

222.23 UNPAID AND FICTITIOUS STOCK; PENALTY.

No domestic railroad corporation or consolidated corporation existing in whole or in part within this state, nor any officer thereof, shall sell, dispose of or pledge any shares of its capital stock, or issue any certificates of shares thereof until such shares have been paid in full, or issue any stock or bonds except for money, labor or property, to the par value of the stock and the market value of the bonds, not less than 90 percent of the par value thereof, actually received and applied to the purpose for which the corporation was organized; and all fictitious stock, dividends, increase of capital stock or indebtedness shall be void. Every officer who shall issue, sell, pledge, or dispose of any shares or certificates of shares of capital stock contrary to the provisions hereof shall be guilty of a felony.

History: (7522) *RL s 2911; 1913 c 384 s 1*