

CHANGES

—IN THE—

General Statutes of 1878,

EFFECTED BY THE

GENERAL LAWS OF 1879 AND 1881,

Arranged with reference to the Chapter and Section Amended.

SAINT PAUL:
WEST PUBLISHING COMPANY.
1883.

be subject to the duties and restrictions and liabilities conferred and imposed by this act, anything in their respective charters or acts of incorporation to the contrary notwithstanding. But nothing in this act shall be construed to affect the legality of investments heretofore made, or of transactions heretofore had pursuant to any provisions of law in force when such investments were made or transactions had, nor to require the change of investments for those named in this act, except as the same can be done gradually by the sale or redemption of the securities so invested in, in such manner as to prevent loss or embarrassment in the business of such corporation, or unnecessary loss or injury to the borrowers on such securities. And the investment hereafter in any such securities not named in this act, or the amendments that may be made thereto, shall be deemed a misdemeanor on part of the trustees authorizing or officers making the same, and such trustees or officers shall be subject to the prosecutions and punishments prescribed by law for that offence. (*Id.* § 49.)

*§ 96. **Evidence of deposit.** All certificates or other evidences of deposit made in pursuance of the regulations and usages of any such corporation shall be as binding upon such corporation as though made under its common seal. (*Id.* § 50.)

*§ 97. **Misnomer not to impair any instrument.** The misnomer of any such corporation in any deed, grant, contract, conveyance or other instrument, shall not vitiate or impair the same, if the corporation be sufficiently described therein to ascertain the intention of parties. (*Id.* § 51.)

*§ 98. **Construction, etc.** This act is hereby declared to be a public act, and shall be construed favorably for every beneficial purpose therein contained, but no portion of this act shall apply to savings banks now in existence and operation in the state of Minnesota, which banks may be continued under the laws applicable to such banks before the passage of this act, unless they or any of them desire to organize thereunder. (*Id.* § 52.)

See page 361.

CHAPTER XXXIV.

CORPORATIONS.

CORPORATIONS EMPOWERED TO TAKE PRIVATE PROPERTY FOR PUBLIC USE.

§ 17. **Hearing on petition—appointment of commissioners.** At the time and place appointed for hearing said petition, or at the time and place to which the proceedings may have been adjourned as provided in the preceding section, upon the presentation of such petition, with satisfactory proof that all the parties therein named have been duly served with the said notice as hereinbefore prescribed, the court shall proceed to hear and determine the same; all or any of the persons whose lands, property, estates, or interests are to be affected by the proceedings, may show cause against granting the prayer of the petition, and may disprove any of the facts alleged in it; the court shall hear the proofs and allegations of the parties, and if the court shall be satisfied that the public interests require the prosecution of such enterprise, and that the lands or real estate proposed to be taken are required and necessary for the purposes of such enterprise, it shall make an order, to be recorded in the minutes thereof, appointing three competent, disinterested persons, resident in said county, commissioners to ascertain and determine the amount to be paid by such corporation, to each of such owners or persons interested, as compensation for his or her damages by reason of the taking or injuriously affecting any such lands, property, estates, or interests, and specifying therein the time and place of the first meeting of such commissioners and fixing their compensation. And the court may also in its discretion, in and by said order, limit the easement to be acquired by reserving to the land owner such rights and privileges therein and to be defined in such order as shall not be incompatible with the use for which the land is sought to be appropriated; such rights and privileges to be exercised and enjoyed in such manner at all times as not to injure or interfere with the railway track or struct-

ures or other improvement for which the land is to be appropriated, or the free and legitimate use of the same for the purpose of such railway or other enterprise. (*As amended 1872, c. 53, § 4, and 1879, c. 35, § 1.*)

§ 18. (Sec. 19.) **Duties of commissioners—assessment of damages.** The said commissioners shall meet at the time and place appointed in the order and severally take and subscribe an oath, faithfully and impartially to discharge the duties of their appointment; any of them may issue subpoenas and administer oaths to witnesses; a majority of them may adjourn the proceedings before them from time to time in their discretion; they shall view and examine the premises described in the petition and proposed to be appropriated, and shall hear the proofs and allegations of all persons interested, and they, or a majority of them, all being present, shall, without any unnecessary delay, proceed to make in each case a separate assessment of the damages which will result to any person, company, or corporation, by reason of the construction of such railroad or other improvement, and the taking or injuriously affecting their said land, property, or estate for the purpose of such enterprise, and award the same to the owner or owners or persons interested therein respectively. (*As amended 1872, c. 53, § 6, and 1879, c. 35, § 2.*)

See page 372.

*§ 29. **Failure to pay award within sixty days.** If such award, when no appeal is taken, is not paid within sixty days after the filing of said award, or in case an appeal is taken within sixty days after the entry of final judgment, the proceedings shall be deemed to be abandoned by the party instituting the same, and the person in whose favor the award was made may have judgment entered against the corporation instituting the proceeding for damages, to be computed upon the award at the rate of ten per cent. from the date of the filing the award to the date of entering judgment. (*1874, c. 28, § 3, as amended 1881, c. 57, § 1.*)

See page 374.

NOTE.—See chapters 82 and 83, Laws 1879, as to power of St. Paul & Duluth Railroad Company and Northern Pacific Railroad Company to condemn lands under provisions of sections 13-32, c. 34.

See page 375.

*§ 39a. **Compensation for lands taken.** Whenever any person entitled to compensation for lands heretofore taken or attempted to be taken for railroad purposes, shall refuse or neglect to receive from the proper company or the receiver thereof or otherwise, the compensation awarded therefor by commissioners acting or assuming to act in that behalf, upon the ground of the irregularity or illegality of the appointment of the commissioner, or of the award or of any of the proceedings or otherwise, the railroad company interested in the premises, or the receiver thereof, where no appeal from the award has been taken, may bring an action against such person for the purpose of determining the validity of such appointment, award, and proceedings, or either, and in such action the plaintiff may also allege that if the proceedings are held invalid, the plaintiff is ready and willing to pay to the defendant full compensation for the land so taken or sought to be taken to the extent of the defendant's interests therein. (*1879, c. 77, § 1.*)

*§ 39b. **Determination and judgment of court.** If the defendant in his answer disputes the validity of such proceedings, or of such appointment or award, the court shall first determine such issue, and the nature of the defendant's title, and if the finding is adverse to the defendant, judgment shall be entered accordingly. If, however, it shall be determined that the defendant has an interest in or title to such property, and that such proceedings are invalid, the court shall so find, and shall also determine and find for the defendant the full value of his interest in the land so taken or attempted to be taken at the time of such finding: *provided*, however, that on any or all of the issues raised, either party shall be entitled to a jury trial; *and provided, further*, that the plaintiff cannot recover costs or disbursements; *and provided, further*, that a judgment adverse to the defendant shall not preclude him from his rights in any award made by the commissioners. (*Id.* § 2.)

