

## CHAPTER 248

## CONDEMNATION FOR COUNTY CONSERVATION

S. F. 120

AN ACT to allow counties to take private property by condemnation for county conservation purposes.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section four hundred seventy-one point four (471.4),  
 2 Code 1958, is hereby amended by adding after the word "highways"  
 3 in lines four (4) and five (5) of subsection one (1) the following:  
 4 " , and for the carrying out of plans for the acquisition of land ad-  
 5 vanced by a county conservation board, and approved by the state  
 6 conservation commission as provided in section one hundred eleven  
 7 A point four (111A.4) ; providing further, it would not completely  
 8 prevent development of the conservation project, this authority shall  
 9 not apply to any improved private property used as a residence or  
 10 living quarters for a period of one year, not to exceed two acres, or  
 11 if jointly owned, not to exceed two acres per residential unit, unless  
 12 subsequently abandoned for use for such purposes. Temporary un-  
 13 occupancy shall not be construed as abandonment."

Approved April 20, 1961.

## CHAPTER 249

## CORPORATIONS FOR PROFIT

S. F. 411

AN ACT to amend chapter three hundred twenty-one (321), Acts of the Fifty-eighth General Assembly, relating to corporations for profit.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section four (4) of chapter three hundred twenty-  
 2 one (321), Acts of the Fifty-eighth General Assembly, is hereby  
 3 amended by adding thereto a new subsection as follows:  
 4 "To enter into general partnerships, limited partnerships, whether  
 5 the corporation be a limited or general partner, joint ventures, syndi-  
 6 cates, pools, associations and other arrangements for carrying on of  
 7 any or all of the purposes for which the corporation is organized,  
 8 jointly or in common with others."

1 SEC. 2. Section seven (7) of chapter three hundred twenty-one  
 2 (321), Acts of the Fifty-eighth General Assembly, is hereby amended  
 3 by adding at the end of subsection three (3) thereof the following:  
 4 " , or a trade name which has been adopted by a domestic or a foreign  
 5 corporation for use in this state in the manner provided by this Act."

1 SEC. 3. Section seven (7) of chapter three hundred twenty-one  
2 (321), Acts of the Fifty-eighth General Assembly, is hereby amended  
3 by striking therefrom subsection four (4) thereof and by inserting in  
4 lieu thereof the following:

5 "4. Shall be the name under which the corporation shall transact  
6 business in this state unless the corporation also shall elect to adopt  
7 one or more trade names as provided in this Act."

1 SEC. 4. Chapter three hundred twenty-one (321), Acts of the  
2 Fifty-eighth General Assembly, is hereby amended by adding, follow-  
3 ing section seven (7) thereof, a new section as follows:

4 "Trade name. A corporation may elect to adopt a trade name that  
5 is not the same as or deceptively similar to the corporate name of any  
6 other domestic corporation existing under the laws of this state or of  
7 any foreign corporation authorized to transact business in this state,  
8 or the same as or deceptively similar to any name registered or re-  
9 served under the provisions of this Act.

10 Such election shall be made by filing with the secretary of state an  
11 application executed by an officer of the corporation, setting forth  
12 such trade name and paying to the secretary of state a filing fee of  
13 twenty dollars.

14 If such trade name complies with the provisions of this Act the  
15 secretary of state shall issue a certificate authorizing the use of said  
16 name, but such certificate shall not confer any right to the use of said  
17 name as against any person having any prior right to the use thereof.

18 At the time annual license fees are payable under this Act, a corpo-  
19 ration which has elected to adopt a trade name shall pay to the secre-  
20 tary of state an annual fee of five dollars for such trade name.

21 If the corporation fails to pay the annual fee when due and payable,  
22 the secretary of state shall give notice to the corporation of such non-  
23 payment by registered or certified mail; and if such fee together with  
24 a penalty of five dollars is not paid within sixty days after such notice  
25 is mailed, the right to use such trade name shall cease.

26 A separate application and annual fee shall be filed and paid for  
27 each trade name adopted by the corporation."

1 SEC. 5. Section nineteen (19) of chapter three hundred twenty-  
2 one (321), Acts of the Fifty-eighth General Assembly, is hereby  
3 amended by adding after the word "employees" in line thirteen (13)  
4 thereof the following: ", as such,".

1 SEC. 6. Section thirty-four (34) of chapter three hundred twenty-  
2 one (321), Acts of the Fifty-eighth General Assembly, is hereby  
3 amended by striking the first sentence thereof and by inserting in  
4 lieu thereof the following: "The business and affairs of a corporation  
5 shall be managed by a board of one or more directors."

