

## CHAPTER 236.

[S. F. No. 630]

## AN ACT RELATING TO BUILDING, LOAN AND SAVING ASSOCIATIONS DOING A GENERAL BUSINESS.

*Be it enacted by the Legislature of the State of Minnesota.*

Building, loan  
and saving  
associations,  
how organized.

SECTION 1. Whenever any number of persons, not less than ten (10), desire to be incorporated as a building and loan association for the purpose of accumulating the savings and funds of its members and lending them only the funds so accumulated, they shall make and execute a written declaration to that effect in the form now provided by statute for the execution of deeds of real estate to entitle the same to record. Said declaration shall state the name of such association, its principal place of business, which shall be within the state, the limit of capital to be accumulated, the time of its duration, the names and places of residence of such persons, and that it is organized under this act and for the purpose herein expressed. When so executed, said declaration shall be filed and recorded in the office of the secretary of state, whereupon such officer shall issue a copy of such declaration under his certificate, in proper form, setting forth the time and place of filing and recording thereof in his office, which declaration and certificate shall thereupon be recorded in the office of the register of deeds of the county where said association is located, and published once in a daily or weekly newspaper printed and published and of general circulation in said county. Upon complying with the foregoing requirements, and upon filing an affidavit of proof of such publication in the office of the secretary of state, the persons executing such declaration, their associates and successors, shall become a corporate body.

Name.

SEC. 2. The name shall not be the same as nor too closely resemble that in use by any existing corporation established under the laws of this state. The words "building and loan association," or "savings and loan association," shall form a part of the name, and no corporation not organized under this act shall be entitled to use a name embodying either said combination of words, *provided*, that associations now existing may continue their present names.

By-laws, shall  
be approved  
by public  
examiner.

SEC. 3. Each association shall adopt by-laws for its government and therein describe the manner in which its business shall be transacted, which by-laws shall be in conformity with the provisions of this act and the laws of this state, and at all times be open to the inspection of the public examiner and the members of the association at its home office. All by-laws shall be subject to the approval

of the public examiner before going into effect, and every corporation heretofore organized and brought under the provisions of this act shall within sixty (60) days from the passage hereof present its by-laws to said examiner for approval, and in case any provision in said by-laws shall be contrary to the provisions of this act or to the laws of this state or be detrimental to the interests of the members of such organization or against the public policy, he may, under the advice and consent of the attorney general, require the same to be stricken out.

SEC. 4. For every loan made a note non-negotiable or bond secured by first mortgage on real estate shall be given, which security shall be in double the value of the loan and satisfactory to the directors and shall be accompanied by a transfer and pledge of the shares of the borrower to the association. The shares so pledged shall be held by the corporation as collateral security for the performance of the conditions of said note or bond and mortgage; *Provided*, that the shares, without other security, may, in the discretion of the directors, be accepted as security for the loans for an amount, not exceeding their withdrawal value, as provided by this act.

Loans, how secured.

SEC. 5. Any such association may purchase at any sale, public or private, any real estate upon which it may have a mortgage, judgment, lien or other encumbrance, or in which it may have any interest, and may sell, convey, lease or mortgage the same at pleasure to any person or persons, but shall not otherwise acquire or deal in real estate; *Provided*, that any such association may acquire any leasehold interest necessary for the transaction of its business.

Rights in regard to purchase of real estate.

SEC. 6. Every building and loan association heretofore or hereafter incorporated under the laws of this state and governed by this act shall deposit and keep with the state auditor, or with a duly chartered trust company of this state, approved by the public examiner, in trust for all its members and creditors, all mortgage or other securities received by it in the usual course of business. When deposited with a trust company, such company shall certify to the auditor the possession of such securities, and the same shall not be surrendered without the authority or sanction of the auditor.

Securities, where deposited.