*§ 39c. **Of verdict and judgment.** Upon a finding or verdict in favor of the defendant, and determining the compensation due him for the taking and use of his land for rail-

road purposes, judgment shall be entered in substance as follows: That all the right, title, and interest of the defendant in the land in controversy be taken and appropriated for the use of the railroad, naming it, by the plaintiff, (if the company is plaintiff,) or (if the receiver is plaintiff) by the plaintiff to the use of and for the benefit of the company, upon the plaintiff paying to the defendant, or into court for the benefit of the party entitled thereto, within sixty days from the judgment, the compensation adjudged, with interest, costs, and disbursements, and that upon failure to so make such payment the action be dismissed. The effect of such payment shall be to vest in the railroad company, if the company is the plaintiff, or in the receiver for the company, if the receiver is plaintiff, all the right, title, and interest of the defendant in the lands so taken to the same use which the company could acquire by condemnation under their charter or the general laws of this state, and the court may enter an order or final judgment to that effect when such payment is made. (*Id.* § 3.)

*§ 39d. **Joinder of defendants.** The plaintiff may at his option join as defendants all parties having any interest in or lien upon the property, or making any claim thereto, and may also, in the same complaint, include two or more tracts of land owned or claimed by different parties, with the right, however, of the owners of different tracts to demand separate trials. (*Id.* § 4.)

*§ 39e. **Rules of practice.** The action given by this act shall, in all respects, except as herein otherwise provided, be governed by the same rules of practice and procedure as to service of summons, new trials, appeals, or otherwise as other actions brought to determine conflicting claims to real property under the laws of this state. (*Id.* § 5.)

*§ 39f. **Power to acquire roadways, etc.** Any railroad company now existing under the laws of Minnesota, or which has authority under the laws of this state to build and operate a railroad within this state, and any railroad companies which may hereafter be organized under the general laws of this state, shall have power to acquire, by purchase or condemnation, all necessary roadways, spur and side-tracks, rights of way, depot grounds, yards, grounds for machine shops, warehouses, elevators, depots, station houses, and all other structures that may be necessary or convenient for the full enjoyment, use, and operation of its road, and may purchase, erect, maintain and operate all such machine shops, warehouses, elevators, depots, station houses, and other structures, as may be necessary or convenient for the use, operation, or enjoyment of the road, and may make with any railroad company such arrangements for the use of any portions of its tracks and road-beds as it may deem necessary; and may, wherever and whenever it may be or become necessary for carrying out the purposes of such corporation, enter upon and cross over or under the tracks and road-beds of any other railroad corporation or company for the purpose of effecting a crossing upon, over, or under the same, or a connection with the same, and may enter upon, across, over, under, or along any other lands of all other railroad corporations, streets, and highways, with its own tracks, upon paying just compensation to the person or corporation injured thereby. (1879, c. 80, § 1.)

*§ 39g. **Extent of power granted.** The power to condemn hereby granted shall embrace all roadways, spur and side-tracks, rights of way, railroad crossings, depot grounds, yards, grounds for machine shops, warehouses, elevators, station houses, water tanks, and all other buildings and structures, rights, privileges, and easements necessary to the construction, or necessary or convenient to the operation of any of said railroads; also all lands, rights, privileges, and easements that are or may become necessary or convenient to the full enjoyment, use, maintenance, and operation of any of said railroads. (*Id.* § 2.)

*§ 39h. **Proceedings under General Laws.** The condemnation proceedings hereby authorized, shall be instituted by said company and conducted in the same manner, as other similar proceedings are or may hereafter be instituted and conducted by railroad companies in this state under the general laws, except that the court in its discretion, in and by the order appointing commissioners, may limit the easements to be acquired, by reserving to the owner of the property over which the right of way is sought to be obtained, such rights and privileges in and to the same as shall

not be incompatible with the use for which the same is to be appropriated, to be exercised and enjoyed in such manner as not to injure or to interfere with the road track and structure of such railway company, or the free and legitimate use of the same for railway purposes: *provided*, that nothing in this act contained shall be construed as authorizing or empowering said railroad company, or any of them, to condemn, appropriate, or use any lands, property, or rights or franchises of any other railroad corporation, occupied or in use or necessary for the operation of its railroad, or the transaction of its business by such other corporation, except when the petitioning corporation shall elect to cross any such property and tracks or either by its tracks, and in such case the corporation electing to cross any such property and tracks, or either, may cross the same either over, under, or at grade, and then only by the construction of its tracks across the same. And in case where such election shall be made, the district court to which the petition shall be presented, shall at the time of the appointment of the commissioners, upon the request of either party and upon such showing as the court may deem necessary and proper, prescribe the location and the manner in which such crossing or connection shall be made so as to effect the purpose of the petitioning corporation, and at the same time do the least injury to the corporation whose property is taken. (*Id.* § 3.)

*§ 39*i*. **Construction.** Nothing herein contained shall be construed to abridge the rights conferred on any railroad company by existing general laws of this state, or of any special laws of this state. (*Id.* § 4.)

See page 376.

*§ 42. (SEC. 28.) **Telegraph and telephone companies—use of public roads.** Any telegraph or telephone corporation organized under this title has power and right to use the public roads and highways, in this state, on the line of their route, for the purpose of erecting posts or poles on or along the same to sustain the wires or fixtures; *provided*, that the same shall be so located as in no way to interfere with the safety or convenience of ordinary travel on or over the said roads or highways. (*As amended* 1881, c. 73, § 1.)

*§ 43. **Right of way over state lands.** A right of way and a quantity of land not exceeding twenty acres for depot and station grounds and water stations are hereby granted over and of and from any swamp, school, internal improvement, or agricultural college lands owned by the state to any railroad company proposing to construct or that has so constructed a railroad over or upon the same, on the conditions and terms hereinafter provided. (1878, c. 73, § 1, *as amended* 1879, c. 45, § 1.)

*§ 44. **Same—amount of land to be taken.** Such right of way may be fifty feet in width on each side of the center line of the main tracks, except where a greater width is necessary to protect the tracks against snow-drifts, and in such case a width not exceeding one hundred and fifty feet in addition may be taken, subject to the approval of the governor as to the width to be taken. (*Id.* § 2.)

*§ 45. **Same—valuation of land taken—payment.** Any company desiring such right of way or depot, station grounds and water stations shall furnish to the governor a plat, showing the line of the road and the right of way, and additional width requisite to protect the track against snow, and the depot, station grounds and water stations proposed to be taken, with a calculation of the acres contained therein, and on payment to the state treasurer of the sum per acre equal to the appraised value of said land, if the same has been appraised, and if not appraised, at such rate per acre as the governor and commissioner of the state land-office shall consider a fair appraisal, but not at a rate less than that fixed by the constitution of the state, and upon such payment being made the governor shall execute to such railroad company such deed or instrument in writing as shall convey the use of such right of way over and upon such land and the use of such land for depot, station ground and water stations, so long as it shall be used and occupied for railroad purposes. (*Id.* § 3.)

*§ 46. **Same—disposal of money paid.** The funds so paid shall be credited to the proper fund to which such land belongs. (*Id.* § 4.)

See page 377.

