WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1949

ENROLLED

Comm. Sub for
HOUSE BILL No. 309

(By Mr. , on the Judiciary)

PASSED March 11 1949
In Effect Ninety days from Passage
ENROLLED

COMMITTEE SUBSTITUTE FOR

House Bill No. 209

[Passed March 11, 1949; in effect ninety days from passage.]

AN ACT to amend and reenact section three, article one, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to powers, compromises, reorganization and charitable contributions by corporations.

Be it Enacted by the Legislature of West Virginia:

That section three, article one, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

Section 3. Powers; Provision for Compromises and Reorganizations.—Every corporation as such shall have succession by its corporate name for the time limited in its charter, and, if no time be limited, perpetually. It shall have a common seal and may renew or alter the same at pleasure. It may sue and be sued, complain and de-
fend; contract and be contracted with, by simple con-
tract or specialty; purchase, hold, use, grant, mortgage,
pledge, encumber and lease real and personal estate
and its franchises, unless forbidden by law; appoint
officers and agents, prescribe their powers, duties and
liabilities, take bond and security from any of them,
and fix their compensation, make all lawful by-laws for
the management of its property, the conduct of its busi-
ness, and the pursuit of the purposes of its incorpo-
ration; and generally exercise all of the powers set
forth in its charter and those enumerated in this article;
and also do and perform every other act or thing not
inconsistent with law which may be appropriate to pro-
mote and attain the objects and purposes set forth in
its charter.

Any corporation created or existing under the laws
of the state is hereby authorized by action of its board
of directors to make contributions to or for the use or
benefit of: The United States, any state, territory, or
any political subdivision thereof or the District of Co-
lumbia, or any possession of the United States, for exclu-
sively public purposes; or a corporation, trust, or community chest, fund, or foundation, created or organized in the United States, or in any possession thereof, or under the laws of the United States, or of any state or territory or of the District of Columbia or of any possession of the United States, organized and operated exclusively for religious, charitable, scientific, veterans rehabilitation service, literary or educational purposes, or for the prevention of cruelty to children, no part of the earnings of which inures to the benefit of any private shareholders or individuals, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation; or posts or organizations of war veterans, or auxiliary units of, or trusts or foundations for, any such posts or organizations, if such posts, organizations, units, trusts, or foundations are organized in the United States or any of its possessions, and if no part of their net earnings inures to the benefit of any private shareholder or individual. All contributions made heretofore by authority of the board of directors of the corporation for the purposes
prescribed by this act are hereby ratified and confirmed.

Every corporation created for profit, either under the general provisions of this chapter or under the special provisions and requirements thereof applicable to special classes of corporation, other than banking institutions, shall also have power to include in its agreement of incorporation the provisions, contained in subdivision (h) of section six of this article, for compromises and arrangements between the corporation so created and its creditors and/or stockholders and for reorganizations of such corporation in consequence of such compromises and arrangements. Whenever such provision is included in the original agreement of incorporation of any such corporation, all persons who become creditors or stockholders thereof shall be deemed to have become such creditors or stockholders subject in all respects to such provision and the same shall be absolutely binding upon them; and whenever such provision is inserted in the charter of any such corporation by an amendment of such charter all persons who become
creditors or stockholders of such corporation after such amendment shall be deemed to have become such creditors or stockholders subject in all respects to the said provision and the same shall be absolutely binding upon them. Every such corporation, in the charter of which is included or inserted the said provision contained in said subdivision (h) of section six shall be of such nature that any court of equitable jurisdiction within this state shall have power to administer and enforce such provision, and to restrain, pendente litis, all actions and proceedings against any such corporation with respect to which the court so restraining shall have begun the administration and/or enforcement of such provision, and to appoint a temporary receiver or receivers for such corporation and to grant such receiver or receivers such powers as shall be deemed proper.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House of Delegates

Takes effect Ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within APPROVED this the 18th day of March, 1949.

Governor.

Filed in the Office of the Secretary of State of West Virginia MAR 18, 1949

D. Pitt O'Brien,
SECRETARY OF STATE