*Provided*, that every such corporation heretofore organized, not having or owning mortgage or other securities to the amount of twenty-five thousand (25,000) dollars shall deposit with the state auditor additional securities to make with the securities so owned and deposited, equal in value to said sum of twenty-five thousand (25,000) dollars; and every such corporation hereafter organized under this act shall deposit and keep with the state auditor, in trust as aforesaid, securities of the value of twenty-five (25,000) dollars before commencing to do business. The securities mentioned in this proviso shall consist of bonds or treasury

Securities deposited with state auditor.

notes of the United States, or national bank stocks, or bonds of this state, or any other state of the United States, or of any solvent city, county or town of this state or any other state of the United States, having the legal authority to issue the same, and such securities may be withdrawn from time to time, when mortgage securities of corresponding value shall be deposited, as provided in this act, or when other securities of like character are substituted therefor, and it shall be the duty of the public examiner from time to time to examine said associations to ascertain whether all its securities are deposited as required by this act.

Securities,  
when deposited  
in other states,  
regulations.

*Provided*, that whenever required by the laws of any other state, territory or nation, all securities taken in such state by any association organized under the laws of this state and subject to the provisions of this act may be deposited with some officer authorized to receive the same in such state under the laws thereof for the benefit of its members and creditors, but in every such case a certificate of such depository showing the amount and character of such deposits shall be filed with the auditor of this state and renewed annually, together with a statement verified by the affidavit of some officer of such association who has knowledge of the facts, showing all of the securities taken by such association in such state at the time of the filing of such certificate; and in case any securities taken in any such state are not deposited there, then the same shall be deposited here, as required by this act.

Disposition of  
interest and  
dividends on  
securities.

SEC. 7. All interests and dividends and premiums which may accrue on securities held by the state auditor, or such trust company as provided for herein, and all dues of monthly payments which may become payable on stock pledged as security for loans, the mortgages for which are so deposited, in accordance with the provisions of this act, may be collected and retained by the association depositing such securities or mortgages, so long as such association remains solvent, and faithfully performs all contracts with its members. And when any mortgage shall have been fully paid to said corporation, the same may be surrendered by said state auditor, or under his order, upon filing with him a certificate of the register of deeds of the county where the real estate is situate, to the effect that the satisfaction of such mortgage has been filed of record, or in case no mortgage was taken then the affidavit of the secretary or treasurer of said corporation showing judgment. Any mortgage upon which default has been made may be surrendered as aforesaid upon filing with the state auditor an affidavit sworn to by the president and secretary of the association owning the same, stating that such mortgage is in default, and that it is withdrawn for the purpose of foreclosure.

SEC. 8. No building or loan association organized under the laws of any other state, territory or nation, shall do business in this state, unless such association shall have

securities of the value of one hundred thousand dollars, and of the character mentioned in this act, on deposit, in trust for all its members and creditors, with some responsible trust company, duly incorporated under the laws of such state or territory in the United States, or with some authorized officer of this or some other state of the United States. Certificate of such deposit shall be made to the auditor of this state, certifying the possession of such securities, which shall not thereafter be surrendered without the authority or consent of the auditor or other authorized officer of the state or territory in which said company is incorporated.

Foreign associations doing business in this state, amount of securities to be deposited.

SEC. 9. Every building and loan association organized under the laws of any other state, territory or nation, shall, before commencing to do business in this state:

Regulations for doing business in this state.

First—File with the public examiner of this state, a duly authenticated copy of its charter or articles of incorporation.

Second—File with the public examiner of this state, the certificate of the authorized officer of another state, showing that securities of the value of one hundred thousand dollars are on deposit with such state officer or duly incorporated trust company, in trust for all the members and creditors of such building and loan association.

Third—File with the public examiner of this state a duly authenticated copy of resolution adopted by the board of directors of such association, stipulating and agreeing that if any legal process affecting such association be served on such examiner, and a copy thereof be mailed, postage prepaid, by the party procuring the issue of the same, or his attorney, to said association, addressed to its home office, then such service and mailing of such process shall have the same effect as personal service on said association in this state, and also an agreement that said association will not remove any action commenced in any state court of this state against the same to the United States court, and will pay every judgment that may be taken against it upon any such action within sixty (60) days after the final judgment shall have been entered.

Fourth—Pay to the public examiner twenty-five (\$25) dollars as fees for filing the papers mentioned in this section.