Add to § 47, p. 377:

And if any railroad company organized under this chapter shall elect, in the location of any part of its railroad, to cross, intersect, join, or unite its railroad with any other railroad of another company, before constructed, at any point on its route, and upon the grounds of such other railroad company, it shall have the right so to do, and if the two corporations cannot agree upon the amount of compensation to be made therefor, the same shall be ascertained and determined by commissioners, to be appointed by the court as herein provided for the appropriation of the property of individuals; and if the two corporations cannot agree as to the points and manner of such crossings, the district court to which the petition shall be presented shall at the time of the appointment of commissioners, upon the request of either party, and upon such showing as the court shall deem necessary and proper, prescribe the location and manner in which such crossing or connection shall be made so as to effect the purpose of the petitioning corporation, and at the same time do the least injury to the corporation whose property is taken. (*As amended 1879, c. 35, § 3.*)

*§ 66a. **Consolidation of companies having connecting roads.** Any railroad corporation, either domestic or foreign, whether organized under a general law or by virtue of a special charter, may lease or purchase, or in any way become owner of or control, or hold the stock of, any other railroad corporation, when their respective railroads can be lawfully connected and operated together so as to constitute one continuous main line, with or without branches. (1881, c. 94, § 1.)*

*§ 66b. **Same—articles of consolidation.** Any railroad corporation, whether organized under a general law or by virtue of a special charter of the state or territory of Minnesota, or under the laws of any other state or states or territory, whose lines of railroad now or hereafter constructed, within or without this state, can be lawfully connected and operated together to constitute one continuous main line, with or without branches, so as to admit of the passage of trains over them without break or interruption, may consolidate their stock and franchises upon such terms as may be agreed upon, so as to become one corporation by any name by them selected.

Articles stating the terms of consolidation shall be approved by each corporation by a vote of the stockholders holding a majority of the stock, in person or by proxy, at either a regular annual meeting thereof, or at a special meeting called for that purpose, by notice of at least thirty days, stating the object of such meeting, to be addressed to each of such stockholders when their place of residence is known, and deposited in the post-office, and published for at least three successive weeks in one newspaper in at least one of the cities or towns in which each of said corporations has its principal business office, or by the consent in writing of a majority of such stockholders annexed to such articles; a copy of such articles of consolidation and of the record of such approval, or of such consent, accompanied by lists of the stockholders of said corporation, and the number of shares held by each, duly certified by their respective presidents and secretaries, with the respective corporate seals thereto affixed of said corporations, shall be filed for record in the office of the secretary of state of this state, and of the state or states or territory by or under whose laws the said corporations parties to such articles of consolidation were created or exist, before any such consolidation shall have any validity or effect. Upon the filing for record of said copies the said corporations shall become merged in the new corporations provided for in said articles, to be known thereafter by the corporate name therein adopted, and shall, within this state, succeed to all the rights, powers, franchises, contracts, privileges, immunities, liabilities, obligations and duties, liabilities to or exemption from taxation, commutations, property, real, personal and mixed, and things in action, as fully in all respects as the same were possessed by such old corporation or corporations at the time of such consolidation under the laws of this state; and such new corporation shall hold and enjoy the same, and all and every part thereof, without impairment or change, as fully in the same manner and to the same extent as if the said consolidation had not taken

(* An act to authorize any railroad company to lease, purchase or in any way to become owner of, or] to control any other railroad corporation, or to consolidate therewith. Approved March 3, 1881.)

place: *provided*, that all rights of creditors, and all liens upon the property of either of said old corporations, shall be preserved unimpaired, and all the debts, liabilities and duties of either of said consolidating corporations shall thenceforth attach to said new corporation, and be enforceable to the same extent and in the same manner as if such debts, liabilities and duties had been originally incurred by it: *provided, further*, that all such corporations shall be subject to the laws of this state and the jurisdiction of the courts of this state in the same manner and to the same extent as domestic corporations. (*Id.* § 2.)

*§ 66c. Shall not consolidate with, lease or purchase parallel lines. No railroad corporation shall consolidate with, lease or purchase, or in any way become owner of, or control any other railroad corporation, or any stock, franchises, rights or property thereof, which owns or controls a parallel or competing line. (*Id.* § 3.)

See page 381.

Add to *§ 87, page 388:

provided, further, that in all cases where under such foreclosure sale of any railroad, franchises, and property, the said railroad, property, and franchises shall be purchased at such sale, by any railroad company, heretofore or hereafter duly chartered, organized, or incorporated under the laws of this state, or of the late territory of Minnesota, that then such railroad company so purchasing shall not be required to comply with the provisions contained in said chapter thirty in regard to organizing as a corporation under such purchase, but said railroad corporation so purchasing at such sale, shall, upon filing in the office of the secretary of state of the conveyance or certificate of sale received by it under such purchase, and by virtue thereof, be immediately vested with all and singular the corporate rights, powers, franchises, privileges, immunities, and advantages which were held at the time of the execution of such mortgages or deed of trust, or afterwards acquired by the company making the same, and applicable to the railroad and property so purchased, without any further act or ceremony; and such railroad company so purchasing, shall thereupon and thereafter, in the management and operation of such railroad lines and property so purchased, and in the use and enjoyment thereof, and of the franchises, rights, powers, privileges, and immunities thereby acquired, become vested with all and singular the franchises, rights, powers, privileges, and immunities theretofore granted to or possessed by the corporation making such mortgage, or deed of trust, and applicable to the railroad and property so purchased to the same extent, and with the like effect, as if the same had been originally conferred upon such purchaser. (1876, c. 30, § 1, as amended 1879, c. 49, § 1.)

§ 91a. Railroad—right to alter or extend road. The board of directors of any railroad corporation may, by a vote of two-thirds of the whole number, at any time alter the route, or any part of the route, of their road or any extension or branch thereof, or any part of their road, or any extension or branch as constructed, if it shall appear to them that the line can be improved thereby; but no railroad shall be so diverted from any county, town, city, or village which, in its corporate capacity, shall have extended aid to such road, either while in the hands of the then present owners or any former person or corporation, without the consent of such county, town, city, or village, and such consent shall be expressed by a vote of two-thirds of the legal voters of such county, town, city, or village, at an election to be had for that purpose. And no such alteration shall be made in any city or village after the road shall have been constructed therein, unless the same shall have been sanctioned by a vote of two-thirds of the council of such city or of the trustees of such village. Before making any such alteration the board of directors shall designate the route thereof by a resolution, to be entered in its records, a copy of which shall be filed and recorded in the office of the secretary of state. Thereupon it shall have the same rights and privileges to build such road, as altered, as if it were the original line. (1881, c. 95, § 1.*)

(*An act to authorize railroad companies to alter their routes or the location of the lines of their roads. Approved March 7, 1881.)

§ 91*b*. **Corporation organized in this state may act outside of state.** Any railroad corporation heretofore or hereafter organized pursuant to any law of this state may exercise all its rights, franchises, and privileges in any other state or territory of the United States, under and subject to the laws of the state or territory where it may exercise the same, and may use any additional or other powers or privileges applicable to the carrying of persons or property by railroad or steam-boat in such state or territory, or otherwise applicable to the doings of such corporations in such state or territory. (1881, c. 31, § 1.)

§ 91*c*. **Extending road and building branches.** Any railroad corporation may, under the provisions of this chapter, extend its railroad from any point named in its charter or articles of incorporation, or may build branch railroads either from any point on its line of railroad, or from any point on the line of any other railroad, between such points connecting with its line of road, or to be connected therewith, or with any line of road such corporation may have acquired the use under lease for a term of not less than ten years.

