

CHAPTER 90.

AN ACT TO COMPLETE THE ORGANIZATION OF THE COUNTY OF KITTSON, FOR JUDICIAL PURPOSES, AND ESTABLISH A TERM AND PLACE OF HOLDING OF THE DISTRICT COURT THEREIN.

Be it enacted by the Legislature of the State of Minnesota:

SECTION 1. The county of Kittson is detached from the county of Polk, and declared to be organized for judicial purposes, with all the rights, privileges and immunities of counties of this State so organized.

General terms.

SEC. 2. General terms of the District Court for the county of Kittson shall be held on the third (3d) Monday of June in each year, at the village of Hallock, in said county.

Suits pending, writs, etc.—how disposed of.

SEC. 3. All civil suits now pending in the District Court of the county of Polk, properly triable in the county of Kittson, shall be by stipulation of parties, or by an order of the Judge of said court, made on application of either party, removed for trial to the county of Kittson, and all judicial proceedings now pending in and all recognizances and writs returnable to the District Court in the county of Polk, from the county of Kittson, and all papers on file with the Clerk of the District Court in the county of Polk which appertain to said county of Kittson, shall be forthwith transferred to the Clerk of said court for the county of Kittson, and all records in the office of the Clerk of the District Court of Polk county shall be transmitted and recorded in the office of the Clerk of the District Court of Kittson county.

SEC. 4. This act shall be a general act, and shall take effect and be in force from and after its passage, and all acts and parts of acts inconsistent herewith are hereby repealed.

Approved March 3, 1881.

CHAPTER 91.

AN ACT AUTHORIZING THE FORMATION OF MILLERS' AND MANUFACTURERS' MUTUAL INSURANCE COMPANIES.

Be it enacted by the Legislature of the State of Minnesota:

SECTION 1. Any number of persons not less than nine (9), being actual residents of this State and engaged in the bus-

ness of milling or manufacturing therein, and owning property within this State of the aggregate value of not less than one hundred thousand dollars (\$100,000), may upon the terms and restrictions hereinafter contained, form themselves into a company for the purpose of insuring, upon the plan of mutual insurance, mills, manufactories, elevators, and, the contents and products thereof; and the companies so formed shall possess the usual powers and be subject to the liabilities of corporations.

Amount of property owned.

SEC. 2. Such persons shall organize by adopting and signing articles of incorporation, which shall be recorded in the office of the Register of Deeds of the county where the principal place of business is to be, and in the office of the Secretary of State, and be published as required by law in the case of other incorporations.

Articles of incorporation.

SEC. 3. Such articles of incorporation shall contain—

1. The name of the incorporation.
2. The general nature of the business to be transacted.
3. The principal place of business of such company.
4. The time of commencement and period of continuance of such corporation, which shall not in any case exceed fifty (50) years.

What articles of incorporation shall specify.

5. The general terms and conditions of membership.
6. The names and residence of the persons forming the corporation.

7. The designation of the officers in whom the management of the corporation shall be vested, the times and manner of electing the same, and the names of the first board of directors.

8. Such other provisions or articles not inconsistent with law as the members forming such corporation shall deem proper or necessary to define the manner in which such corporate power shall be exercised.

SEC. 4. The provisions of section four (4) of chapter thirty-four (34) of General Statutes, one thousand eight hundred and seventy-eight (1878), shall apply to and be observed by all corporations organized under this act.

SEC. 5. Such corporations shall have power—

To make contracts of insurance on the plan of mutual insurance, in this State and elsewhere, with any person, against loss or damage by fire or lightning, on any mill, manufactory, elevator, or the contents or products thereof, for such premiums or consideration, and under such regulations as it may in its by-laws prescribe.

Powers.

To prescribe the manner and form of the admission of members and their withdrawal.

To make all necessary regulations concerning insurance of property and the appraisalment and payment of losses, and alter and amend the same at pleasure, subject to the restrictions hereinafter prescribed.

To fix the compensation of its officers, define their duties and obligations, and to require bonds for the faithful performance of their duties.

To exercise such other powers as shall be necessary to effect the objects of such corporations.

SEC. 7. A majority of the members of the Board of Directors shall be residents of the State of Minnesota, and all meetings of such board shall be held within the State.

Conditions of insurance.

SEC. 8. No company organized under this act shall commence business until agreements have been entered into for insurance with at least eighty (80) applicants, the premiums on which shall amount to not less than fifty thousand dollars (\$50,000), of which ten thousand dollars (\$10,000) at least shall have been paid in cash, and the notes of solvent parties founded on actual and *bona fide* applications for insurance shall have been received for the remainder. No one of the notes received as aforesaid shall amount to more than one thousand dollars (\$1,000), and no ten [two] notes shall be given for the same risk, or be made by the same person or firm, except when the whole amount of such notes shall not exceed one thousand dollars (\$1,000); nor shall any such note be represented as capital stock, unless a policy be issued upon the same within thirty (30) days after the organization of the company, upon a risk which shall not be for a shorter period than twelve (12) months. No note shall be accepted as part of the capital stock for the purposes of commencement of business unless accompanied by a certificate of a justice of the peace, or supervisor of the town, or one of the aldermen of the city where the person making such note shall reside, that the person making the same is in his opinion pecuniarily good and responsible for the same, or by other evidence to the satisfaction of the Insurance Commissioner of the responsibility of the maker or makers thereof.