SEC. 10. When process against or affecting any foreign building and loan association is served on the public examiner, the same shall be by duplicate copies, one of which shall be filed in the office of the public examiner, and the other by him immediately mailed, postage prepaid, to the home office of said association.

Process, how served.

SEC. 11. The word "process" in this act shall include any writ, declaration, summons or order whereby any action, writ or proceedings shall be commenced, or which shall be issued in or upon any action, suit or proceedings authorized by law in this state.

Process defined.

SEC. 12. Services of process according to a stipulation provided in section four (4) of this act shall be sufficient personal service on the association filing such stipulation.

Foreign associations, regulations of other states applicable to this state.

SEC. 13. When by the laws of any other state, territory or nation, any taxes, fines, penalties, licenses, fees, deposits of money or securities, or other obligations or prohibitions are imposed on building and loan associations of this state doing business in such other state, territory or nation, or upon their agents therein, so long as such laws continue in force, the same obligations and prohibitions of whatever kind shall be imposed upon all building and loan associations of such other state, territory or nation doing business in this state and upon their agents here.

Authority to do business in this state may be terminated, under certain conditions.

SEC. 14. Any building and loan association, organized under the laws of any other state or territory, that shall remove any action that shall be commenced against it in a court of this state to the United States court, or that shall fail to pay any judgment rendered against it upon a suit in any court of this state within sixty (60) days after the rendition of final judgment in such case, or that shall fail to make yearly statements to the public examiner, as hereinafter mentioned, or statements of the amount and value of its stock held in this state as hereafter required, or to pay the fees of [to] the public examiner as provided in this act, or to do any other act required in this act to be done and performed, shall, upon failure or violation of the provisions of this act have no right or authority to do or transact any further business within the limits of this state, and the public examiner shall thereupon cause notice of the termination of such authority to do business to be mailed to such corporation and to be published in some newspaper of general circulation at the capital of the state, and shall communicate the facts to the attorney general of this state, who shall institute such proceedings in the matter as the case may require. *Provided*, any such corporation may be again authorized to commence business in this state upon such terms as the public examiner may deem just and proper, and upon full compliance with the provisions of this act.

SEC. 15. All building and loan associations hereafter incorporated in this state shall have an authorized capital of two millions of dollars at the time of the incorporation.

Capital stock may be increased, how.

SEC. 16. Any building and loan association heretofore or hereafter incorporated under the laws of this state may at any time increase the amount of its capital stock, or amend its articles of incorporation in any other respect by a vote of at least three-fourths of its board of directors. *Provided*, that no such increase shall be made unless three-fourths of the capital stock previously authorized has actually been issued and the amount of increase made at any one time shall not exceed the amount issued previous to the time of such increase.

SEC. 17. Whenever any building and loan association increases its capital stock or otherwise amends its articles of incorporation, as provided in this act, a copy of the resolutions of the board of directors making such increase or other amendment, duly verified by oath of the president and secretary of such association, shall be filed in the office of the register of deeds of the county in which the home office of said association is located, and in the office of the secretary of state, and be published four (4) successive times in some daily or weekly newspaper published at the capital of the state, or in the county where the association has its home office. Proof of which such publication shall be filed in the office of the secretary of state.

Resolutions,  
etc., where  
filed and how  
published.

SEC. 18. On or before the first (1st) day of September in each year, every building and loan association doing business in this or any other state or territory shall deposit with the public examiner a report of its affairs and operations for the year ending on the thirtieth (30th) day of June immediately preceding. Such report shall be verified under oath by the president and secretary, or by three directors of the association, and shall contain answers to the following questions:

Statement to  
be filed with  
public  
examiner.

First—The amount of authorized capital, and the par value of each share of stock.

Statement,  
what it shall  
contain.

Second—The number of shares sold during the year.

Third—The number of shares cancelled and withdrawn during the year.

Fourth—Number of shares in force at the end of the year.

Fifth—A detailed statement of the receipts and disbursements during the year.