Before making such extension, or building such branch road, such corporation shall by resolution of its board of directors, to be entered in the record of its proceedings, designate the route of such extension or branch, a copy of which, and a plat or map thereof, duly certified by such corporation under the seal thereof, signed and verified by the president and secretary of such company, and file the same in the office of the secretary of state of this state, who shall record the same in the book to be provided for such purpose. Whereupon such corporation shall have and exercise, with respect to such extension or branch, all the rights, powers, franchises, and privileges possessed by such corporation pertaining to its main or other line of railroad, but no right of way over any private property or any street or highway in this state shall be acquired in any other manner than as provided in this chapter; and all the provisions of this chapter shall apply thereto. And may receive municipal and other aid in the construction of such branch or extension as now or hereafter authorized by the General Laws of this state, provided that the provision of this act shall not apply to street railroads or street railroad companies. (*Id.* § 2.) See page 388.

*§ 98. *Repealed by 1879, c. 34, § 2, and c. 72, § 1.*
See page 391, *§ 98.

*§ 105*a*. **Exchange of bonds.** Whenever any railroad company shall make a proposition to any county, town, incorporated city or village in this state, asking such municipal corporation to issue its bonds as a bonus to aid in the construction of the railroad of such company, or offering to exchange the mortgage bonds of such railroad company for an equal amount of the municipal bonds of such municipal corporation to be used in the construction of such railroad, if such proposition shall be made in the form prescribed in section four (*§ 95) of this act, for making the proposition therein provided for, then it shall be the duty of the proper authorities of such municipal corporation to entertain and act upon such proposition, and to submit the same to the electors of said municipal corporation in the same manner as they are directed to entertain and act upon the other aforesaid proposition hereinbefore provided for in this act, and to submit the same to the electors of such municipal corporation.

And when such proposition is submitted for the approval of the electors of such municipal corporation, if it shall be approved by a majority of said electors who shall vote upon such proposition, then the proper authorities of said municipal corporation shall issue the bonds of such corporation to said railroad company, in accordance with the provisions of this act and the conditions contained in such proposition. (1879, c. 34, § 1.)

*§ 106*a*. **Illinois companies—provisions for extension into Minnesota.** That any railroad company, heretofore organized under the laws of the state of Illinois, is hereby authorized to extend and build its road into the state of Minnesota, from a point on the southern state line between ranges numbered seven and ten to the north line of Fillmore county; and such railroad company shall have and possess all the powers,

franchises, and privileges, and be subject to the same liabilities of railroad companies organized and incorporated under the general laws of this state: *provided*, such non-resident company shall first file a duly certified copy of its articles of incorporation with the secretary of this state, and shall comply with the laws of Minnesota as to filing and recording its articles of incorporation, and shall keep an office in this state in the same county in which its railroad is or is proposed to be built, and shall be liable to civil process, to be sued and to sue, as provided by law; *and provided*, *also*, that it is made a special and express condition hereof that if such company organized under the laws of Illinois shall avail itself of the provisions of this act, said company shall be and are hereby declared estopped and prevented from removing, and shall be deemed to have elected to waive any and all rights which said company may have under the laws of the United States to have any suit or proceeding to which such company is a party removed from the state courts to the court of the United States. (1879, c. 78, § 1.)

See page 393.

NOTE.—See Laws 1879, c. 79, § 1, as to definition, gauge, etc.

See page 393.

CORPORATIONS FOR PECUNIARY PROFIT OTHER THAN THOSE NAMED IN TITLE 1.

§ 112. **Amount of capital stock—par value of shares.** The amount of capital stock in any such corporation shall in no case be less than ten thousand dollars nor more than two million dollars, and shall be divided into shares of not less than ten dollars nor more than fifty dollars each, except that the capital stock of mutual building and loan associations may be divided into shares of two hundred dollars each; but the capital stock and number of shares may be increased at any regular or special meeting of the stockholders: *provided*, the capital stock, when so increased, shall not exceed two million dollars. (*As amended* 1881, c. 57, § 2.)

See page 395.

MANUFACTURING COMPANIES.

Add to *§ 122, p. 396:

provided, that whenever, after the adoption, filing, and publication of the articles of association, and the making and recording of the certificate provided for by this act, and the creation thereby of a body corporate, the said corporation shall resolve to alter, modify, or change any of its articles of association, such corporation may, by resolution duly passed at any regular meeting of the stockholders thereof, adopt a new article or articles, altering, modifying, or changing any of the original articles: *provided, further*, that no such new or amended articles shall change the general nature of its business, or be operative or valid to alter, modify, or change such original articles, until the same shall be published and the certificate of the purposes for which said corporation is formed as set forth in such new or amended articles, in the same manner and with the like formalities that the original articles are now required to be published and the certificate thereof recorded, and, when so adopted, published, and the certificate aforesaid recorded, the said amended articles shall be substituted for and take the place of the original articles so amended. (*Id.* § 3, *as amended* 1875, c. 17, § 1, and 1879, c. 8, § 1.)

See page 396.

COMPANIES FOR MINING SMELTING ORES AND MANUFACTURING METALS.

*§ 144. **Authority to form corporations.** Any number of persons, not less than three, desiring to form a corporation for the purpose of mining, smelting, reducing, refining, or working ores or minerals, or for working coal mines or stone quarries, and marketing the materials, or for manufacturing brick or stone, or iron, steel, copper, or other metals, or for the purpose of buying, working, selling, and dealing in mineral or other lands, or for the whole or any part of said purposes, may do so upon complying with the provisions of this act; and any corporation so formed shall be

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entitled to the rights and privileges and be subject to the duties and obligations herein prescribed, and shall have perpetual succession. (1876, c. 28, § 1, *as amended* 1881, c. 27, § 1.)

See page 400.

Add to *§ 145, page, 400:

Said articles of incorporation may be amended at any time, in any respect, within the purview of this act, by a majority vote in amount of the stockholders, and by depositing such amendment for record in the offices where the articles of incorporation are deposited for record. (1876, c. 28, § 2, *as amended* 1881, c. 27, § 2.)

*§ 147. **Capital stock—shares—proxies.** The amount of capital stock of any such corporation shall in no case be less than ten thousand dollars, and shall be divided into shares of such sum not greater than one hundred dollars each, as may be prescribed in the articles of incorporation, or by resolution or by-law of the company, and each share shall be entitled to one vote upon all questions at all meetings of the stockholders, and may be represented by the holder thereof in person or by his proxy under written appointment. (1876, c. 27, § 4, *as amended* 1881, c. 27, § 3.)

See page 400.

*§ 151. **Corporation may hold stock in other like companies.** Any corporation organized under this act may take, acquire, and hold stock in any other corporation, if a majority in amount of the stockholders shall so elect. (1876, c. 28, § 8, *as amended* 1881, c. 27, § 4.)

*§ 152. **Mortgage of property—sale, etc., of real estate.** Any corporation organized under this act may mortgage, sell, or lease its real estate, or any part thereof, if authorized or approved by a majority in amount of its stockholders, but not otherwise. (1876, c. 28, § 9, *as amended* 1881, c. 27, § 5.)

See page 401.

CORPORATIONS OTHER THAN FOR PECUNIARY PROFIT.

*§ 145. See 1883 Sup't, p. 47.
 § 166. (SEC. 54.) **Societies may be incorporated for what purpose.** Any number of persons not less than three may associate themselves and become incorporated for the purpose of establishing and conducting colleges, seminaries, lyceums, library associations, or any scientific, medical, legal, agricultural, benevolent, or missionary society, fire department association, cemetery association, or any Masonic, Odd Fellow, Good Templar, Temple of Honor, Division of the Sons of Temperance, or similar societies for the promotion of temperance, or social or moral reform, or any society for the purpose of instruction or mutual improvement in any art or science, or for literary or social culture, as provided herein. (*As amended* 1870, c. 28, § 1; 1872, c. 52, § 1; 1879, c. 30, § 1; *and* 1881, c. 75, § 1.)

