

HOUSE BILL NO. HB0185

Corporate stock-certificate tokens.

Sponsored by: Representative(s) Olsen, Brown, Hunt, Lindholm,
Western and Zwonitzer and Senator(s) Driskill
and Rothfuss

A BILL

for

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

5

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

7

8 **Section 1.** W.S. 17-4-614 is created to read:

9

10 **17-4-614. Construction of terms relating to stock and**
11 **certificate tokens.**

12

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

14

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

4

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

9

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

16

17 (iv) A certificate being duly endorsed or words of
18 similar import shall be construed to mean that the transaction
19 authorizing transfer of control of the certificate token was
20 signed by the lawful holder of the token with the network
21 signature corresponding to the lawful holder's data address
22 to which the certificate token was issued or last lawfully
23 transferred.

1

2 **Section** **2.** W.S. 17-16-140(a)(xlviii),
3 17-16-625(b)(ii), (d)(intro), (e) and by creating new
4 subsections (g) and (h) are amended to read:

5

6 **17-16-140. Definitions.**

7

8 (a) In this act:

9

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

17

18 **17-16-625. Form and content of certificates.**

19

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

22

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

4
5 (d) Except as otherwise provided by subsection (g) of
6 this section, each share certificate:

7
8 (e) If the person who signed,~~either manually or in~~
9 ~~facsimile,~~ a share certificate no longer holds office when
10 the certificate is issued, the certificate is nevertheless
11 valid.

12
13 (g) The articles of incorporation or bylaws of a
14 corporation may specify that all or a portion of the shares
15 of the corporation may be represented by share certificates
16 in the form of certificate tokens. The electronic message,
17 command or transaction that transmits the certificate tokens
18 to the data address to which a certificate token was issued
19 shall be authorized at the time of issuance by one (1) or
20 more messages, commands or transactions signed with the
21 network signatures of two (2) officers designated in the
22 bylaws or by the board of directors of the corporation.

23

1 (h) As used in this section:

2

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

6

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

11

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

14

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

17

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

21

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

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3

(END)