

sale of refunding bonds under authority of its city charter for the purpose of funding the maturing principal and interest of bonds heretofore issued under the authority contained in said Laws 1919, Chapter 41, such proceedings already had are hereby legalized and declared to be valid and of full force and effect; and the city council of any such city is hereby authorized to complete the proceedings for the issuance of such refunding bonds, in accordance with such ordinance and the charter of such city, and to issue the bonds of such city in such amount as may be necessary to fund such outstanding indebtedness. Provided, that such refunding bonds shall be paid in installments as provided by Laws 1927, Chapter 131, Section 5, and that prior to the issuance of such refunding bonds the city council shall levy a tax for the payment thereof, in the manner prescribed by Laws 1927, Chapter 131, Section 5.

✓ Approved February 23, 1933.

CHAPTER 38—S. F. No. 1024

An act relating to the time of payment of personal property taxes for the year 1933.

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

Section 1. Personal property tax to be delinquent after April 1.—All unpaid personal property taxes due and payable in the year 1933 shall be deemed delinquent on April 1 next after they become due, and thereupon a penalty of ten per cent shall attach and be charged upon all such taxes.

Sec. 2. Effective on passage.—This Act shall take effect and be in force from and after its passage.

Approved February 28, 1933.

CHAPTER 39—H. F. No. 906

An act relating to state banks and providing for the reorganization thereof under certain circumstances by agreement between the depositors and unsecured creditors of such banks, approved by the commissioner of banks.

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

Section 1. Bank directors may suspend business.—Whenever the board of directors of a bank organized and existing by

virtue of the laws of the State of Minnesota by resolution determine that it is unsafe and inexpedient for said bank to continue in business, it shall be lawful for said board to suspend temporarily the business of said bank for a period of not more than 15 days. The board of directors shall thereupon immediately present to the commissioner of banks a plan of reorganization calculated to put said bank in a safe condition and for continuing said bank as a going institution. The Commissioner of Banks shall forthwith make an investigation of the assets and liabilities of said bank and determine its financial condition and whether said plan is for the best interests of the depositors. Upon approval in writing by the commissioner of banks of said plan, the same shall become effective when assented to in writing by the owners of not less than 90% of the total amount of deposits and unsecured claims of such bank, provided that by the total amount of deposits and unsecured claims is meant the total thereof after excluding therefrom all deposits mentioned in Section 3 of this Act and deposits that may not be legally reduced without an order of Court or otherwise, and provided that the Commissioner of banks is satisfied that the stockholders have made such contribution to the assets of the bank as the Commissioner of Banks may deem just and equitable. Thereafter, all other depositors and unsecured creditors shall be subject to such agreement and plan to the same extent and with the same effect as if they had joined in the execution thereof and had consented thereto; and the claims of such persons shall be thereafter treated in all respects the same as if they had joined in the execution of said agreement and consented thereto. That whenever under such an agreement and plan there has been a reduction of the amount or value of deposits and unsecured claims, if during the two years following the date of such agreement there shall be an increase in the total value of the assets and securities owned by the bank at the time of such agreement or in assets and securities substituted therefor, which increase is more than 5% of the value at the time of such agreement such surplus increase shall be redistributed to the holders of such deposits and unsecured claims, or their assigns which were reduced. Provided, that nothing contained in any such agreement shall be construed to release any stockholder of any such bank from liability upon his stock nor as releasing any person or corporation as surety or otherwise to any depositor and any such agreement purporting to release any such stockholder or person or corporation liable as surety shall be void. All remedies provided by law for enforcing stockholders' liability or the liability of any surety are hereby preserved.

Sec. 2. No business to be transacted during suspension.— During said period of suspension, no banking business shall be transacted by the suspended bank, and no other banking institution

having knowledge of such suspension shall honor drafts, checks, or other items of exchange drawn by or on such suspended bank.

Sec. 3. **Exceptions.**—Deposits of the United States, of the State of Minnesota, and of the counties, cities, villages, boroughs, townships and school districts of said state are exempt from the operation of this act.

Sec. 4. **Effective until January 15, 1935.**—This act shall take effect and be in force from and after its passage until January 15th, 1935; provided that it is hereby declared as legislative intent that an emergency exists under the police power of the state, and that at any time prior to said date of January 15, 1935, the Governor may make, and file in the office of the Secretary of State, an order suspending and rendering inoperative all of the provisions of this act, and thereupon this act and all of the provisions thereof shall be in all matters suspended and inoperative, except as to those banks that may then have been reorganized under the provisions of this act.

Sec. 5. **Provisions separable.**—If any section, sub-section, clause or phrase of this act is for any reason held to be unconstitutional or invalid, such decision shall not effect the validity of the remaining portions of this act.

Approved February 28, 1933.

CHAPTER 40—H. F. No. 339

An act authorizing the renewal of the period of corporate existence of certain co-operative companies and associations.

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

Section 1. **Corporate existence renewed.**—That any co-operative company or association organized under the laws of this state, whose period of duration has expired less than ten years before the passage of this Act, and which has continued to carry on its business without renewal, may renew the period of its corporate existence for an additional term not to exceed 20 years from the date of such expiration, with the same force and effect as if such renewal had been effected before its said period of duration expired, by taking the proceedings provided by law for the renewal of the corporate existence of such corporation in cases where such renewal is made before the end of its period of duration. Provided, however, that the proceedings to obtain such renewal shall be taken within six months after the passage of this act. And provided,