

Corporations

PPRIVATE corporations may be formed under general laws, but not by special acts. Any two or more persons desirous of forming a corporation for any species of trade or business (except in cases of building and loan associations, banking, trust and insurance companies, which are covered by special statutes) shall make, subscribe and acknowledge written articles of incorporation in triplicate to be filed in the office of the Secretary of State, in the office of the Auditor of the county of its principal place of business and in the office of the corporation itself, respectively. The articles shall state the name of the company, objects, amount of capital stock, term of existence (not to exceed fifty years, except in the case of life, accident or health insurance companies) number of shares, number of trustees and their names, who shall manage the company for a time (not less than two nor more than six months) designated in such certificate, name of city, town or locality and county in which the principal place of business of the company is to be located. The capital stock, either common or preferred, may be for par value or without par value, or there may be one class with par value and another without. Articles of incorporation may be amended, in manner provided by statute, and the capital stock increased or diminished, but the time of existence shall not be extended by amendment, nor may the capital stock be reduced to an amount less than the aggregate debts and liabilities.

The corporate powers of a corporation are exercised by a board of not less than two trustees, who must be stockholders of the company, and at least one of them must be a resident of the State of Washington, and a majority of them citizens of the United States. An oath is required of the trustees. The successors to the trustees

named in the articles of incorporation are elected according to the By-Laws. Trustees may be expelled at any time by a two-thirds vote of the stockholders. The by-laws may provide for meetings of the Board of Trustees at places either within or without the State. The capital stock must all be subscribed before a corporation commences business. Each stockholder—except those of banks and insurance companies, who have a double liability—is personally liable to the creditors of the company to the amount of his unpaid stock and no more. The corporation is required to keep minute and stock record books, to file annually with the county auditor a list of its officers, and to pay an annual license fee, graduated according to the amount of authorized capital, to the Secretary of State. Any corporation failing to pay this annual license fee may not maintain any suit, action or proceeding in courts of this State. Upon default of such license fee for two years in succession, the name of the corporation is stricken from the rolls and penalties must be complied with before reinstatement.

A corporate name so similar to one on file as to be misleading will not be accepted. Bonds or other obligations for the payment of money may not be issued except for money or property received or labor done. Building and loan associations, banking, trust and insurance companies are placed under the supervision of State officers. A corporation may dissolve and disincorporate itself by a vote of two-thirds of its stockholders in proceedings in the Superior Court, but all claims against the corporation must first be discharged. Fraternal, social, educational, religious and benevolent societies may incorporate, or a bishop, overseer or presiding elder of a church or religious denomination may become a corporation sole.

Filing fees are as follows: Capital not