

Sec. 6. **School districts to continue operation.**—Any Common school district of ten (10) or more townships and less than ten (10) schools, operating under Chapter 84, Laws of 1927, during the years 1927 to 1933, and which school district continued to operate pursuant to and under Chapter 84, Laws of 1927, after said laws were amended by Chapter 391, Laws of 1933, shall continue to operate and exist as herein set forth. It is hereby provided that acts and proceedings of such school districts, the annual meetings, boards of education and voters thereof which such school districts operated and followed Chapter 84, Laws of 1927, after said act was amended by Chapter 391, Laws of 1933, are hereby validated and legalized insofar as any such acts or proceedings of such school district, board of education, annual meeting and voters were affected by the provisions of Chapter 391, Laws of 1933.

Sec. 7. **Exceptions.**—Except as herein provided, Common school districts having ten (10) or more townships and less than ten (10) schools shall have and exercise all powers and be subject to the same laws as Common school districts of ten or more townships.

Sec. 8. **Law repealed.**—Chapter 84, Laws of 1927, and Chapter 391, Laws of 1933, are hereby repealed.

Sec. 9. This act shall take effect and be in force from and after its passage.

Approved April 14, 1937.

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#### CHAPTER 222—H. F. No. 1400

*An act to provide for the election and qualification of directors in building and loan associations.*

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

**Section 1. Election and qualifications of directors of building and loan associations.**—That at the annual meeting of a building and loan association the members or shareholders shall elect from their own number a board of directors of not less than five members, all of whom shall hold office for one year and until their successors are elected and qualify. A record of the names and addresses of the members of the board and the officers shall be filed with the Commissioner of Banks within ten days after their election. A vacancy in the board of directors may be filled by the remaining directors; provided, however, that not more than one-third of the members of the board may be so filled during any one year.

Sec. 2. Each director of a building and loan association whose total assets are less than \$300,000 shall actually own in his own name at least \$100 book value of the accumulated stock of the association, and where total assets exceed \$300,000 at least \$500 book value of the accumulated stock of the association.

Approved April 14, 1937.

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CHAPTER 223—H. F. No. 1401

*An act authorizing federal savings and loan associations to convert themselves into building and loan associations under the laws of Minnesota.*

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

Section 1. **Federal Savings and Loan Associations may convert themselves into building and loan associations.**—Any federal savings and loan association may convert itself into a building and loan association under the laws of the State of Minnesota upon the affirmative vote of 51 per cent or more of the votes cast at a legal meeting called to consider such action pursuant to the laws of the State of Minnesota and such rules and regulations as the Commissioner of Banks finds necessary and proper.

Approved April 14, 1937.

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CHAPTER 224—H. F. No. 1402

*An act to amend Laws 1931, Chapter 238, relating to contingent or reserve funds of building and loan associations.*

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

Section 1. **Reserve funds of Building and Loan Associations.**—That Laws of 1931, Chapter 238, be amended to read as follows:

"7753-1. Every association shall accumulate a fund to be known as a contingent or reserve fund by setting aside each semi-annual accounting period at least two per cent of its net earnings until the fund shall ultimately be equal to at least five per centum of its accumulated capital or to at least fifty per centum of the book value of all real estate owned by it, *whichever amount is the greater.* Such fund