Notes as part of capital stock—certificate as to responsibility of maker thereof.

General insurance laws to apply.

SEC. 9. All General Laws of the State containing provisions applicable to all classes of companies, and to fire insurance companies, so far as the same relate or can apply to companies making mutual insurance, on a mutual plan, shall apply to and be observed by all companies organized under this act.

Certificate of insurance commissioner.

SEC. 10. When any company shall be organized as herein provided, and its organization submitted to and approved by the Attorney-General, and shall have furnished the Insurance Commissioner proof of its compliance with section eight (8) hereof, it shall be entitled to receive from said Insurance Commissioner a certificate that it is entitled to assume risks and issue policies in this State upon the property above specified for any term not exceeding five (5) years, and not to extend beyond the duration of this corporation, and for an amount not to exceed ten thousand dollars (\$10,000) in any one risk.

SEC. 11. Such company may by its by-laws prescribe the forms and conditions of the policies, and the same alter at pleasure; may fix the rates of insurance upon different classes of property so insured, and may provide for varying the same according to the exposure or risk of the several parcels of property insured; may determine the proportion of premium to be paid in advance, and to be secured by premium notes, and vary the same as the experience of such company shall make it necessary, but shall not so reduce the advance payments as to reduce the amount of cash reserve below ten (10) per cent. of the whole capital, nor in any event below ten thousand dollars (\$10,000).

By-laws may prescribe conditions.

SEC. 12. Every person insured by such corporations shall pay at the time of receiving his policy such sum in money, and give his premium note for such further sum as may be required; and every person effecting insurance in any company organized under this act, and the heirs, executors and assigns of such person continuing to be so insured, shall thereby become members of such corporation during the period of insurance, and shall be bound to pay for losses and such necessary expenses as may accrue in the management of such company, in proportion to the amount of such premium note. The directors shall, as often as they may deem necessary, after receiving notice of any loss or damage by fire and ascertaining the same, or after the rendition of any judgment against such company for loss or damage, settle and determine the sums to be paid by the several members thereof on their respective portions of such loss, and give notice thereof in such manner as the by-laws may require, and the sums so determined shall be paid to the officers of such company within thirty (30) days after the publication or delivery of such notice. If any member shall, for the space of such thirty (30) days after such notice, neglect or refuse to pay the sum assessed upon him as his proportion of any loss as aforesaid, or of the expenses of such company, such company may sue for and recover judgment for the whole amount of such premium note or notes, with costs of suit, but execution shall only issue for assessments and costs as they accrue. If the whole amount of premium notes shall be insufficient to pay the loss occasioned by any fire or fires, in such case the sufferers insured by the said company shall receive, towards making good their respective losses, a proportional share of the whole amount of such notes according to the sums by them respectively insured; but no member shall ever be required to pay for any loss more than the whole amount of his premium note.

Payment of premiums.

Payment of losses.

Extent of liability.

SEC. 13. Except for the payment of losses, as provided for in policies, and with the limitations thereon hereinabove provided for, no corporation organized under this act shall incur any debt or liability whatever.

Funds

SEC. 14. The amounts received for cash premiums and payments, together with the investments and accumulations thereof, remaining on hand at any time, shall constitute the actual funds of such corporations, the amounts due on premium notes shall constitute the contingent fund, and the aggregate of such funds the capital of such corporations, for all the purposes for which said terms are made as provided for in this act.

SEC. 15. This act shall take effect and be in force from and after its passage.

Approved February 23, 1881.

CHAPTER 92.

AN ACT TO AUTHORIZE THE DIVISION OF THE COUNTY OF POLK IN THIS STATE, AND THE ORGANIZATION OF A NEW COUNTY FROM A PORTION OF THE TERRITORY EMBRACED THEREIN, AND FOR OTHER PURPOSES.

Be it enacted by the Legislature of the State of Minnesota :

SECTION 1. That all that portion of the territory of the present county of Polk south of the line running east and west between townships one hundred and forty-six (146) and one hundred and forty-seven (147), be and the same hereby is established as the county of Norman, and the County Seat of said county shall be at the town of Ada.

Submission to
a vote of the
people.

SEC. 2. At the time of giving notice of the next general election to be held in the year A. D. one thousand eight hundred and eighty-one (1881), it shall be the duty of the officers of each voting precinct in the county of Polk, required to give notice of such election, to, in the same manner and at the same time, give notice that at such election the provisions of this act will be submitted to the electors of said county of Polk for their approval or disapproval.

How ballots
shall read.

SEC. 3. At said election each voter of said Polk county in favor of establishing the county proposed in this act, shall have printed or written, or partly printed and partly written on his ballot, "For establishing the county of Norman;" and those opposed to the establishing of the proposed county shall have written or printed, or partly written and partly printed on their ballots the words, "Against establishing the county of Norman." Such votes shall be received and canvassed at the same time and in the same manner, and returns