

labor or future services or obligations of the purchaser for future payments shall not constitute payment or part payment for shares of stock or convertible securities of a corporation, but may constitute payment for warrants or options as aforesaid if paid or performed prior to the issue by the corporation of the shares of stock or convertible securities subject to the said warrants or options.

(b) When payment of the consideration for which any such shares of stock or convertible securities are to be issued has been received by the corporation, such shares of stock or convertible securities shall be deemed to be full paid and non-assessable.

(c) In the absence of actual fraud in the transaction, any valuation fixed by the board of directors, or as set forth in the charter of the corporation, of consideration to be received for shares of stock or convertible securities shall be conclusive for all purposes.

19. (Capital Account.) Every corporation of this State shall keep its books so as to show what money or other consideration was received by the corporation for the stock issued by it and the number and par or stated value of the shares of each class issued for the same, and to show what money or other consideration was received by the corporation for convertible securities issued by it and the number and par value of the shares of each class of stock into which such securities are convertible. BY IT AND THE NUMBER OF, AND THE STATED CAPITAL ATTRIBUTABLE TO, THE SHARES OF EACH CLASS ISSUED FOR THE SAME, AND TO SHOW WHAT MONEY OR OTHER CONSIDERATION WAS RECEIVED BY THE CORPORATION FOR CONVERTIBLE SECURITIES ISSUED BY IT.

20. (Determination of Amount of Stated Capital.) (a) The entire consideration received by a corporation for the issuance of its stock having par value, shall, to the extent of the aggregate par value thereof, be stated capital. Any such consideration in excess of the par value shall be capital surplus.

(b) The entire consideration received by a corporation for the issuance of its stock without par value shall constitute stated capital, except to such extent as the board of directors, prior to the issue of such stock, may determine to allocate a part of such consideration to capital surplus. No such allo- STATED CAPITAL, EXCEPT SUCH PORTION THEREOF AS THE BOARD OF DIRECTORS, PRIOR TO THE ISSUANCE OF SUCH STOCK, MAY HAVE DETERMINED TO ALLOCATE TO CAPITAL SURPLUS. NO