1 SEC. 7. Section thirty-seven (37) of chapter three hundred twenty-  
2 one (321), Acts of the Fifty-eighth General Assembly, is hereby  
3 amended by striking the provisions thereof and inserting the fol-  
4 lowing:

5 "Unless otherwise provided in the articles of incorporation or the  
6 bylaws, any vacancy occurring in the board of directors and any  
7 directorship to be filled by reason of an increase in the number of

8 directors may be filled by the affirmative vote of a majority of the  
9 directors then in office, even if less than a quorum of the board of  
10 directors. Unless otherwise provided in the articles of incorporation  
11 or the bylaws, a director so elected shall be elected for the unexpired  
12 term of his predecessor in office or the full term of such new director-  
13 ship."

1 SEC. 8. Section sixty-one (61) of chapter three hundred twenty-  
2 one (321), Acts of the Fifty-eighth General Assembly, is hereby  
3 amended by striking the provisions thereof and inserting the fol-  
4 lowing:

5 "A domestic corporation may at any time restate its articles  
6 of incorporation, which may be amended by such restatement,  
7 so long as its articles of incorporation as so restated contain  
8 only such provisions as might be lawfully contained in original ar-  
9 ticles of incorporation at the time of making such restatement, by  
10 the adoption of restated articles of incorporation, including any  
11 amendments to its articles of incorporation to be made thereby, in  
12 the following manner:

13 1. The board of directors shall adopt a resolution setting forth the  
14 proposed restated articles of incorporation, which may include an  
15 amendment or amendments to the corporation's articles of incorpo-  
16 ration to be made thereby, and directing that such restated articles,  
17 including such amendment or amendments, be submitted to a vote  
18 at a meeting of shareholders, which may be either an annual or a  
19 special meeting.

20 2. Written or printed notice setting forth the proposed restated  
21 articles or a summary of the provisions thereof shall be given to each  
22 shareholder of record entitled to vote thereon within the time and in  
23 the manner provided in this Act for the giving of notice of meetings  
24 of shareholders. If the meeting be an annual meeting, the proposed  
25 restated articles may be included in the notice of such annual meeting.  
26 If the restated articles include an amendment or amendments to the  
27 articles of incorporation to be made thereby, the notice shall sepa-  
28 rately set forth such amendment or amendments or a summary of the  
29 changes to be effected thereby.

30 3. At such meeting a vote of the shareholders entitled to vote  
31 thereon shall be taken on the proposed restated articles. The proposed  
32 restated articles shall be adopted upon receiving the affirmative vote  
33 of the holders of a majority of the shares entitled to vote thereon, un-  
34 less such restated articles include an amendment to the articles of  
35 incorporation to be made thereby which, if contained in a proposed  
36 amendment to articles of incorporation to be made without restate-  
37 ment of the articles of incorporation, would entitle a class of shares  
38 to vote as a class thereon, in which event the proposed restated articles  
39 shall be adopted upon receiving the affirmative vote of the holders  
40 of a majority of the shares of each class of shares entitled to vote  
41 thereon as a class, and of the total shares entitled to vote thereon.

42 Upon such approval, restated articles of incorporation shall be exe-  
43 cuted by the corporation by its president or vice president and by its  
44 secretary or an assistant secretary, and verified by one of the officers  
45 signing the same, and shall set forth, as then stated in the corpora-  
46 tion's articles of incorporation and, if the restated articles of incorpo-

47 ration include an amendment or amendments to the articles of in-  
48 corporation to be made thereby, as so amended :

49 *a.* The name of the corporation ;

50 *b.* If its duration is for a limited period, the date of expiration ;

51 *c.* The purpose or purposes which the corporation is authorized to  
52 pursue, or that the corporation has unlimited power to engage in, and  
53 to do any lawful act concerning, any or all lawful businesses for which  
54 corporations may be organized under this Act ;

55 *d.* The aggregate number of shares which the corporation has au-  
56 thority to issue ; if such shares consist of one class only, the par value  
57 of each of such shares, or a statement that all of such shares are with-  
58 out par value ; or, if such shares are divided into classes, the number  
59 of shares of each class, and a statement of the par value of the shares  
60 of each such class or that such shares are without par value ;

61 *e.* If the shares are divided into classes, the designation of each  
62 class and a statement of the preferences, voting rights, if any, limita-  
63 tions and relative rights in respect of the shares of each class ;

64 *f.* If the shares of any preferred or special class are issuable in  
65 series, the designation of each series and a statement of the variations  
66 in the relative rights and preferences as between series insofar as  
67 the same are fixed in the restated articles of incorporation, and a state-  
68 ment of any authority vested in the board of directors to establish  
69 series and fix and determine the variations in the relative rights and  
70 preferences as between series ;

71 *g.* Any provisions limiting or denying to shareholders the pre-  
72 emptive right to acquire additional shares of the corporation or giving  
73 to shareholders the pre-emptive right to acquire treasury shares of  
74 the corporation ;

75 *h.* Any other provisions, not inconsistent with law or the purposes  
76 which the corporation is authorized to pursue, which are set forth in  
77 the articles of incorporation ; except that it shall not be necessary to  
78 set forth any statement with respect to the chapter of the Code or Ses-  
79 sion Laws under which the corporation was incorporated, its regis-  
80 tered office, registered agent, directors, or incorporators, or the date on  
81 which its corporate existence began.