Sixth—A detailed statement of the assets and liabilities at the end of the year, and shall pay to the public examiner a fee of twenty-five (25) dollars on filing such report. If any such association shall fail to furnish to the public examiner of the state any report required by this act, at the time so required, it shall forfeit the sum of twenty-five (25) dollars per day for every day such report shall be delayed or withheld; and the examiner may maintain an action in his name of office to recover such penalty, and the same shall be paid into the treasury of the state and applied to the expenses of the department of said examiner. After receiving such report the public examiner, if satisfied that such corporation has complied with all the provisions of this act and is entitled to do business in this state, he shall issue his certificate stating the compliance with such provisions and that such corporation is entitled to do business in this state, which certificate shall be in force for the period of one year, unless sooner rescinded as provided in this act. Such certificate shall also be issued to any foreign corporation authorized to do business in this state, after complying with the conditions of section nine (9) of

this act, and shall be in force until the time herein required for such annual report.

Duty of public examiner with regard to building associations.

SEC. 19. It shall be the duty of such public examiner at least once in each year, and as often as he may deem necessary, to assume and exercise over every building and loan association incorporated under the laws of this state, its business, officers, directors and employes, all the power and authority conferred on him over banks and other moneyed corporations under the laws of this state, provided he shall not have the power to suspend the operations of any such associations, except in the manner provided in the next succeeding section.

Shall examine into their condition, and in cases of violation of charter, direct conformity with law.

SEC. 20. If it shall appear to the said public examiner from any examination made by him, or from any report of any examination made by him, or from the annual report aforesaid, that said corporation is violating its charter or the law, or that it is conducting business in any unsafe, unauthorized or dishonest manner, he shall, by an order under his hand and seal of office, addressed to such corporation, direct conformity with the requirements of its charter, and of the law. And whenever such corporation shall refuse or neglect to make such report or account as may be lawfully required, or to comply with such order as aforesaid, or whenever it shall appear to the said examiner that it is unsafe or inexpedient for any such corporation to continue to transact business, he shall communicate the facts to the attorney general, who shall thereupon be authorized to institute such proceedings against any such corporations as are now or may hereafter be provided by law, in the case of insolvent corporations, or such other proceedings as the occasions may require. And if such corporation shall have been organized under the laws of any other state or territory, the said attorney general shall upon receiving such communication, if in his judgment the facts in the case are sufficient to warrant such action, give notice to such corporation that it is no longer authorized to do business in this state, by depositing such notice in the postoffice properly sealed and stamped, addressed to said corporation at its principal office in the state where incorporated, and thereupon said corporation shall cease to have any right in this state, and said notice may be published in the same manner as provided in section fourteen (14) of this act.

Officers handling funds must give bond.

SEC. 21. All officers of any building and loan association governed by this act, and doing business in this state, who sign or endorse checks, or handle any of the funds of such association, shall give such bonds or fidelity insurance for the faithful performance of their duties, as the board of directors may require, and no such officer shall be deemed qualified to enter upon the duties of his office until his bond is approved by the board of directors and the public examiner, with whom such bond shall be filed; *Provided*,

That the public examiner may require of any association at any time, such increase of said bond or additional sureties thereto, or such increase of said insurance as he may deem necessary for the protection of the members. The penalty for a failure of any association to file and maintain the bonds, or policy, as required by the provisions of this section, shall be a fine of one hundred (100) dollars for each day such association transacts business after such bond has become due under the provisions of this act. Said bond or policy shall be held in trust for the benefit and protection of the members of such association, and shall be enforceable by any member whenever cause of action shall accrue thereon.

SEC. 22. The name "Building and Loan Association," as used in this act, shall include all corporations, societies, organizations or associations doing a saving and loan or investment business, on the building society plan, whether mutual or otherwise, and whether issuing certificates of stock, which mature at a time fixed in advance or not.

Name, shall include, what.

