thereof may be paid prior to June 1st, and if so paid no penalty shall attach; the remaining one-half shall be paid at any time prior to November 1st following without penalty, but if not so paid then a penalty of ten per cent shall accrue thereon. If one-half such taxes shall not be paid prior to June 1st the same may be paid at any time prior to November 1st with accrued penalties to the date of payment added, and thereupon no penalty shall attach to the remaining one-half until November 1 following. Where the taxes delinquent after November 1 against any tract or parcel exceeds $100.00, the same may be paid in installments of not less than 25 per cent thereof, together with all accrued penalties and costs, up to the time of the next tax judgment sale, and after such payment, penalties, interest and costs shall accrue only on the sum remaining unpaid. Any county treasurer who shall make out and deliver or countersign any receipt for any such taxes without including all of the foregoing penalties therein, shall be liable to the county for the amount of such penalties.

Sec. 2. This act shall take effect and be in force from and after its passage.

Approved April 8, 1925.

CHAPTER 156—H. F. No. 644.

An act providing for the consolidation of two or more State Banks or Trust Companies in the same city or village.

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

Section 1.. State Banks or Trust Companies may consolidate. —Any two or more State Banks, operating in the same city or village, may be consolidated into a consolidated state bank, and any two or more Trust Companies, operating in the same city or village, may be consolidated into a consolidated Trust Company, and any one or more State Banks and any one or more Trust Companies, operating in the same city or village, may be consolidated into a consolidated State Bank or consolidated Trust Company, as the respective Boards of Directors thereof may determine. All such consolidations shall be affected in the manner herein provided and when so organized, such consolidated corporation shall be governed and conducted in all other respects as provided by the statutes relating to such respective classes of financial corporations.

Sec. 2. **Board of Directors to authorize consolidation.**—The respective Boards of Directors of such consolidating corporations may by the majority vote of all of the members of each board make or authorize to be made between such corporations a written consolidation agreement, in duplicate, for the consolidation of such corporations. Such agreement shall specify each corporation to be

a party to such consolidation and shall prescribe the terms and conditions thereof; the mode of carrying it into effect; the authorized capital stock of the consolidated corporation, which shall not exceed the aggregate authorized capital stock of all of the corporations that are a party thereto; the name of the consolidated corporation, which may be the name, in whole or in part, of any corporation which is a party to such agreement, and shall specify the city or village in which it shall have its principal place of business. It shall name the persons who shall constitute the Board of Directors of the consolidated corporation, but the number and qualifications of such persons shall be in accordance with the statutes relating to the number and qualifications of directors of such class of corporation.

Sec. 3. **Agreement and proceedings to be submitted to the Superintendent of Banks.**—Such consolidation agreement and certified copies of the proceedings of the meetings of the respective boards of directors, at which the making of such agreement was authorized, shall be submitted, to the Superintendent of Banks, for his approval and it shall not be effective until so approved by him. He shall take action thereon within twenty days after such documents are submitted to him, and he shall be entitled to such further information from the consolidated corporation as he may request, or as he may obtain upon a hearing directed by him.

Sec. 4. **Agreement to be submitted to stockholders.**—Either before or after such consolidation agreement has been approved by the Superintendent of Banks, it shall be submitted to the stockholders of each such corporation at a meeting thereof called for such purpose, and it shall not become binding upon such corporation until it shall have been approved at each of such meetings by the vote or ballot of the stockholders, holding at least a majority of the amount of stock of the respective corporations. Proof of the holding of such meetings and the results thereof shall be submitted to the Superintendent of Banks. After such consolidation agreement shall have been so approved by the stockholders of the respective corporations and by the Superintendent of Banks, the latter shall issue a certificate reciting that such corporations have complied with the provisions of this act and declaring the consolidation of such corporations; the name of the consolidated corporation, the amount of capital stock thereof and the names of the first Board of Directors, and the place of business of such consolidated corporation, which shall be within the city or village where any one of said constituent corporations shall have been previously authorized to have its place of business. Upon the issuing of such certificate and the filing thereof for record in the office of the Secretary of State, and also in the office of the Register of Deeds within and for the county in which said consolidated corporation is authorized to have its principal place of business, such incorporation shall be deemed to be complete, and such consolidated corporation shall from the date

of such certificate have such term of corporate existence as may be therein specified not exceeding the longest unexpired term of any constituent corporation. The certificate of the Superintendent of Banks shall be prima facie evidence that all of the provisions of this Act have been complied with and shall be conclusive evidence of the existence of such consolidated corporation.

