

CHAPTER 195.

[S. B. 92.]

CORPORATIONS—CAPITAL STOCK.

AN ACT relating to domestic corporations for profit; authorizing such corporations to purchase, hold, and dispose of shares of its own capital stock; and amending section 12, chapter 185, Laws of 1933 (sec. 3803-12, Rem. Rev. Stat.; sec. 441-21, PPC).

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

SECTION 1. Section 12, chapter 185, Laws of 1933 (sec. 3803-12, Rem. Rev. Stat.; sec. 441-21, PPC) is hereby amended to read as follows:

Corporation may deal in stocks, securities, etc., of other corporations.

Section 12. (1) A corporation, to accomplish its purpose as stated in the articles of incorporation, may guarantee, acquire, hold, mortgage, pledge or dispose of the shares, bonds, securities and other evidences of indebtedness of any domestic or foreign corporation;

May purchase, hold, sell, etc., its own stock.

(2) Every corporation organized hereunder shall have the power to purchase, hold, sell and transfer shares of its own capital stock: *Provided*, That no such corporation shall use its funds or property for the purchase of its own shares of capital stock when such use would cause any impairment of the capital stock of the corporation.

Impairment of capital.

Passed the Senate February 24, 1947.

Passed the House March 6, 1947.

Approved by the Governor March 19, 1947.