See page 403.

Add to subdivision 4th, § 167, (SEC. 55,) p. 404:

Provided, that societies for the promotion of temperance, or social or moral reform, may hold their annual meetings for the election of officers and the transaction of other business, at such time and place in the state as a majority of the members thereof may by vote determine; and any temperance or other such society heretofore organized, may hold their annual meetings at any time or place so determined, anything in its original articles of incorporation or by-laws to the contrary, notwithstanding. (*As amended* 1881, c. 75, § 2.)

§ 181. (SEC. 65.) **Orphan asylum as guardian.** The judge of probate of any county, after publishing a notice once in each week for three successive weeks, of his intention, at a time and place named, so to do, and after hearing, at the time and place named, all persons appearing for or against the appointment, may, when it appears to him necessary and proper, appoint an orphan asylum, incorporated under the laws of this state, as the guardian during its minority of any destitute

minor residing or found in his county, whose parents are dead or under legal incapacity, or unable to provide and care properly for such child, or have abandoned or neglected for the space of six successive months to provide for such child; subject, however, to the duty, on the part of such asylum so appointed, to properly care and provide for such child while it exercises such charge, custody, and control over it: *provided*, that said asylum shall not be obliged to give any bond for the performance of its duties as such guardian. (*As amended 1881, c. 54, § 1.*)

§ 182. (Sec. 66.) **May take charge of destitute children.** That any orphan asylum aforesaid, without any action by a probate court, may also assume and have the charge, custody, control, and guardianship during its minority of any destitute minor residing or found in this state, whose parents are from any cause incapacitated or unable to provide or care properly for such minor, whenever the consent of the parents or of the parent in charge of such child is obtained; subject, however, to the duties specified in the foregoing section: *provided*, that this act shall not be construed to prevent or otherwise impair the right of all minor persons over the age of fourteen (14) years to choose their own guardian, as provided by law. (*Id.* § 2.)

See page 406.

CAMP-MEETING ASSOCIATIONS.*

*§ 183a. **Society for religious instruction—incorporation of.** Any number of persons not less than three may associate themselves and become incorporated as camp or grove meeting associations, Sunday school assemblies, or any society for religious instruction or worship, or mutual improvement in moral, literary, or social culture, as provided herein. (1881, c. 138, § 1.)

*§ 183b. **Articles of incorporation—what to contain.** They shall adopt and sign articles containing—

First. The name of the corporation, its general purpose and plan of operation, and its place of location.

Second. The amount of the capital stock, the number of shares, and the amount constituting a share.

Third. The officers of the corporation or society, with time and place of electing or appointing the same, and the number of directors, and the places of residence of each. (*Id.* § 2.)

*§ 183c. **Capital stock—payment of instalments.** The directors or trustees may call in the subscription to the capital stock of such corporation by instalments, in such proportion and at such times and places as they shall think proper, by giving such notice thereof as the by-laws shall prescribe; and in case any stockholder shall neglect or refuse payment of any such instalment for the space of sixty days after the same shall have become due and payable, and he shall have been notified thereof, said corporation may recover the amount of said instalment from such negligent stockholder in any proper action for that purpose, or may declare the amount or amounts previously paid on part-paid stock forfeited for the use and benefit of the corporation. (*Id.* § 3.)

*§ 183d. **Deposit of articles—effect of—power of corporation.** Such articles shall be executed in duplicate, one of which shall be deposited for record in the office of the register of deeds of the county where said corporation or society is located, and the other with the secretary of state; and upon being so deposited the persons named therein shall become a body corporate, with power to sue and be sued, to have a common seal, which may be altered at pleasure, to establish by-laws, and to make all rules and regulations deemed expedient for the management of its affairs in accordance with law and not incompatible with an honest purpose; and may acquire by purchase, gift, grant, or devise, and to hold, use, sell, transfer, convey, rent, and lease or mortgage real and personal property. (*Id.* § 4.)

*§ 183e. **Capital stock—division into shares.** The amount of capital stock in any such corporation shall in no case be less than five thousand dollars, and shall be

(*An act to incorporate camp or grove meeting associations, Sunday school assemblies, or any society for religious instruction or worship, or mutual improvement in moral, literary, or social culture. Approved March 3, 1881.)

divided into shares of not less than ten dollars nor more than fifty dollars each; but the capital stock and number of shares may be increased at any regular meeting of the stockholders. (*Id.* § 5.)

*§ 183*f*. **Distribution of net profits.** There shall be such distribution of the net profits or earnings of such corporation or society among the full paid-up stockholders as shall be described by the by-laws, at such times therein prescribed. (*Id.* § 6.)

*§ 183*g*. **Property exempt from taxation.** All such real or personal property belonging to such corporation or society expressly dedicated and set apart as being necessary for their proper occupancy and use and enjoyment, and not leased or otherwise used with a view to profit, shall be exempt from taxation. (*Id.* § 7.)

*§ 183*h*. **Power of directors to make by-laws.** The board of directors or trustees shall have power, from time to time, to make, constitute, ordain, and establish such by-laws, rules, and regulations as they shall judge proper for election of their officers, for prescribing their respective functions, the amount of bonds they shall be required to give as they may deem proper, and the mode of discharging their respective duties; for the regulation of the time of meeting of the directors or trustees; for prohibiting noisy, rude, or indecent behavior, or trespassing on unforbidden grounds, or hitching horses to trees, fences, or buildings, or cut, break, injure, or remove any ornamental or other tree or other property on the premises belonging to or leased by such corporation or society; for imposing fines and penalties for the violation of any by-law, rule, or regulation, and the mode of proceeding to enforce the collection of the same; and, generally, for transacting, managing, and discharging the affairs of the corporation: *provided*, that the same be not repugnant to the constitution or the laws of this state. (*Id.* § 8.)

*§ 198. See 1883 Supp., p. 80.
*§ 183*i*. **Directors' power to appoint peace officers.** The board of directors or trustees shall have power to appoint such peace officers as may [be] deemed necessary for the purpose of keeping order on the grounds and premises of the corporation, which officers shall be paid by said corporation, if the directors or trustees of the same deem it proper or necessary so to do, for their services; and while on duty as such they shall have the same power, authority, and immunities which justices of the peace, police officers, constables, and other peace officers under the laws of this state possess or enjoy; and they shall have power to enforce obedience, on said grounds and premises, to any rule or regulation of the directors or trustees for the protection of property or the preservation of quiet and good order. (*Id.* § 9.)

*§ 183*j*. **Streets through grounds.** That no streets or roads shall be opened through the lands of such corporation or society, except by and with the consent of the board of directors or trustees of the same. (*Id.* § 10.)

See page 406.

CHAMBERS OF COMMERCE AND BOARDS OF TRADE.

