

SEC. 12. If the said work of constructing said reservoirs and appendages shall not be commenced within eighteen months from the date of the approval of this act, and one mile of pipe laid within the city limits, and a supply of water furnished within three years, the same shall be null and void.

SEC. 13. The legislature may alter or amend this act at any time. Legislature may amend.

CHARLES GARDNER,  
*Speaker of the House of Representatives.*  
JOHN. B. BRISBIN,  
*President of the Council.*

APPROVED—March first, one thousand eight hundred and fifty-six.

W. A. GORMAN.

I certify the foregoing to be a correct copy of the original bill on file in this office.

J. TRAVIS ROSSER, *Secretary of Minnesota Territory.*

## CHAPTER CLVII.

*An Act to Authorize the Formation of Corporations for Mining, Smelting, or Manufacturing Iron, Copper, Mineral, Coal, Silver, or other Ores or Minerals, and for other Manufacturing Purposes.*

- SECTION 1. Rights of corporations organized under this act.
2. Created bodies corporate.
  3. File articles of association.
  4. To be signed by persons associating; statements.
  5. Make report.
  6. Amount of capital stock.
  7. Purposes to be specified in articles of association.
  9. Affairs by whom to be managed.
  10. Choose officers; term of office.
  11. Directors may call in subscription; sale of stock of delinquents.
  12. Quorum.
  13. Corporation not to be dissolved if an election is not held.
  14. Books open for inspection.
  15. Power to acquire and hold estate.
  16. Stock deemed personal property.
  17. Stockholders individually liable.
  18. Make annual reports of amounts of mineral mined.
  19. Report amount of capital paid in.
  20. Amount of taxes to be paid.
  21. Specific tax of one half per cent.
  22. Service of legal processes; on whom made.
  23. Punishment for refusal to comply with the provisions of this act.
  24. Directors liable for debts, in case of insolvency.
  25. Legislature may rescind powers.

*Be it enacted by the Legislative Assembly of the Territory of Minnesota.*

SECTION 1. All Corporations organized and established under the provisions of this Act, shall be capable of suing and being sued in any Court in this Territory, and may have a common seal, and alter and

## LAWS OF MINNESOTA.

amend the same at pleasure ; may elect in such a manner as they shall determine all necessary officers, may fix their compensation and determine their duties, and make from time to time such by-laws, not inconsistent with the constitution of the United States and the laws of this Territory, as a majority of the stockholders shall direct.

**Body corporate** Sec. 2. Any number of persons not less than three, who shall, by articles of agreement in writing, associate according to the provisions of this act, under any name assumed by them, for the purpose of engaging in, and carrying on any kind of mining or manufacturing business, and who shall comply with the provisions of this act, shall, with their successors and assigns, constitute a body politic or corporate in fact and name, under any name assumed by them in their articles of association : Provided, no two Companies shall assume the same name.

**File articles of association** Sec. 3. Before any corporation formed under this act shall commence business, the President and Directors shall cause their articles of association to be filed with the Secretary of this Territory, and with the Clerk of the Board of County Commissioners of the county or counties in which such corporation shall conduct its mining or manufacturing business, which said articles shall be recorded in said office at length, in books prepared for that purpose, at the expense of said corporation.

**Statements** Sec. 4. The articles of every such association shall be signed by the persons associating in the first instance, and acknowledged before some person authorized by the laws of this Territory to take acknowledgments of deeds, and shall state :

First—Distinctly and definitely the purpose for which the same is formed.

Second—The amount of their capital stock and the number of shares.

Third—The amount of capital stock actually paid in.

Fourth—The names of the stockholders, their respective residences and the number of shares held by each person.

Fifth—The place in this Territory, where their office for the transaction of business is located, and the county or counties in which their business is to be carried on.

Sixth—The term of its existence not to exceed thirty years.

Sec. 5. Every such corporation shall annually, in the month of July, make a report signed by a majority of the (board of) Directors containing :

First—The amount of capital actually paid in.

Secondly—The amount invested in Real Estate.

Thirdly—The amount of Personal Estate.

Fourthly—The amount of their debts and credits, as near as may be.

