

exceeding \$5,000 and as determined by the Commissioners for amounts exceeding \$5,000; and the Commissioners are authorized to establish a working fund for such purposes without fiscal year limitation, said fund to be reimbursed for repairs and improvements performed under that fund from funds available for these purposes, and payments are authorized to be made to said fund in advance if required by the Director of Buildings and Grounds, subject to subsequent adjustment, from funds available for necessary expenses, including allowances for privately owned automobiles."

This Act may be cited as the "District of Columbia Appropriation Act, 1960".

Approved July 23, 1959.

Short title.

Public Law 86-105

AN ACT

To extend certain traineeship provisions of the Health Amendments Act of 1956.

July 23, 1959
[H. R. 6325]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 306 of the Public Health Service Act (42 U.S.C. 242d) is amended (1) by striking out the word "two" in subsection (a) thereof and inserting in lieu thereof the word "seven"; and (2) by inserting at the end of subsection (e) thereof the following: "The Surgeon General shall, between June 30, 1963, and December 1, 1963, call a similar conference, and shall submit to the Congress, on or before January 1, 1964, a report of such conference, including any recommendations by it relating to the limitation, extension, or modification of this section."

Public health training programs. 70 Stat. 923.

Report.

Sec. 2. Section 307 of the Public Health Service Act (42 U.S.C. 242e) is amended (1) by striking out the word "two" in subsection (a) thereof and inserting in lieu thereof the word "seven"; and (2) by inserting at the end of subsection (e) thereof the following: "The Surgeon General shall, between June 30, 1963, and December 1, 1963, call a similar conference, and shall submit to the Congress, on or before January 1, 1964, a report of such conference, including any recommendations by it relating to the limitation, extension, or modification of this section."

70 Stat. 924.

Report.

Approved July 23, 1959.

Public Law 86-106

AN ACT

To amend the District of Columbia Business Corporation Act.

July 23, 1959
[S. 660]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 11 of the District of Columbia Business Corporation Act is amended by adding at the end thereof a new subsection (d) as follows:

D. C. Business Corporation Act, amendment.

"(d) Any registered agent of a corporation may resign as such agent upon filing a written notice thereof, executed in triplicate, with the Commissioners, who shall forthwith mail one copy thereof to the corporation at its registered office and another copy thereof to the corporation at its principal office in the District as shown on the records of the Commissioners. The appointment of such agent shall terminate upon the expiration of thirty days after receipt of such notice by the Commissioners or upon the appointment of a successor agent becoming effective, whichever occurs first. No fee or charge of any kind shall be imposed with respect to a filing under this subsection."

Domestic agents, resignation procedure. 68 Stat. 184. D. C. Code 29-907a.

Voting rights,
etc.
D. C. Code 29-
908a.

SEC. 2. Subsection (a) of section 14 of the District of Columbia Business Corporation Act is amended (1) by striking out the period at the end of clause (1) and inserting in lieu thereof a comma and the following: "the time of payment and the dates from which dividends on cumulative shares shall be accumulative, and the extent of other participation rights, if any.", and (2) by adding at the end thereof the following new clause: "(7) Any right to vote with holders of shares of any other series or class and any right to vote as a class, either generally or as a condition to specified corporate action."

Share certifi-
cates.
D. C. Code 29-
908g.

SEC. 3. Subsections (b) and (c) of section 20 of the District of Columbia Business Corporation Act are amended to read as follows:

"(b) Notwithstanding the provisions of section 15 of the Act entitled 'An Act to regulate in the District of Columbia the transfer of shares of stock in corporations and to make uniform the law with reference thereto', approved December 23, 1944 (58 Stat. 927; D.C. Code, sec. 28-2915), every certificate representing shares the transferability of which is restricted or limited shall state upon the face thereof that the transferability of such shares is restricted or limited and upon the face or back thereof shall either set forth a full or summary statement of any such restriction or limitation upon the transferability of such shares or shall state that the corporation will furnish to any shareholder upon request and without charge such full or summary statement.

"(c) Subject to the provisions of subsection (b) of this section, every certificate representing shares issued by a corporation which is authorized to issue shares of more than one class shall set forth upon the face or back thereof, or shall state that the corporation will furnish to any shareholder upon request and without charge, a full or summary statement of the designations, preferences, limitations, and relative rights of the shares of each class authorized to be issued, and, if the corporation is authorized to issue any preferred or special class in series, the variations in the relative rights and preferences between the shares of each such series so far as the same have been fixed and determined and the authority of the board of directors to fix and determine the relative rights and preferences of subsequent series."

Outstanding
shares, etc.
D. C. Code 29-
908i.