*§ 198. **Articles of incorporation—execution filing and amendment.** Persons so associating shall sign articles to that effect, and specify the name of the corporation, the residence of the incorporators, and the general object of the incorporation, and shall file the same for record in the office of the secretary of state, whereupon such corporation shall be deemed to exist for the purpose specified in said articles and in this act; and as such may sue and be sued, and shall have full power and authority to purchase, improve, hold, use, rent, mortgage, sell, and convey such real and personal property as it may deem advisable, and may by resolution or by-law prescribe the terms and conditions of membership and the mode of admitting members; and in like manner may prescribe what officers it will have, their mode of election or appointment, and their functions and duties, and generally as to the management and transaction of all its business and affairs. When the business of the corporation is managed by or through a board of directors or other body, it shall be considered as vested with and may exercise all the power of the corporation, unless otherwise limited and restricted by resolution or by-law. The articles of incorporation may be amended at any time by resolution of the managing board, and upon filing the same, together with the proposed amendments, in the office of the secretary of state: *provided*, that such amendments or [are] proposed and recommended

by the members of the chamber of commerce at a meeting called for that purpose upon a notice published in a newspaper at least twenty days previous to such meeting; and *provided, further*, that the authority to purchase real estate shall not extend to the purchase of real estate not deemed needed by such chamber for its own use and occupation. (*As amended* 1881, c. 37, § 1.)

See page 409.

Farmers' Board of Trade. See *post*, 118.

RELIGIOUS CORPORATIONS.

§ 211. (SEC. 70.) **Notice of election, how given.** A written notice of the time and place when such election shall take place, signed by at least five persons entitled to vote thereat, shall be posted in some conspicuous spot at or about such place of worship at least fifteen days before the day of election, and such notice shall be duly entered upon the permanent records of the society if the organization be completed. (*As amended* 1881, c. 36, § 1.)

§ 212. (SEC. 71.) **Election, how conducted—certificate.** The persons, when assembled at such time and place, at least five being present, shall organize by appointing a chairman and clerk, who together shall receive and count the votes and determine the qualifications of voters, and they shall immediately after the election certify under their hands and seals the names of the persons elected to serve as trustees, in which certificate the name by which the said trustees and their successors in office shall forever thereafter be called and known shall be particularly mentioned and specified. (*Id.* § 2.)

See page 411.

§ 220. (SEC. 79.) **Term of office of trustees.** The said trustees shall hold their offices for three years, and until their successors are elected; and immediately after their first election, as hereinbefore provided, the said trustees shall be divided by lot into three classes, numbered one, two, and three; and the seats of the first class shall be vacated at the end of the first year, of the second class at the end of the second year, and of the third class at the end of the third year; and, as near as may be, one-third part of the whole number of trustees may be annually chosen. (*As amended* 1881, c. 36, § 3.)

§ 221. (SEC. 80.) **Expiration of term of office of trustees—notice of election.** The clerk of said trustees shall, at least fifteen days before the expiration of the term of office of any of the said trustees, give notice of the election of their successors, specifying in such notice the names of the trustees whose terms of office are about to expire, and the time and place of such election, which notice shall be posted as required in the first section of this act; and, in addition to such notice, the minister, or some other officer of such church or society, shall give public notice of such election to the congregation at least one week before said election, and the provisions of this section shall apply to filling all vacancies by death, resignation, or removal. (*Id.* § 4.)

See page 412.

§ 222. (SEC. 81.) *Repealed by Laws* 1881, c. 36, § 5.

Add to § 231, p. 415:

Whenever it may be deemed advisable or desired by the bishop of any religious denomination within the state of Minnesota to have organized or created religious corporations for the purpose and with the powers hereinafter specified, he shall associate with him the vicar general of the diocese to which he, such bishop, belongs, and the rector or pastor of such denomination of the place wherein any of such corporations is to be located, and the said bishop, vicar general, and pastor, or a majority thereof, shall thereupon select or designate and associate with them two lay members of any such denomination, and the said five persons and their successors, upon adopting

§ 231. See 1883 Sup't. p. 32.

and signing in duplicate under their hands and seals duly acknowledged articles of incorporation reciting the fact of the association and selection of such laymen as aforesaid, and containing the name, general purpose, and place of location of such corporations, and having one of said articles recorded in the office of the register of deeds of the county within which the place or location of any such corporation is situated, and the other filed in the office of the secretary of state of the state of Minnesota, shall thereupon become a body corporate with all the rights, powers, and privileges of other religious corporations constituted under this chapter, and be capable of suing and being sued, holding, purchasing, and receiving title by devise, gift, grant, or other conveyance of and to any property, real or personal, with power to mortgage, sell, or convey the same or any part thereof, and may adopt and establish by-laws and make all rules and regulations necessary or expedient for the management of its affairs in accordance with law. Any vacancy occurring in any of said corporations to be formed hereunder by death, removal, resignation, or otherwise of any of said two laymen, may be filled by appointment of the said bishop under his hand and seal, and thereupon said person or persons so appointed shall and is hereby declared to be the successor of such layman or laymen. (*As amended* 1876, c. 34, § 1, and 1877, c. 81, § 6, and 1878, c. 15, § 1, and 1879, c. 2, § 1.)
See page 415.

*§ 232*a*. **Powers of corporations.** Whenever any religious corporation existing under the laws of this state shall desire to alter, modify, or change any of its articles of incorporation, such corporation may, by resolution duly passed at any regular or special meeting of the directors or trustees thereof, adopt a new article or articles altering, modifying, or changing any of the articles of incorporation thereof or adding to the same: *provided*, however, that such alteration, modification, or amendment shall not be contrary to or in conflict with the law under and by virtue of which said corporation was organized and exists. (1879, c. 92, § 1.)

*§ 232*b*. **New articles to be recorded.** No such new or amended articles of incorporation shall be operative or valid to alter, modify, or change such original articles of incorporation or otherwise until the same shall be adopted and recorded in the same manner and with like formalities as the original articles of incorporation are now required to be adopted and recorded; and when so adopted and recorded the said new, amended, altered or modified articles shall be substituted for and take the place of the original articles of incorporation so altered, amended, modified, or changed. (*Id.* § 2.)

See page 415.

INSURANCE COMPANIES.

*§ 292. **Agents to have certificate of authority—penalty.** No person shall act as agent in this state for any company not of this state, in any manner whatever relating to risks, until the last section has been complied with on the part of the company, and he has received from the insurance commissioner an agent's certificate of authority stating that the foregoing requirements have been complied with, a record of the issuance of which certificate shall be kept in the office of the commissioner. Renewal certificates must be obtained by agents within sixty days from the first day of January in each year. Any person acting as agent of an insurance company, or doing or attempting to do business in any way relating to obtaining insurance in this state for any insurance company or companies without such agent's certificate of authority, in violation of this section, or after said certificate shall have been revoked, shall be deemed guilty of a misdemeanor, and be subject to a fine, on conviction, of not less than twenty-five or more than one hundred dollars for each offence, to be paid into the treasury of the county where the offence was committed. In case of the non-payment of any such fine the court shall have power to punish the offending party by imprisonment in the county jail for a period not exceeding three months. It shall be the duty of the insurance commissioner to notify the county attorney of the proper county, in writing, of any offence under this section which may come to his knowledge; and it shall thereupon become the

duty of such county attorney to at once cause proceedings to be instituted for the punishment thereof. All persons or agents soliciting fire or inland risks in this state, shall be residents of this state; but this section shall not be construed to apply to special or general agents of insurance companies not soliciting risks. (1872, c. 1, tit. 3, § 7, as amended 1873, c. 16, § 4, and 1879, c. 54, § 1.)

