

year include in the tax levy a sufficient amount to provide for the payment of such interest as it accrues and for the accumulation of a sinking fund for the redemption of such bonds at their maturity.

30 years at 4 per cent.—Sec. 3. No bonds issued under this act shall run for a longer term than thirty years, or bear a higher rate of interest than four per cent per annum, payable semi-annually, but the place of payment of the principal and interest thereof and the denominations in which the same are issued shall be such as may be determined by the common council, and may be in the form of coupon bonds or registered certificates, so-called. All of such bonds shall be signed by the mayor, and be attested by the city clerk and countersigned by the city comptroller of the city issuing the same, and shall be sealed with the seal of such city; but the signatures to the coupons attached to said bonds, if any, may be lithographed thereon. None of said bonds shall be sold at less than par value and accrued interest, and then only to the highest responsible bidder therefor.

Sec. 4. This act shall take effect and be in force from and after its passage.

Approved April 18, 1911.

CHAPTER 263—S: F. No. 70.

An Act entitled "An Act to amend chapter 437 of the General Laws of Minnesota for the year 1909, relating to the establishment and maintenance of safety funds by companies transacting fire insurance business."

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

Dividends may be declared out of surplus profits.—Section 1. That section 3 of chapter 437 of the General Laws of Minnesota for the year 1909 be and the same hereby is amended to read as follows:

Section 3. After the date of filing any such resolution with the insurance commissioner, such company shall not make or declare or pay in any form any dividend upon its capital stock, exceeding eight per cent. per annum thereupon and six per cent. per annum upon the surplus funds to be formed hereunder, until after its guaranty surplus fund and its special reserve fund shall have together accumulated to an amount equal to its capital stock; and any part of the surplus profits of such company above such annual dividend, may be equally divided between and set apart to constitute the said guaranty surplus fund and the said

special reserve fund, which funds shall be held and used as hereinafter provided, and not otherwise. And any company doing business under this chapter, whose guaranty surplus fund and special reserve fund shall have together accumulated to an amount equal to its capital stock, may, from time to time, declare dividends out of its surplus profits in such amounts as its board of directors may prescribe, subject only to the limitation that the payment of such dividends shall not deplete its capital, nor reduce the aggregate amount of the guaranty surplus and special reserve funds to an amount less than the amount of its capital stock; and subject to the further limitation that no dividends exceeding 10% upon the capital stock shall be declared in any year if the payment thereof would reduce the aggregate amount of all surplus funds, including guaranty surplus and special reserve funds, below an amount equal to twice the capital. And any company doing business under this chapter, which shall declare or pay any dividend contrary to the provisions herein contained, shall forfeit its charter and be liable to be proceeded against by the attorney general for its dissolution.

Approved April 18, 1911.

CHAPTER 264—S. F. No. 89.

An Act to amend section 1286, Revised Laws 1905, as amended by chapter 188, General Laws of Minnesota for the year 1907, as amended by chapter 13, General Laws of Minnesota for the year 1909, relating to the change of boundary lines of school districts and the formation of new school districts.

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

Change of school district boundary lines in villages or cities of not more than 7,000 inhabitants.—Section 1. That section 1286 Revised Laws of 1905 as amended by chapter 188 of the General Laws of Minnesota for the year 1907, as amended by chapter 13, General Laws of Minnesota, for the year 1909, relating to the change of boundary lines of school districts and the formation of new school districts, be amended so as to read as follows:

Section 1286. By like proceedings, and upon petition of the majority of the freeholders of each district affected, qualified to vote at school meetings, the boundaries of any existing district may be changed, or two or more districts consolidated, or one or more districts annexed to an existing district. No change in the boundaries of a district by organization of a new district or