SEC. 23. Any officer, director or agent of any foreign building and loan association, or any other person whomsoever, who shall, in this state, solicit subscriptions to the stock of such association, or who shall sell or issue, or knowingly cause to be sold or issued to a resident of this state any stock of such association while such association shall not have had the certificate of the public examiner authorizing it to do business in this state, as herein prescribed, or has not deposited, as required by this act, securities of the value and at the times herein prescribed, or before said association has complied with all the provisions of this act, or when said association shall have been notified and required to discontinue business in this state, as hereinbefore provided, shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not less than one hundred (100) dollars nor more than five hundred (500) dollars, or by imprisonment of not less than ten (10) days nor more than six (6) months, or both such fine and imprisonment, in the discretion of the court.

Officers, agents or others soliciting subscriptions for associations not qualified under this act, guilty of misdemeanor.

SEC. 24. Any officer, director, or agent of any building and loan association incorporated under the laws of this state, or any other person whatever, who shall sell or issue, or knowingly cause to be sold or issued, to any person not a resident of the county in which the home office of said association is located, or in the counties immediately adjacent thereto, any stock of said association, while said association does not have on deposit with the state auditor as required by this act, securities of the value and at the time herein prescribed, or while such association shall not have the certificate of the public examiner authorizing it to do business as herein prescribed, shall be guilty of a misdemeanor, and upon conviction therefor shall be punished by a fine of not less than one hundred (100) dollars, and

Issue of stock, misdemeanor if properly authorized.

not more than five hundred (500) dollars, or by imprisonment of not less than ten (10) days, nor more than six (6) months, or both such fine and imprisonment, in the discretion of the court.

Premiums for  
loans.

SEC. 25. Any premiums taken for loans made by any association governed by this act shall not be considered or treated as interest nor render such association amenable to the laws relating to usury.

Preferred  
stock  
prohibited.

SEC. 26. Every such association heretofore organized under the laws of this state or incorporated under this act are hereby prohibited from hereafter creating or issuing any preferred or non-contributing stock, but this section shall not prevent the issue of different series of stock.

Withdrawal of  
shares.

SEC. 27. Any shareholder whose stock has not been declared forfeited in such association and whose share or shares are not pledged upon a loan may withdraw such share or shares from the association at any time after one (1) year by giving at least sixty (60) days' notice in writing to the secretary of his intention to do so. Upon receipt of such notice the same may be considered a withdrawal by such person and the association may within sixty (60) days dispose of said stock and the member shall assign the same for that purpose. At the end of said sixty (60) days the association shall pay to the member so surrendering as follows: If said stock is not more than two years old all amounts paid in by such member upon such stock, except the sum paid as membership fee and fines, and the amount set apart upon such shares by said association as an expense fund, which expense fund, however, shall not exceed the amount fixed in this act; if such stock is more than two years old, the member upon such surrender shall receive in addition to the amount above specified at least three-fourths ( $\frac{3}{4}$ ) of all profits standing to the credit of such shares. *Provided*, that not more than one-half ( $\frac{1}{2}$ ) of the monthly installments received by such association for any month shall be used to pay withdrawals without consent of the board of directors. *Provided, further*, that the foregoing provisions in relation to withdrawals shall not apply to any association heretofore organized under the laws of this state which has issued shares of stock that matures at a fixed and definite time, nor shall the provisions of section 28, 29 and 31 of this act apply to any such association, but all stock hereafter issued by any such association shall have printed upon the back of every certificate, in large type, these words: "This stock has no surrender value, and cannot be withdrawn until it fully matures." But this provision shall not be so construed as to authorize any association heretofore or hereafter organized, except such as have heretofore adopted that system and issued suchs tock, from issuing any stock that shall mature at a fixed and definite time.

SEC. 28. Whenever any such association shall declare

any of its stock forfeited for non-compliance of the holder with any of its by-laws or regulations, the said stock shall, if one year old, be sold by said association at a monthly meeting thereof to the highest bidder; and it is made the duty of such association at any such sale to bid in the stock so offered at its then withdrawal value, and thereupon said stock shall be cancelled; but if a higher bid is received, the person making the highest bid shall have such stock assigned to him, and upon such sale said association shall pay to the member so forfeiting his stock the withdrawal value thereof, as fixed in section twenty-seven (27) of this act, less all the fines and arrearages charged against him.