See pages 428-9.

Add to *§ 297, p. 430:

In case such statement is not published by the company or its agent within sixty days from the date of filing it with the insurance commissioner, it shall be the duty of the insurance commissioner to have the same published as provided by this section, and collect the cost of said publication from the company. (As amended 1881, c. 59, § 1.)

See page 430.

*§ 299a. **Commissioners to make inquiry.** The commissioner of insurance is hereby authorized and empowered to address any inquiries to any insurance company or the secretary thereof, in relation to its doings or condition, or any other matter connected with its transactions, and it shall be the duty of any company so addressed to promptly reply in writing to any such inquiries. Every fire insurance company organized under any law of this state, or any other state, failing to make and deposit such statements, or to reply to any inquiry of the said commissioner of insurance, shall be subject to the penalty of five hundred dollars, and an additional five hundred dollars for every month that such company shall continue thereafter to transact any business of insurance. Every insurance company organized without this state and doing business herein, failing to make and deposit such statements, or who shall wilfully neglect to make a full and true reply to such inquiries as may relate to its manner of doing business, or to its assets, pecuniary responsibility, or to other matters connected with or relating to its business transactions, shall be subject to like penalties and a revocation of its authority to do business in this state. The said commissioner of insurance shall have power to examine the form of policy contract proposed to be issued by any company, association, or corporation applying to be permitted to transact the business of insurance in this state, and may refuse to admit any company to this state, or to renew the annual authority of any company previously admitted, whenever the form of policy contract issued or proposed to be issued does not permit the cancellation of the same at the request of the insured, on equitable terms. (1879, c. 86, § 1.)

See pages 431, 432.

FIRE INSURANCE COMPANIES.

Add to § 318, p. 434.

But mutual insurance companies of other states may be admitted in case the state where such insurance companies are located admit the mutual insurance companies of this state, by complying in all respects with the conditions and obligations imposed by such states on the mutual insurance companies of this state. (As amended 1881, c. 61, § 1.)

See page 434.

TOWN INSURANCE COMPANIES.

*§ 338. **Organization and powers.** It shall be lawful for any number of persons not less than twenty-five, (25,) residing in adjoining towns in Becker, Brown, Blue Earth, Carver, Chippewa, Chisago, Dakota, Dodge, Fillmore, Freeborn, Goodhue, Hennepin, Houston, Kanabec, Kandiyohi, Le Sueur, Lyon, Meeker, McLeod, Nicollet, Olmsted, Pine, Pope, Renville, Rice, Sibley, Stearns, Steele, Swift, Waseca, Washington, Wright, the seventh senatorial district of Winona and Yellow Medicine, Mower and Faribault counties, who collectively shall own property of not less than twenty-five thousand dollars, into a company for mutual insurance against loss or damage by fire, hail or lightning, which corporation may sue or be sued, contract or be contracted

with, plead and be impleaded in any court of law or equity within the state, and it shall possess the usual duties of corporation, and the corporate name thereof shall embrace the name of the town in which the business office of the said company shall be located. The words "adjoining towns," as used in this section, mean not only all towns immediately adjoining the town in which the company's business office is located, but the towns which adjoin these also, and all towns within the boundaries of the county thus continuously adjoining. (1875, c. 83, § 1, as amended 1877, c. 69, § 1, and 1878, c. 36, § 1, and 1879, c. 40, § 1, c. 26, § 1, c. 50, § 1, and 1881, c. 20, § 1.)

See page 439.

*§ 350. **Right of withdrawal—notice.** Any member of such company may withdraw therefrom at any time by giving notice in writing to the president, or, in his absence, to the secretary thereof, and paying his share of all claims then existing against said company; and the directors, or a majority thereof, shall have power to annul any policy, by giving notice in writing to that effect to the holder thereof. And it shall also be the duty of the secretary, whenever any member of such company shall withdraw from his membership therein, to notify every other member thereof of such withdrawal, by recording the same at full length in a separate book to be kept by him in his office for that purpose, called a "withdrawal book." (As amended 1881, c. 29, § 1.)

See page 441.

*§ 374a. **Amending articles of incorporation.** Any insurance company heretofore or hereafter organized under chapter eighty-three of the General Laws of 1875, entitled "An act authorizing the formation of town insurance companies," may, at any regular annual meeting of its members, by a majority vote of those present, amend its articles of association so as to include in its organization other adjoining towns within the county not already included therein. Companies already organized, embracing towns in two or more adjoining counties, may annex not to exceed three adjoining towns from any county adjoining the county in which the business office of the company is located. Amended articles of association must be signed, executed, approved, and filed, the same as original articles. (1881, c. 117, § 1.)*

See page 441.

*§ 372. **Capital required of foreign company.** No foreign marine insurance company shall do business in this state unless it has on deposit with the commissioner of this state the sum of two hundred thousand dollars, invested and valued as prescribed in section four of title three, or unless it has complied with the next section. (As amended 1881, c. 8, § 1.)

See page 444.

INSURANCE COMPANIES OTHER THAN LIFE, FIRE, AND MARINE.†

*§ 374a. **Insurance companies other than for life, fire, or marine insurance.** That no company or association formed under the laws of this state, or any other state or foreign government, shall directly or indirectly transact the business of insurance in this state, other than that provided for by law in the departments of life, fire, and marine insurance, without receiving a certificate of authority from the commissioner of insurance. (1881, c. 123, § 1.)

*§ 374b. **Capital required—deposit of securities required.** No such company or association shall be authorized by the commissioner of insurance to transact business herein, unless possessed of an actual paid-up capital of at least one hundred thousand dollars, and a deposit of at least one hundred thousand dollars with the state treasurer of this state, or with the chief financial officer or commissioner of insurance of the state where such company or association is organized, duly assigned to such officer in trust for the benefit of all policy-holders. Said deposit shall consist

(*An act relating to town insurance companies. Approved March 3, 1881.)

(†An act to authorize and regulate within this state the business of insurance other than life, fire, and marine. Approved March 5, 1881.)

of bonds or stock of the United States or of the state where such company or association is organized, or of bonds and mortgages on improved unincumbered real estate, worth double the sum loaned thereon. The market value of such deposited securities shall at all times be equal to one hundred thousand dollars. (*Id.* § 2.)

*§ 374c. **Attorney to receive service—computing reserve fund—cancelling authority of company to act.** Such companies or associations shall be required to comply with the laws of this state regulating the business of life insurance in respect to the appointment of an attorney to receive process, making annual statements of financial condition, the payment of taxes, and with all the other requirements as far as applicable. The commissioner of insurance shall compute the reserve fund to be held by such companies or associations by taking fifty per centum of the premiums received upon all risks not expired at the time of making such computation. Whenever the capital of any company or association authorized under this act shall become impaired to the extent of fifteen per cent., or shall otherwise become unsafe, it shall be the duty of the commissioner of insurance to cancel the authority of such company or association. (*Id.* § 3.)

*§ 374d. **What is a "company" within the act.** The words "company" or "association," as used in this act, shall be construed to mean any company, association, corporation, partnerships, individual or association of individuals, doing or attempting to do business herein under any charter, compact, or agreement, or statute of this state or any other state involving a guaranty, contract, or pledge of insurance other than life, fire, or marine underwriting. (*Id.* § 4.)

