

## CHAPTER 93.

[H. B. No. 196.]

## AN ACT TO PROTECT STOCKHOLDERS IN CORPORATIONS.

AN ACT to protect stockholders and persons dealing with corporations in this State.

*Be it enacted by the Legislature of the State of Washington:*

SECTION 1. Any superintendent, director, secretary, manager, agent, or other officer of any corporation formed or existing under the laws of this State, or transacting business in this State, or any person pretending or holding himself out as such superintendent, director, secretary, manager, agent or other officer, who shall wilfully subscribe, sign, indorse, verify or otherwise assent to the publication, either generally or privately, to the stockholders or to other persons dealing with such corporation, or its stock, any wilfully untrue or wilfully and fraudulently exaggerated report, prospectus, account, statement of operations, values, business profits, expenditures, or prospects, or other paper or document intended to produce or give, or having a tendency to produce or give, to the shares of stock in such corporation a greater value than they really possess, or with the intention of defrauding any particular person or persons, or the public or persons generally, shall be deemed guilty of an offense against the laws of the State of Washington, and, upon conviction thereof, shall be punished by imprisonment in the penitentiary, not less than one nor more than five years, or in the county jail not more than one year, or by a fine not exceeding two thousand dollars or by both.

Willful misrepresentation, etc.

Penalty.

Passed the House March 4, 1903.

Passed the Senate March 9, 1903.

Approved by the Governor March 14, 1903.