

ENROLLED ACT NO. 49, HOUSE OF REPRESENTATIVES

SIXTY-FIFTH LEGISLATURE OF THE STATE OF WYOMING
2019 GENERAL SESSION

AN ACT relating to corporate shares and distributions; authorizing corporations to issue certificate tokens in lieu of stock certificates as specified; making conforming amendments; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1. W.S. 17-16-605 is created to read:

17-16-605. Construction of terms relating to stock and certificate tokens.

(a) As used in this title, any reference to:

(i) Share certificate, share, stock, share of stock or words of similar import shall be construed to include a certificate token;

(ii) A requirement to print information on a share certificate or words of similar import shall be construed to be satisfied if the information satisfies the requirements set forth in W.S. 17-16-625(g);

(iii) Certificated shares or words of similar import shall be construed to include shares represented by certificate tokens, and any reference to the delivery or deposit of these shares to the corporation shall be construed to refer to any method of granting control of the tokens to the corporation;

(iv) A certificate being duly endorsed or words of similar import shall be construed to mean that the transaction authorizing transfer of control of the certificate token was signed by the lawful holder of the token with the network signature corresponding to the lawful holder's data address

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to which the certificate token was issued or last lawfully transferred.

Section 2. W.S. 17-16-140(a)(xlviii), 17-16-625(b)(ii), (d)(intro), (e) and by creating new subsections (g) and (h) are amended to read:

17-16-140. Definitions.

(a) In this act:

(xlviii) "Network signature" means a string of alphanumeric characters that, when ~~broadcasted~~broadcast by a ~~shareholder~~person to the data address's corresponding distributed or other electronic network or database, provides reasonable assurances to a ~~corporation~~recipient that the ~~shareholder~~broadcasting person has knowledge or possession of the private key uniquely associated with the data address;

17-16-625. Form and content of certificates.

(b) At a minimum each share certificate shall state on its face:

(ii) The name of the person to whom, or in the case of a certificate token, the data address to ~~whom~~which the token was issued; and

(d) Except as otherwise provided by subsection (g) of this section, each share certificate:

(e) If the person who signed, ~~either manually or in facsimile,~~ a share certificate no longer holds office when the certificate is issued, the certificate is nevertheless valid.

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(g) The articles of incorporation or bylaws of a corporation may specify that all or a portion of the shares of the corporation may be represented by share certificates in the form of certificate tokens. The electronic message, command or transaction that transmits the certificate tokens to the data address to which a certificate token was issued shall be authorized at the time of issuance by one (1) or more messages, commands or transactions signed with the network signatures of two (2) officers designated in the bylaws or by the board of directors of the corporation.

(h) As used in this section:

(i) "Blockchain" means a digital ledger or database which is chronological, consensus based, decentralized and mathematically verified in nature;

(ii) "Certificate token" means a representation of shares that is stored in an electronic format which contains the information specified under subsections (b) and (c) of this section, and this information is:

(A) Entered into a blockchain or other secure, auditable database;

(B) Linked to or associated with the certificate token; and

(C) Able to be transmitted electronically to the issuing corporation, the person to whom the certificate token was issued and any transferee.

ORIGINAL HOUSE
BILL NO. HB0185

ENGROSSED

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Section 3. This act is effective July 1, 2019.

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the House.

Chief Clerk