82 The restated articles of incorporation shall set forth also a state-  
83 ment that they correctly set forth the provisions of the articles of  
84 incorporation as theretofore or thereby amended, that they have been  
85 duly adopted as required by law and that they supersede the original  
86 articles of incorporation and all amendments thereto.

87 The restated articles of incorporation shall be delivered to the  
88 secretary of state for filing and recording in his office and the same  
89 shall be filed and recorded in the office of the county recorder.

90 The secretary of state upon filing the restated articles of incorpo-  
91 ration shall issue a restated certificate of incorporation and send the  
92 same to the corporation or its representative.

93 Upon the issuance of the restated certificate of incorporation by the  
94 secretary of state, the restated articles of incorporation including any  
95 amendment or amendments to the articles of incorporation made  
96 thereby, shall become effective and shall supersede the original articles  
97 of incorporation and all amendments thereto.

98 No amendment shall affect the existing rights of persons other  
99 than shareholders, or any existing cause of action in favor of or

100 against such corporation, or any pending suit to which such corpo-  
 101 ration shall be a party; and, in the event the corporate name shall be  
 102 changed by amendment, no suit brought by or against such corpo-  
 103 ration under its former name shall abate for that reason."

1 SEC. 9. Section ninety-one (91) of chapter three hundred twenty-  
 2 one (321), Acts of the Fifty-eighth General Assembly, is hereby  
 3 amended by adding thereto a new paragraph as follows:

4 "A corporation may be dissolved involuntarily by order of the secre-  
 5 tary of state if all notices have been sent to the corporation by the  
 6 secretary of state as required by section ninety-two (92) of this Act  
 7 and the corporation shall have failed to file an annual report or pay  
 8 an annual license fee as required by this Act for three (3) consecutive  
 9 years and shall not have been otherwise dissolved. The order of the  
 10 secretary of state for the dissolution of such a corporation shall be  
 11 entered in a permanent journal therefor maintained by him in his  
 12 office and may be entered therein by him at any time after the last  
 13 day for the filing of such third annual report. Upon the entry of such  
 14 an order of dissolution of a corporation, the existence of the corpora-  
 15 tion shall cease, except for the purpose of suits, other proceedings and  
 16 appropriate corporate action by shareholders, directors and officers as  
 17 provided in this Act and the corporation shall proceed to liquidate its  
 18 business and affairs as provided by this Act in cases of dissolution by  
 19 consent of shareholders or by act of the corporation, provided, how-  
 20 ever, that the district court in a suit in equity shall have full power to  
 21 liquidate the assets and business of such a corporation upon applica-  
 22 tion by such corporation or in a suit by a shareholder or creditor of  
 23 such corporation when such corporation fails to proceed promptly  
 24 with such liquidation or to make application to court therefor. Such  
 25 an order of dissolution of a corporation certified by the secretary of  
 26 state shall be taken and received in all courts as prima facie evidence  
 27 of the facts therein stated."

1 SEC. 10. Section one hundred twenty-two (122) of chapter three  
 2 hundred twenty-one (321), Acts of the Fifty-eighth General Assembly,  
 3 is hereby amended by inserting following the word "Act" in line four-  
 4 teen (14) thereof the following: "and that all prior annual reports  
 5 required by this Act to be filed by such corporation or foreign corpo-  
 6 ration have been filed and that all annual license fees and penalties,  
 7 if any, required by this Act to have been theretofore paid by such  
 8 corporation or foreign corporation have been paid".

1 SEC. 11. Section one hundred five (105) of chapter three hundred  
 2 twenty-one (321), Acts of the Fifty-eighth General Assembly, is here-  
 3 by amended by adding at the end of subsection three (3) thereof the  
 4 following:

5 " , or a trade name which has been adopted by a domestic or a  
 6 foreign corporation for use in this state in the manner provided by  
 7 this Act."

8 Section one hundred five (105) of chapter three hundred twenty-  
 9 one (321), Acts of the Fifty-eighth General Assembly, is further  
 10 amended by adding thereto the following as a new paragraph after  
 11 subsection three (3):

12 "The corporate name of such foreign corporation shall be the name  
 13 under which the corporation shall transact its business in this state

14 unless the corporation also shall elect to adopt one or more trade  
15 names as provided in this Act."