Sec. 5. **Corporate existence of both to be merged.**—Upon the consolidation of any such corporation, with any one or more corporations, into a consolidated corporation, as herein provided, the corporate existence of each former corporation shall be merged into that of the consolidated corporation, and all and singular its rights, privileges, and franchises, and its right, title and interest in and to all property of whatsoever kind, whether real, personal, or mixed, and all things in action, and every right, privilege interest or asset of conceivable value or benefit then existing which would inure to it under an unmerged or unconsolidated existence shall be deemed fully and finally transferred to and vested in the consolidated corporation without further act or deed and such last mentioned corporation shall have and hold the same in its own right as fully as the same was possessed and held by the former corporation from which it was, by operations of this act, transferred. Its rights, obligations, and relations to any person, creditor, depositor, trustee, or beneficiary of any Trust, shall remain unimpaired and the corporation into which it shall have been consolidated shall succeed to such relations, obligations, trusts, and liabilities and shall execute and perform all such trusts in the same manner as though it had itself assumed the relation or trust, or incurred the obligation or liability; *and its liabilities and obligations to creditors existing for any cause* whatsoever shall not be impaired by such consolidation, nor shall any obligation or liability of any stockholder in any corporation, which is party to such consolidation, be affected by any such consolidation, but such obligations and liabilities shall continue as fully and to the same extent as existed before such consolidation. The consolidated corporation shall become, without further act or deed, the successor of the consolidating corporations in any and all fiduciary capacities, in which each such consolidated corporation may be acting at the time of such sonsolidation, and shall be liable to all beneficiaries as fully as if such consolidating corporations had continued its separate corporate existence. If any consolidating corporation shall be nominated and appointed or shall have been nominated or appointed as executor, guardian, administrator, agent or trustee, or in any other trust relation or fiduciary capacities in any will, trust agreement, trust conveyance or any other conveyance, order or judgment of any Court, or any other instrument whatsoever prior to such consolidation, (even though such will or other instrument shall not become operative or effective until after such consolidation shall have become effective) every such office, trust

relationship, fiduciary capacity, and all of the rights, powers, privileges, duties, discretions, and responsibilities so provided to devolve upon, vest in, or inure to the corporation so nominated or appointed, shall fully and in every respect devolve upon, vest in, and inure to, and be exercised by the consolidated corporation, whether there be one or more successive mergers or consolidations.

Sec. 6. **Not to effect pending actions.**—Any pending action or other judicial proceeding in which any consolidating corporation is a party shall not be deemed to have abated, or to have discontinued by reason of the consolidation, but may be prosecuted to final judgment, order, or decree in the same manner as if the consolidation had not been made, or the consolidated corporation may be substituted as a party to such action or proceeding, and any judgment, order or decree may be rendered for or against it that might have been rendered for or against such corporation if the consolidation had not occured.

"Sec. 7. **Stockholders may object.**—Any stockholder not voting in favor of such agreement of consolidation at the meeting prescribed in Section 4 of this act, may at such meeting or within twenty days thereafter object to the consolidation and demand payment for his stock. If the consolidation takes effect at any time after such demand, such stockholder may, at any time within sixty days thereafter, apply to the district court in the county wherein is situated the principal place of business of the corporation with which the other or others are consolidated, for the appointment of three persons to appraise the value of his stock. The court shall thereupon appoint such appraisers and designate the time and place of their first meeting, with such directions in regard to their proceedings as shall be deemed proper, and shall also direct the time and manner in which payment shall be made of the value of such stock to such stockholder. The appraisers shall meet at the time and place designated, and, after being duly sworn to discharge their duties honestly and faithfully, they shall make and certify a written estimate of the value of such stock at the time of the appraisal, and shall deliver one copy to the corporation and another to such stockholder if demanded. The charges and expenses of the appraisers shall be paid one-half by the stockholder and one-half by the corporation. When the corporation shall have paid the appraised value of such stock, such stock shall be cancelled and such stockholder shall cease to be a member of said corporation or to have any interest in such stock or in the corporation or in the corporate property, and such stock may be held and disposed of by the corporation for its own benefit."

Approved April 8, 1925.