

CHAPTER 181.

DOMESTIC CORPORATIONS.

DISSOLUTION AND REORGANIZATION.

181.01	Insolvency; suspension for a year.	181.04	Title to property after dissolution.
181.02	Continuance after dissolution.	181.05	Purchasers of corporate rights may reorganize.
181.03	Voluntary dissolution.		

181.01 Insolvency; suspension for a year. Whenever any corporation shall have remained insolvent, or shall have neglected or refused to pay and discharge its notes or other evidences of debt, or shall have suspended its ordinary business for one year, it shall be deemed to have surrendered the rights, privileges and franchises granted or acquired under any law, and shall, in a proper action, be adjudged to be dissolved.

181.02 Continuance after dissolution. All corporations whose term of existence shall expire by their own limitation, or which shall be dissolved, shall nevertheless continue to be bodies corporate for three years thereafter for the purpose of prosecuting and defending actions, and of enabling them to settle and close up their business, dispose of and convey their property and divide their assets and for no other purpose; and when any corporation shall become so dissolved the directors or managers of the affairs of such corporation at the time of its dissolution shall, subject to the power of courts to make a different provision, continue to act as such during said term, and shall be deemed the legal administrators of such corporation with full power to settle its affairs, dispose of and convey all its property, collect the outstanding credits, pay the debts owing by such corporation and the costs of such administration and divide the residue of the money and other property among the stockholders or members thereof.

Note: Where articles of incorporation provide for definite date of termination, amendment for purpose of prolonging life of corporation cannot be filed after date of expiration. 21 Atty. Gen. 536.

Although a corporation ceased to exist after dissolution and the lapse of 3 years, its debts were not extinguished, and a creditor could follow its assets into the hands of a transferee if the property was transferred to be applied by the transferee so far as neces-

sary to the payment of the transferor's indebtedness, including the plaintiff's demand, or if the property was transferred for the purpose of hindering, delaying, and defrauding the plaintiff, without the transferor receiving fair value or equivalent for its property and leaving it without any funds or property with which to pay its debts. *West Milwaukee v. Bergstrom Mfg. Co.*, 242 Wis. 137, 7 NW (2d) 587.

181.03 Voluntary dissolution. Any corporation may dissolve by the adoption of a written resolution to that effect, at a meeting of its members called for that purpose, by a vote of two-thirds of the stock, entitled to vote, in the case of stock corporations, and of one-half the members in other corporations; but when a mode of dissolution shall have been provided in the articles of organization, it shall be conducted accordingly. No corporation owning or operating a public utility shall be dissolved, except upon consent of the public service commission to be issued only after hearing by the commission, on at least thirty days' notice given to each municipality in which such utility is operated, and an opportunity to be heard is furnished to all such municipalities and stockholders in such corporation. Duplicate copies of such resolution, with a certificate thereto affixed, signed by the president and secretary, or the corresponding officers, and sealed with the corporate seal, stating the fact and date of the adoption of such resolution; that such is a true copy of the original, the whole number of shares of stock, and of members of such corporation, and the number of members who, or of the shares of stock whose owners, voted for its adoption, shall be forwarded to the secretary of state, one copy to be filed by the secretary of state and the other copy to be returned with certificate of the secretary of state attached, showing the date when such copy was filed by the secretary of state, which said copy shall be recorded by the register of deeds of the county in which such corporation is located within thirty days after filing with the secretary of state, and thereupon such corporation shall cease to exist except for the winding up of its affairs. And the register of deeds shall note on the margin of the record of the articles of incorporation, the volume and page where such resolution is recorded. The register of deeds shall forthwith transmit to the secretary of state a certificate stating the time when such resolution was recorded, and shall be entitled to a fee of twenty-five cents therefor, to be paid by the person pre-

senting such resolution for record. Whenever the articles of organization shall provide a term to the duration of a corporation it shall cease to exist at the time so fixed.

Note: Railroad corporation may be dissolved under this section. 20 Atty. Gen. 49.

Secretary of state should file certified copy of dissolution resolution of insurance corporation. 22 Atty. Gen. 751.

Secretary of state may not refuse to accept for filing certificate of dissolution from corporation whose corporate rights and privileges he has declared forfeited under section 180.08 (2). 25 Atty. Gen. 240.

181.04 Title to property after dissolution. (1) Whenever any domestic corporation shall have been dissolved, owning any real property in this state, the certificate of the president, or secretary, of said corporation at the time of such dissolution, with the seal of the corporation annexed, giving the names of the persons holding stock in said corporation at the time of its dissolution, and the shares or proportional interest of said persons in the corporate property, shall be prima facie evidence of the title of said persons in said corporate property, and said certificate may be recorded in the office of the register of deeds of the county where said property is located.

(2) This section shall not affect the rights of creditors of the corporation, and shall not apply where any court has made disposition of the property, or where the property has been conveyed by the corporation, or distributed among the stockholders, and the conveyance is of record in the office of the register of deeds.

181.05 Purchasers of corporate rights may reorganize. The owner of the rights, powers, privileges and franchises of any domestic corporation, acquired by purchase under a mortgage or judicial sale, may, at any time within two years after such purchase, organize anew by filing articles appropriate to corporations for similar purposes, and thereupon shall have the rights, privileges and franchises which such corporation had at the time of such purchase and sale, and such as are provided by these statutes applicable thereto.

181.06 [*Repealed by 1929 c. 92*]