SEC. 4. Section 22 of the District of Columbia Business Corporation Act is amended by adding at the end thereof the following new subsection:

"(c) Where it cannot be determined that shares which have been issued and outstanding for more than twelve years are fully paid and nonassessable, a determination by the board of directors that the net assets of a corporation applicable to such shares have a fair value at least equal to the stated capital represented by such shares, shall, in the absence of fraud, have the same effect as if such shares had been issued in consideration of such net assets upon such a determination made at the time of issuance, except that no such determination shall affect any rights of any then existing creditors."

Notice of meet-
ings.
D. C. Code 29-
910a.

SEC. 5. Section 26 of the District of Columbia Business Corporation Act is amended by inserting immediately after "meeting is called, shall" the following: ", in the absence of a provision in the bylaws specifying a different period of notice,".

Voting by proxy,
etc.
D. C. Code 29-
913.

SEC. 6. Section 29 of the District of Columbia Business Corporation Act is amended (1) by adding at the end of subsection (a) the following new sentence: "A proxy purporting to be executed by a corporation shall be presumed to be valid and the burden of proving invalidity shall rest on any challenger.", and (2) by adding at the end thereof the following new subsections:

“(e) Shares standing in the name of a partnership may be voted by any partner. A proxy purporting to be executed by a partnership shall be presumed to be valid and the burden of proving invalidity shall rest on any challenger.

“(f) Shares standing in the name of two or more persons as joint tenants, or tenants in common, or tenants by the entirety, may be voted in person or by proxy by any one or more of such persons. If more than one of such tenants shall vote such shares, the vote shall be divided among them in proportion to the number of such tenants voting in person or by proxy unless a different apportionment of the vote is requested by such tenants.”

SEC. 7. Section 31 of the District of Columbia Business Corporation Act is amended by adding at the end thereof the following new subsection:

“(d) If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the shareholders, unless the vote of a greater number, or voting by classes, is required by this Act or the articles of incorporation, and except that in elections of directors, those receiving the greatest number of votes shall be deemed elected even though not receiving a majority.”

SEC. 8. Section 35 of the District of Columbia Business Corporation Act is amended by striking out “by the board of directors” and inserting in lieu thereof “by affirmative vote of a majority of the remaining directors, though less than a quorum of the board of directors, unless the articles of incorporation otherwise provide”.

SEC. 9. (a) Subsection (c) of section 42 of the District of Columbia Business Corporation Act is amended by inserting immediately after “certified by” the following: “or otherwise represented in a written report of”.

(b) Section 42 of such Act is amended by adding at the end thereof the following new subsection:

“(f) No suit shall be brought against any director for any liability imposed by this Act except within three years after the right of action shall accrue.”

SEC. 10. Subsection (d) of section 45 of the District of Columbia Business Corporation Act is amended by inserting immediately after “written request” the following: “, stating the purpose thereof.”

SEC. 11. Subsection (a) of section 90 of the District of Columbia Business Corporation Act is amended by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon, and by adding at the end thereof the following new paragraphs:

“(3) in an action by a shareholder when it is established that the directors are deadlocked in the management of the corporate affairs and the shareholders are unable to break the deadlock, and that irreparable injury to the corporation is being suffered or is threatened by reason thereof;

“(4) in an action by a shareholder when it is established that the shareholders are deadlocked in voting power and for that reason have been unable at two consecutive annual meetings to elect successors to directors whose terms had expired.”

SEC. 12. Subsection (a) of section 98 of the District of Columbia Business Corporation Act is amended (1) by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (3), (4), (5), and (6), respectively, and (2) by inserting immediately after paragraph (1) a new paragraph (2) as follows:

“(2) the address, including street and number, if any, of its principal office in the District, if such office is other than its registered office;”

Quorum of voters.
D. C. Code 29-915.

Board of Directors, vacancies.
D. C. Code 29-916c.

Directors' liability.
D. C. Code 29-918.

Statement of affairs.
D. C. Code 29-920.

Jurisdiction of U. S. Court.

Annual report, requirements.
D. C. Code 29-932.

Authority certifi-
cates.
D. C. Code 29-
933d.

SEC. 13. (a) Paragraph (g) of section 103 of the District of Columbia Business Corporation Act is amended to read as follows:

“(g) A brief statement of the business it proposes to transact in the District.”

Repeals.

(b) Paragraphs (f), (i), and (j) of such Act are repealed, and paragraphs (g), (h), and (k) are redesignated (f), (g), and (h), respectively.

Foreign agents,
resignation pro-
cedure.
D. C. Code 29-
933h.

SEC. 14. Section 107 of the District of Columbia Business Corporation Act is amended by adding at the end thereof the following new subsection:

“(e) Any registered agent of a foreign corporation may resign as such agent upon filing a written notice thereof, executed in duplicate, with the Commissioners, who shall forthwith mail a copy thereof to the corporation at its principal office in the State under the laws of which it is organized as shown on the records of the Commissioners. The appointment of such agent shall terminate upon the expiration of thirty days after receipt of such notice by the Commissioners or upon the appointment of a successor agent becoming effective, whichever occurs sooner. No fee or charge of any kind shall be imposed with respect to a filing under this subsection.”

