

Distribution of net income shall be made annually or oftener. Net income of a cooperative association arising from trucking operations shall be distributed only annually. The directors of such association shall present to the stockholders at their annual meeting a report covering the operations of the association during the preceding fiscal year.

Dividends may be paid on capital stock only when the net income of the association for the previous fiscal year is sufficient and shall not be cumulative.

An association subject to the provisions of sections 380.05 to 308.18 may distribute net income in cash, credits, revolving fund certificates, or its own or other securities.

Approved March 26, 1949.

CHAPTER 200—H. F. No. 851

[Not Coded]

An act legalizing conveyances of real estate being made by cities of the fourth class operating under a home rule charter as provided by Section 36, Article 4, of the Constitution of the State of Minnesota.

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

Section 1. Validating conveyances of real property by cities of the fourth class. Conveyances of real property heretofore made by cities of the fourth class operating under a home rule charter pursuant to the provisions of Section 36 of Article 4 of the Constitution of the State of Minnesota, which said conveyances were for real property belonging to the city, and which said conveyances were made without submitting the question of the sale of such real property to the legal voters of the city at an election called for that purpose as required by the city charter are hereby declared to be valid notwithstanding the failure to submit the question of the sale of such property to the legal voters of the city and notwithstanding that there was not an approval of the sale of said real property by the legal voters of such city as provided for by the city charter.

Sec. 2. **Pending litigation in effect.** This act shall not affect any conveyances the validity of which is questioned in any litigation now pending.

Approved March 26, 1949.

CHAPTER 201—H. F. No. 970

[Coded as Section 501.195]

An act to clarify and declare existing law with respect to reversionary interests, possibilities of reverter, and resulting trusts and the interest of the State of Minnesota therein, in cases of express trusts heretofore and hereafter created.

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

[501.195] **Section 1. Reversionary interests; possibilities of reverter; resulting trusts.** It is hereby declared to be the law of Minnesota that no express trust of property, whether real or personal, heretofore or hereafter created under the laws of this state shall under any circumstances be deemed to give rise, by operation of law or otherwise, to any reversionary interest, possibility of reverter or resulting trust of the trust property or of any interest or estate therein in the settlor of the trust or the estate of the settlor or the heirs at law of the settlor as such, if by the terms of the controlling trust instrument the settlor manifested irrevocably his intention to divest himself of all interest in said trust property or in said interest or estate therein, as the case may be, or expressly and irrevocably surrendered the right to revoke the trust and the right to make the settlor or the estate of the settlor a beneficiary of said trust property, or of said interest or estate therein, as the case may be. In any case where, but for the application of the principles herein expressed, a reversionary interest, possibility of reverter or resulting trust would be recognized in the settlor of the trust or the estate of the settlor or the heirs at law of the settlor as such, the subject matter thereof shall be deemed to be held upon a resulting trust for the State of Minnesota.

Approved March 26, 1949.