Forfeited  
stock, how  
disposed of.

SEC. 29. Upon the death of a stockholder in any such association, except in cases where the stock matures at a fixed and definite time as aforesaid, his heirs or personal representatives shall, upon giving sixty (60) days' notice to the association, receive from such association the then withdrawal value of his shares agreeable to the provisions of section twenty-seven (27) of this act.

Death of  
stockholder.

SEC. 30. Every such association shall provide in its by-laws in what manner applications and bids for loans shall be received, and who shall be entitled to loans thereunder; such bids shall be opened at stated times, and all the money in the loan fund shall be loaned upon such bids, providing that the securities shall be in the amount and of the character stated in this act, and the amount bid shall not be less than the rate for any legal indebtedness under the laws of this state, the object of this section being to prevent such association from retaining in its loan fund any moneys actually bid for for the purpose of securing better bids, or inducing bidders to raise their bids, and to compel said associations to loan their funds to the highest and best bidders therefor. *Provided*, That the provisions of this section relating to bidding for loans shall not apply to associations which fix the rate of interest and premium annually by resolution of the board of directors, at a rate which will keep the money of such associations at all times safely invested and in which the system of bidding is not allowed.

Loans,  
applications  
and bids for.

SEC. 31. That no association governed by this act shall set apart as an expense fund, exclusive of admission fees, to exceed one (1) dollar per year upon each share of its stock, or assess any fines for non-payment of monthly installments, or otherwise, in excess of ten (10) cents per share, for the first month that the same shall be in arrears, and fifteen (15) cents per share per month, for every month thereafter.

Expense fund.

SEC. 32. That not more than three (3) of the officers of any such association incorporated under the laws of this state shall be members of the board of directors of such association; *Provided*, That no change shall be required

Board of  
directors.

under this section until the next annual meeting of such association.

Provisions of act must be complied with in sixty days.

SEC. 33. All corporations organized in this state and doing business in this or any other state as building and loan associations, shall comply with and be subject to all the provisions of this act within sixty (60) days after its passage, and shall be entitled to all the privileges and benefits thereof without reincorporating.

Proviso.

*Provided*, that all such companies, or associations incorporated prior to the passage of this act, not having at the time thereof securities to the amount of twenty-five thousand (25,000) dollars, may have until November first (1st), A. D. one thousand eight hundred and eighty-nine (1889), in which to make the full deposit of said sum, as provided in section six (6) of this act; but all such associations shall deposit all their securities during said time as provided in said section.

Act shall not apply to certain associations.

SEC. 34. This act shall not apply to any association organized under the laws of this state, which confines its loaning and business operations wholly to its county and the counties adjacent and adjoining thereto. *Provided*, That any association heretofore incorporated which desires to hereafter confine its business to adjacent counties as aforesaid, may file with the public examiner a statement to that effect, and also containing the names of those holding and the amount held by them of the stock of said association outside such counties, and so long as such association thereafter confines its sales of stock within the limits aforesaid it shall not be subject to the provisions hereof, and any sales of stock outside the limits of said counties made after filing of such statement by any officers, director or agent of any such association, shall subject such person to all the penalties prescribed in section twenty-four (24) of this act. *Provided, further*, That nothing in this section shall be so construed to prevent the bona fide sale or transfer of the individual stock of any member of such association.

Property subject to taxation.

SEC. 35. Every such association shall be assessed for and pay taxes upon its office furniture and fixtures, and all real estate acquired in the course of its business, and every stockholder in such association shall be assessed and pay taxes upon the shares held by him therein, the value of which said shares, for the purpose of taxation shall be fixed at the withdrawal value thereof, as provided in section twenty-seven (27) of this act, except in cases of such associations the stock of which heretofore or hereafter issued shall mature at a fixed time mentioned in section twenty-seven (27) of this act, and the value of the shares in any such association of all stock so issued as aforesaid for the purpose of taxation shall be fixed upon the basis of the aggregate amount paid in by a member, together with inter-

est thereon at the rate of six (6) per cent per annum computed on annual rates.