Foreign corpora-
tions.
Service of pro-
cess.
D. C. Code 29-
933i.

SEC. 15. (a) Subsection (a) of section 108 of the District of Columbia Business Corporation Act is amended by inserting immediately after “principal office” the following: “in the State under the laws of which it is organized”.

(b) Section 108 of such Act is amended by redesignating subsections (b) and (c) as (c) and (d), respectively, and by adding after subsection (a) the following new subsection:

“(b) If any foreign corporation shall transact business in the District without a certificate of authority, it shall, by transacting such business, be deemed to have thereby appointed the Commissioners its agent and representative upon whom any process, notice, or demand may be served. Service shall be made by delivering to and leaving with the Commissioners, or with any clerk having charge of their office, duplicate copies of such process, notice, or demand, together with an affidavit giving the latest known post office address of such corporation and such service shall be sufficient if notice thereof and a copy of the process, notice, or demand are forwarded by registered mail, addressed to such corporation at the address given in such affidavit. Service pursuant to this subsection shall be subject to the requirements of the last sentence of subsection (a) of this section.”

Repeals.
D. C. Code 29-
933m.

SEC. 16. Paragraphs (f) and (i) of section 112 of the District of Columbia Business Corporation Act are repealed, and paragraphs (g) and (h) are redesignated (f) and (g), respectively.

68 Stat. 177.
D. C. Code 29-
901.

SEC. 17. The District of Columbia Business Corporation Act is amended by adding at the end thereof the following new sections:

Use of certified
mail.

“SEC. 148. Wherever any provision of this Act authorizes or requires the service or forwarding of any process, notice, or demand by registered mail, such provision shall be deemed to include as an alternative the service or forwarding of such process, notice, or demand by certified mail.

Civil actions.

“SEC. 149. All civil actions under this Act which the Commissioners are authorized to commence, and all prosecutions for violations of the provisions of this Act, shall be brought in the name of the District of Columbia by the Corporation Counsel of the District of Columbia.

Corporation
papers, etc.

“SEC. 150. The Recorder of Deeds, after publishing notice of his intention so to do, is authorized, one hundred and eighty days after the effective date of this section, to destroy all duplicate original corporation papers filed in his office pursuant to this Act prior to October 2, 1957. Such notice shall describe in general terms each class

of papers affected, and shall be published once a week for three consecutive weeks in a newspaper of general circulation in the District of Columbia, the third publication of such notice to appear not less than thirty days prior to the date after which such papers may be destroyed. Any corporation shall be entitled to the return to it of any paper authorized by this section to be destroyed upon written request to the Recorder of Deeds accompanied by a fee in the amount of \$1 for each such paper to cover the cost of postage and handling."

SEC. 18. This Act shall take effect on the sixtieth day after the date of its enactment.

Approved July 23, 1959.

Effective date.

Public Law 86-107

AN ACT

To amend section 11 of the Clayton Act to provide for the more expeditious enforcement of cease and desist orders issued thereunder, and for other purposes.

July 23, 1959
[S. 726]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first and second paragraphs of section 11 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (38 Stat. 734, as amended; 15 U.S.C. 21), are hereby redesignated as subsections (a) and (b) of such section, respectively.

Clayton Act,
amendments.
Cease and desist orders.

(b) The last sentence of the second paragraph of such section which has been hereby redesignated as subsection (b) is amended to read as follows: "Until the expiration of the time allowed for filing a petition for review, if no such petition has been duly filed within such time, or, if a petition for review has been filed within such time then until the record in the proceeding has been filed in a court of appeals of the United States, as hereinafter provided, the Commission or Board may at any time, upon such notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any report or any order made or issued by it under this section. After the expiration of the time allowed for filing a petition for review, if no such petition has been duly filed within such time, the Commission or Board may at any time, after notice and opportunity for hearing, reopen and alter, modify, or set aside, in whole or in part, any report or order made or issued by it under this section, whenever in the opinion of the Commission or Board conditions of fact or of law have so changed as to require such action or if the public interest shall so require: *Provided, however,* That the said person may, within sixty days after service upon him or it of said report or order entered after such a reopening, obtain a review thereof in the appropriate court of appeals of the United States, in the manner provided in subsection (c) of this section."

Filing of petition.

(c) The third, fourth, fifth, sixth, and seventh paragraphs of such section are amended to read as follows:

"(c) Any person required by such order of the commission or board to cease and desist from any such violation may obtain a review of such order in the court of appeals of the United States for any circuit within which such violation occurred or within which such person resides or carries on business, by filing in the court, within sixty days after the date of the service of such order, a written petition praying that the order of the commission or board be set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court

Court of Appeals, review.