*§ 374e. **Certificate from insurance commissioner essential to do business.** It shall not be lawful for any person to act within this state, as agent or otherwise, in receiving or procuring applications, or in any manner, directly or indirectly, to aid in transacting the business of insurance permitted by this act, without procuring from the commissioner of insurance a certificate of authority. Such authority shall designate the name of the person authorized, and the name of the company or association for which he is to act as agent, and the special kind of insurance to be solicited. (*Id.* § 5.)

*§ 374f. **Violation of law—penalty—prosecution for.** Every violation of any of the provisions of this act shall subject the party violating to a penalty of two hundred and fifty dollars for each violation, which shall be sued for and recovered in the name of the state of Minnesota by the county attorney of the county in which the party violating shall reside, upon complaint of any individual, and the penalty, when recovered, shall be paid into the treasury of such county. In case of non-payment of such penalty, the party so offending shall be liable to imprisonment for a period not exceeding six months, in the discretion of any court having cognizance hereof. It shall be the duty of the commissioner of insurance to notify the county attorney of the proper county in writing of any offence under this act which may come to his knowledge, and it shall thereupon become the duty of such county attorney to at once cause proceedings to be taken for the punishment thereof. In case any county attorney shall wilfully neglect or refuse to perform his duty under the provisions of this act, he shall be liable to penalty of one hundred dollars for each and every offence; and the governor may, in case of any such neglect or refusal, appoint some other person or persons to perform the duties prescribed by this act, who shall, upon being so appointed, have like powers and duties under this act as county attorney. And in case of such appointment of any person in place of the county attorney to prosecute for violation of this act in any county, the county commissioners shall allow and pay to such prosecuting attorney a reasonable compensation for all services performed by him as such prosecutor. (*Id.* § 6.)

*§ 374g. **To what companies not applicable.** This act shall not be held to apply to hail insurance companies organized under the laws of this state, nor to mutual aid associations, benefit societies, or co-operative life insurance societies wherever organized. (*Id.* § 7.)

See page 444.

MILLING AND MANUFACTURING INSURANCE CORPORATIONS.*

*§ 374*b*. **Power to organize.** Any number of persons not less than nine, being actual residents of this state, and engaged in the business of milling or manufacturing therein, and owning property within this state of the aggregate value of not less than one hundred thousand dollars, may, upon the terms and restrictions herein-after 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. (1881, c. 91, § 1.)

*§ 374*c*. **Adopting and signing articles.** 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 case of other corporations. (*Id.* § 2.)

*§ 374*d*. **Articles—what to contain.** Such articles of incorporation shall contain—

1. The name of the corporation.
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 years.
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 time 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. (*Id.* § 3.)

*§ 374*e*. **Section four, chapter thirty-four, applicable.** The provisions of section four of chapter thirty-four of General Statutes 1878, shall apply to and be observed by all corporations organized under this act. (*Id.* § 4.)

*§ 374*f*. **Powers of corporations.** 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; 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 corporation. (*Id.* § 5.)

*§ 374*g*. **Members and meetings.** 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. (*Id.* § 7.)

*§ 374*h*. **When company may commence business—note for premium.** No company organized under this act shall commence business until agreements have been entered into for insurance with at least eighty applicants, the premiums on which shall amount to not less than fifty thousand dollars, of which ten thousand dollars 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, 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; nor shall any such note be represented as capital stock, unless

(*An act authorizing the formation of millers' and manufacturers' mutual insurance companies. Approved February 23, 1881.)

a policy be issued upon the same within thirty days after the organization of the company, upon a risk which shall not be for a shorter period than twelve months. No note shall be accepted as part of the capital stock for the purpose 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. (*Id.* § 8.)

*§ 374o. **General laws applicable.** 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. (*Id.* § 9.)

*§ 374p. **When entitled to commissioner's certificate.** 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 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 years, and not to extend beyond the duration of this corporation, and for an amount not to exceed ten thousand dollars in any one risk. (*Id.* § 10.)

*§ 374q. **Form of policy—premiums.** 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 per cent. of the whole capital, nor in any event below ten thousand dollars. (*Id.* § 11.)

*§ 374r. **Members—liabilities of.** Every person insured by such corporation 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 day after the publication or delivery of such notice. If any member shall for the space of such thirty 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. (*Id.* § 12.)

*§ 374s. **Shall not incur liability.** Except for the payment of losses, as provided for in policies, and with the limitations thereon hereinbefore provided for, no corporation organized under this act shall incur any debt or liability whatever. (*Id.* § 13.)

*§ 374*t*. **Actual and contingent funds.** 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. (*Id.* § 14.)

See page 444.

GENERAL PROVISIONS.

Add to § 404, (Sec. 155.) p. 449:

Any corporation in this state, whether created by special act, or organized under any general or special law of the territory or state of Minnesota, or doing business within this state by virtue of or under any legislative enactment of said territory or state, may, by resolution of its board of directors, classify its directors into three classes, each of which shall be composed, as nearly as may be, of one-third of the whole number of directors; the term of office of the first class to expire at the date of the next annual election thereafter; of the second class at the date of the second annual election thereafter; of the third class at the date of the third annual election thereafter. At each annual election thereafter a number of directors shall be elected for three years, equal to the number whose term of office shall then expire; all other vacancies shall be filled in accordance with the by-laws: *provided*, that if no election be had at the time of holding the annual election, the old directors shall hold their offices until their successors are elected and enter upon their duties. (*As amended* 1881, c. 15, § 1.)

*§§ 423 to 440, incl. See 1883 Sup't, pp. 55 to 61, incl.

*§ 422. **Foreign corporations—power to deal in lands.** Any foreign corporation which now is or hereafter may be created, in whole or in part, for the buying or selling of or dealing in lands in this state, or in the promotion of immigration to, or the settlement or occupation of, any lands in this state, may loan its funds to persons, whether its members or not, and take and enforce securities therefor, and may acquire, take, hold, convey, use, or occupy real, personal, or mixed property of every name and nature, within this state, and make contracts and transact all lawful business consistent with the objects and purposes of said corporation, and said corporation shall, in all respects, be subject to the laws of this state, and in all suits or proceedings by or against said corporation, it shall be deemed for all purposes a domestic corporation: *provided*, that no such corporation shall acquire or hold at any one time more than one hundred thousand acres of land in this state, and that all lands acquired by it shall be sold within twenty-one years after their acquisition, except such lands as may be acquired by it under mortgage foreclosure, or forfeiture of contracts for the sale thereof, which shall be disposed of by it within fifteen years after such acquisition or forfeiture; *and provided further*, said corporation shall appoint an agent or attorney residing within this state, upon whom all process may be served, which appointment shall be filed in the office of the secretary of state. (1881, c. 125, § 1.)

See page 451.

CHAPTER XXXV. CHARITABLE INSTITUTIONS.

INSTITUTE FOR THE DEAF, DUMB, AND BLIND.

§ 5. (SEC. 21.) **Duties of treasurer and secretary.** The treasurer shall safely keep and faithfully disburse all moneys belonging to or entrusted to said institution; shall render an exact and detailed account of expenditures on the first day of December in each year to said board, and whenever said board require; and shall perform all other duties required by the directors according to the rules and regulations established by said board; and shall receive for his services a compensation to be