

February 15, 1951.
Private Corporations.

House File 424
By SCHWENGEL and SCHROEDER
(Hedin).

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

A BILL FOR

An Act amending section five hundred four point two (504.2), Code 1950, giving perpetual duration to corporations not for pecuniary profit, construing certain words of chapter five hundred four (504), Code 1950, under given circumstances, prescribing the notice to be given on dissolution of a corporation and repealing sections five hundred four point seventeen (504.17) and five hundred four point eighteen (504.18), Code 1950.

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

1 Section 1. Section five hundred four point two (504.2),
2 Code 1950, is hereby amended by striking out the last sentence
3 thereof and inserting in lieu thereof the following words:
4 "Corporations so organized heretofore or hereafter shall
5 have perpetual and unlimited duration regardless of any
6 provision in their articles for limited duration, unless they
7 are sooner dissolved by a vote of three-fourths of their
8 members, or by operation of law or by act of the General
9 Assembly."

1 Sec. 2. That section five hundred four point two (504.2),
2 Code 1950, is hereby further amended by adding thereto, after
3 the amendment set out in section one hereof, the following:

4 “Whenever in this chapter the words ‘three-fourths vote
5 of all the members’ or ‘vote of a majority of the members’ or
6 similar words referring to a vote of any given fraction or
7 part of the members of a corporation are used, they shall be
8 construed, in the case of incorporated parishes or churches
9 or other corporations having an indefinite or uncertain number
10 of members, as meaning such fraction or part of those members
11 who vote on the question to be voted on. The same notice of
12 the meeting to vote on dissolution shall be given as is
13 provided in section five hundred four point nineteen (504.19)
14 hereof for the amendment of articles of incorporation.”

1 Sec. 3. Section five hundred four point seventeen (504.17)
2 and five hundred four point eighteen (504.18) are hereby repealed.

EXPLANATION OF H. F. 424

The purpose of this bill is to give perpetual duration to corporations not for pecuniary profit, and to construe certain words of Chapter 504, Code 1950, and under given circumstances to prescribe the notice to be given on dissolution of a corporation.