January 24, 1951.
Private Corporations.

House File 187
By TATE, PENDLETON, MOORE of Louisa.

Passed House, Date .....
Vote: Ayes..... **Nays**.....
Passed Senate, Date .....
Vote: Ayes..... **Nays**.....
Approved .....

A BILL FOR

An Act relating to the regulation and supervision of corporations for pecuniary profit and to amend various sections of chapter four hundred ninety-one (491), Code 1950, relating thereto.

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

1 Section 1. Section four hundred ninety-one point five
2 (491.5), Code 1950, is amended by inserting in line two (2) of
3 subsection three (3) after the words, "classes of stock" the
4 following: "and number of shares".

1 Sec. 2. Section four hundred ninety-one point thirteen
2 (491.13), Code 1950, is amended by striking all of the second
3 paragraph of said section and inserting in lieu thereof the
4 following: "When a corporation changes its principal place of
5 business from one county to another, an amendment for this purpose
6 shall be filed with the secretary of state, recorded in the
7 office of the recorder of deeds of the county of the previous
8 place of business, and then said amendment together with the
9 articles of incorporation and all amendments thereto shall be
10 filed with the recorder of deeds of the county to which said
11 corporation's principal place of business is changed."

1 Sec. 3. Section four hundred ninety-one point twenty

2 (491.20), Code 1950, is amended by inserting after the words,
3 "to be" in line eight (8) the following: "except where the
4 amendment provides for changing the principal place of business
5 from one county to another, in which event said amendment shall
6 be published in both the counties of the former and new place
7 of business".

1 Sec. 4. Sections four hundred ninety-one point fifteen
2 (491.15) and four hundred ninety-one point sixteen (491.16),
3 Code 1950, are repealed and the following enacted in lieu
4 thereof: "Any corporation organized under the laws of this
5 state that does not maintain an office in the county of its
6 organization may file with the secretary of state a certified
7 copy of a resolution of the board of directors of said corporation
8 giving name and address in Iowa of a resident agent on whom
9 the service of original notice of civil suit in the courts of
10 this state may be served, or file with the secretary of state
11 a written instrument duly signed and acknowledged authorizing
12 the secretary of state to acknowledge service of notice or
13 process for and in behalf of such corporation in this state
14 and consenting that service of notice or process may be made
15 upon the secretary of state. Failing which, or in the event
16 such agent may not be found within the state, service of such
17 process may then be made upon said corporation through the
18 secretary of state by sending the original and two copies thereof
19 to him, and he shall immediately upon its receipt acknowledge
20 service thereon in behalf of the defendant corporation by writing

21 thereon, giving the date thereof, and shall immediately return
22 such notice or process by registered mail to the clerk of the
23 court in which the suit is pending, addressed by his official
24 title, and shall also forthwith mail a copy with a copy of his
25 acknowledgment of service written thereon, by registered mail
26 addressed to the corporation at the address of its principal
27 place of business as shown by the records in his office, and
28 shall retain the second copy for his files."

1 Sec. 5. Sections four hundred ninety-one point twenty-
2 five (491.25) and four hundred ninety-one point twenty-six
3 (491.26), Code 1950, are repealed and the following enacted
4 in lieu thereof: "Corporations existing for a period of years
5 may be removed from time to time for the same or shorter periods,
6 or may be renewed to exist perpetually if a majority of votes
7 cast at any regular election or special election called for
8 that purpose be in favor of such renewal, at any time during
9 the corporate life or within three months after the termination
10 thereof with such renewal taking effect upon the filing with
11 and approval by the secretary of state, and the payment of fees
12 as set forth in section 491.28 although corporations may renew
13 within a three month period prior to normal expiration with
14 renewal taking effect at normal expiration, and if those voting
15 for such renewal will purchase at its real value the stock voted
16 against such renewal. Stockholders voting for renewal shall
17 have three years from the date of such action for renewal was
18 taken in which to purchase the stock voted against such renewal,

19 which purchase price shall bear interest at five percent per

20 annum from the date of such renewal action until paid.

21 "The provisions of this section shall not apply to any renewal

22 voted before this section becomes operative."

1 Sec. 6. Section four hundred ninety-one point twenty-seven

2 (491.27), Code 1950, is amended by striking from line one (1)

3 the words, "within ten days".

EXPLANATION OF H. F. 187

The purpose of this bill is to clarify certain phases of presently existing laws relating to corporations. Ambiguities and doubts have arisen as to the purpose of certain sections. The clarification herein contained will obviate such questions and result in greater ease and efficiency in the application and administration of the law.