1 SEC. 12. Chapter three hundred twenty-one (321), Acts of the  
2 Fifty-eighth General Assembly, is hereby amended by adding, follow-  
3 ing section one hundred five (105) thereof, a new section as follows:

4 "Trade name of foreign corporation. A foreign corporation au-  
5 thorized to transact business in this state may elect to adopt a trade  
6 name that is not the same as or deceptively similar to the corporate  
7 name of any domestic corporation existing under the laws of this  
8 state or of any other foreign corporation authorized to transact busi-  
9 ness in this state, or the same as or deceptively similar to any name  
10 registered or reserved under the provisions of this Act.

11 Such election shall be made by filing with the secretary of state an  
12 application executed by an officer of the corporation, setting forth such  
13 trade name and paying to the secretary of state a filing fee of twenty  
14 dollars.

15 If such trade name complies with the provisions of this Act the  
16 secretary of state shall issue a certificate authorizing the use of said  
17 name, but such certificate shall not confer any right to the use of said  
18 name as against any person having any prior right to the use thereof.

19 At the time annual license fees are payable under this Act, a foreign  
20 corporation which has elected to adopt a trade name shall pay to the  
21 secretary of state an annual fee of five dollars for such trade name.

22 If such corporation fails to pay the annual fee when due and pay-  
23 able, the secretary of state shall give notice to the corporation of  
24 such nonpayment by registered or certified mail; and if such fee  
25 together with a penalty of five dollars is not paid within sixty days  
26 after such notice is mailed, the right to use such trade name shall  
27 cease.

28 A separate application and annual fee shall be filed and paid for  
29 each trade name adopted by a foreign corporation."

1 SEC. 13. Section one hundred twenty-eight (128) of chapter three  
2 hundred twenty-one (321), Acts of the Fifty-eighth General Assem-  
3 bly, is hereby amended by repealing the last paragraph thereof.

1 SEC. 14. Section one hundred forty-two (142) of chapter three  
2 hundred twenty-one (321)\*, Acts of the Fifty-eighth General Assem-  
3 bly, is hereby amended as follows:

4 1. By inserting following the word "to" and before the word "the" in  
5 line seventeen (17) of subsection eleven (11) thereof the following:  
6 "an amendment, if any, adopted at the same time as the election by  
7 the corporation to adopt the provisions of this Act, changing the dura-  
8 tion of such corporation or, if none, to".

9 2. By striking from line nineteen (19) of subsection eleven (11)  
10 thereof the word "effective" and by inserting in lieu thereof the words  
11 "applicable to such corporation".

12 3. By adding thereto following subsection eleven (11) two new sub-  
13 sections as follows:

14 "Any domestic corporation which elects to adopt the provisions  
15 of this Act by complying with the provisions of subsection three (3)  
16 of this section may, at the same time, amend or restate its articles

Figures supplied by editor, see §3.1(3)

17 of incorporation by complying with the provisions of this Act with  
 18 respect to amending articles of incorporation or restating articles of  
 19 incorporation, as the case may be.

20 "The provisions of sections one hundred thirty-nine (139) and  
 21 one hundred forty (140) of this Act shall apply to any action required  
 22 or permitted to be taken under this section."

1 SEC. 15. Section one hundred forty-five (145) of chapter three  
 2 hundred twenty-one (321), Acts of the Fifty-eighth General Assem-  
 3 bly, is hereby amended by striking from line two (2) thereof the  
 4 words "doing business within the state" and by inserting in lieu  
 5 thereof the following: ", domestic or foreign".

Approved May 15, 1961.

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## CHAPTER 250

### CO-OPERATIVE ASSOCIATIONS

H. F. 54

AN ACT relating to the use of the revolving fund of cooperative associations.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section four hundred ninety-nine point thirty-three  
 2 (499.33), Code 1958, is hereby amended by striking the period (.) at  
 3 the end of line twelve (12) and inserting in lieu thereof the following:  
 4 " , except that the directors may, at their discretion, pay deferred  
 5 patronage dividends of deceased members or patrons, and members  
 6 who become ineligible without reference to the order of priority  
 7 herein prescribed."

Approved May 2, 1961.

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## CHAPTER 251

### INDUSTRIAL DEVELOPMENT CORPORATION

S. F. 481

AN ACT to amend chapter five hundred four (504), Code 1958, to permit persons and organizations to incorporate under the provisions of chapter five hundred four (504), corporations not for pecuniary profit, for the purpose of promoting industrial development and expansion in Iowa communities; to authorize and encourage such corporations to cooperate with similar corporations in adjoining states; and, when the Iowa and foreign corporations have identical names and purposes, to permit the same to function as one corporation in Iowa upon certain conditions.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section five hundred four point one (504.1), Code 1958,  
 2 is amended by striking the period (.) in line fifteen (15) of said  
 3 section and inserting in lieu thereof the following: "or for the pro-  
 4 motion of the establishment and expansion of industries and the  
 5 doing of all things necessary thereto."