File No. 252. Approved April 16, A. D. 1929.