SEC. 36. It shall be the duty of the secretary of every such association incorporated under the laws of this state to make out and transmit to the auditor of every county in this state in which said association shall have shareholders on the first (1st) day of May in each year a statement containing the names of every person holding stock in such association in such county, and the amount and value of the respective shares of such stock at such date, upon the basis of its value as fixed in this act, and any failure to comply with the provisions of this section, by any such association, shall be deemed sufficient cause for proceedings under this act for forfeiture of the charter of the association so offending. The books and papers of every such association shall also be open, at all convenient times, for inspection by any assessor desiring to make examination thereof for the purposes of taxation. *Provided*, that no report shall be required under this section upon stock pledged as collateral security for a loan, so long as the amount of such loan exceeds the withdrawal value of such stock as fixed in this act, and when it shall exceed such value then only as to such excess.

Secretary to  
make state-  
ment to county  
auditor of  
amount and  
value of stock.

SEC. 37. It shall be the duty of every such association, not incorporated under the laws of this state, to make and forward to the public examiner upon the first (1st) day of May in each year, a statement containing the names and the withdrawal value of all its stock held and owned by residents of this state, together with the place of residence of every such stockholder, except those having loans or [as] provided in the foregoing section; and it shall be the duty of the said public examiner to make out and forward to the county auditors of the proper counties, a statement of the stock held by them. And it shall be the duty of the said county auditors, upon receiving the statements provided for in this and the foregoing sections, to furnish the assessors of each town in his county having such stockholders, with the names of such stockholders, and the value of their stock as given in such statements, for the purpose of assessment.

Foreign asso-  
ciation to make  
statement to  
public  
examiner.

SEC. 38. The public examiner shall receive and retain all the fees mentioned in this act and the same shall be in lieu of any allowance of clerk hire made necessary by the extra labor required by the provisions of this act.

Fees.

SEC. 39. At least thirty, (30) days prior to any annual or special meeting of any such association, a notice stating the time and place of such meeting shall be deposited in the postoffice of the headquarters of such association directed to each member at his address as the same appears at the time on the books of the association and when so deposited, postage prepaid, shall be deemed a legal and sufficient notice of any such meeting and there shall be attach-

Notice of  
annual  
meetings.

ed to and accompany such notice any proposed amendment or amendments to the articles of association or by-laws of such association and a statement of any officers to be elected at such meeting, and any member of any such association, entitled to vote at any such meeting, may vote in person or by proxy; but no person shall be appointed such proxy who shall not reside in the same county where the stockholder so appointing resides at the time of such appointment, except that stockholders residing outside the state may appoint proxies in any county in this state. And no person shall be appointed proxy in any case who is at the time an officer, agent or employee of any such association, and no person shall hold proxies to exceed five hundred (500) votes for any such meeting.

Proxies.

When act to take effect.

SEC. 40. This act shall take effect and be in force from and after its passage.

Approved April 22, 1889.

## CHAPTER 237.

[S. F. No. 564]

AN ACT TO AMEND SECTION FIVE (5), OF TITLE ONE (1), OF CHAPTER THIRTY-FOUR (34), OF THE GENERAL STATUTES, RELATING TO THE CONTINUANCE AND RENEWAL OF CORPORATIONS.

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

Corporations, renewal of.

SECTION 1. Section five (5), of title one (1), of chapter thirty-four (34), of the general statutes, is amended to read as follows:

"No such corporation shall be formed for more than fifty (50) years in the first instance, but any such corporation heretofore or hereafter formed or organized, under any general or special act, may be renewed from time to time for the period of not longer than fifty (50) years each, provided three-fourths ( $\frac{3}{4}$ ) of the votes cast at any regular election held for that purpose, are in favor of such renewal, and those desiring such renewal purchase the stock of those opposed thereto at its value; and *provided, further*, that railroad corporations formed pursuant to the provisions of this chapter may continue and be formed for any time the corporators may designate or provide in the articles of association.

Proviso.

"*Provided*, That the provisions hereof shall cease and lapse and all rights under its charter shall be void as to the St. Croix boom corporation after a period of three (3)