Fifth—The name of each stockholder, and the number of shares held by him at the date of such report ; and every such report shall be verified on oath by the officers signing the name ; and if any person shall, as to any material facts, knowingly swear or affirm falsely, he shall be guilty of perjury, and punished accordingly.

**Capital stock** Sec. 6. The amount of capital stock in every such corporation, shall be fixed and limited by the stockholders in their articles of association, and shall, in no case, be less than ten thousand dollars, nor more than five hundred thousand dollars, and shall be divided into shares of twenty-five dollars each. The capital stock may be increased, and the number of shares, at any meeting of the stockholders called for that purpose : Provided, that the amount so increased shall not, with the existing capital, exceed five hundred thousand dollars.

Sec. 7. The purposes for which every such corporation shall be estab-

fished, shall be distinctly and definitely specified in the articles of association, and it shall not be lawful for said corporation to appropriate its funds <sup>Powers to be specified</sup> to any other purpose.

SEC. 8. When any corporation shall be formed under this act, any First meeting two of those associates may call the first meeting of the corporation at such time and place as they may appoint, by giving notice thereof, by publishing the same in some newspaper at least fifteen days before the time appointed for such meeting.

SEC. 9. The stock, property and affairs of such corporation, shall be <sup>Affairs, by whom managed</sup> managed by not less than three nor more than nine Directors, as the articles shall determine, one of whom shall be a resident of this Territory. They shall hold their offices one year, and until their successors shall be duly chosen.

SEC. 10. The directors of every such corporation shall choose one of <sup>choose officers</sup> their number President, and such other officers as their articles of association and by-laws may require, who shall hold their offices one year, or until a majority of the stockholders choose others in their stead. The Directors, for the time being, shall have power to fill any vacancy which (may) happen in their board by death, resignation or otherwise, for the current year.

SEC. 11. The Directors may call in the subscription to the capital <sup>Call in subscription</sup> stock of such corporation by instalments, in such portion and at such times and places as they shall think proper, by giving notice thereof as the by-laws shall prescribe; and in case any stockholder shall neglect or refuse payment of any such instalment for the space of eighty days after the same shall have become due and payable, and after he has been notified thereof, the stock of such delinquent stockholder may be sold by the Directors at public auction, at the office of the Secretary of the corporation, giving at least thirty days notice in some newspaper published in the county: Provided, that if said stockholder shall reside in this Territory, the stock shall be sold at the business office of said corporation, in the county in which they are doing business, giving at least thirty days notice thereof, in some newspaper be published in the county; if no newspaper published in such county in which said corporation transact their business, then it shall be published in some newspaper in the City of St. Paul, and the proceeds of such sale shall be first applied in payment of the instalment called for and the expenses on the same, and the residue shall be refunded to the owner thereof; and such sale shall entitle the purchaser to all the rights of a stockholder to the extent of the shares so bought.

SEC. 12. A majority of the Directors of every such corporation, <sup>Quorum</sup> convened according to the by-laws shall constitute a quorum for the transaction of business, and those holding a majority of the stock at any meeting of the stockholders, shall be capable of transacting the business of the meeting; and at all meetings of such stockholders, each share shall be entitled to one vote. Stockholders may appear and vote in person or by proxy, duly sworn.

SEC. 13. If it shall so happen that an election of Directors shall not take place at the annual meeting, such corporation shall not be dissolved, <sup>Not to be dissolved if an election is not held</sup> but the election may be held at any time thereafter by giving thirty days notice of the time and place of such election in the manner provided in the eleventh section.

SEC. 14. The books of every such corporation, containing the accounts, shall at all reasonable times be open for the inspection of any of the stock- <sup>Books open for inspection</sup>

holders; and as often as once in each year, a statement of the accounts of such corporation shall be made by order of the Directors, and laid before the stockholders.

*Acquire and hold estate* SEC. 15. Every such corporation shall, by their name, have power to acquire and hold all such real and personal estate, as shall be necessary for the purpose of carrying on the business of such corporation: Provided, that their real estate shall not exceed three thousand acres.

*Stock deemed personal property* SEC. 16. The stock of every such corporation shall be deemed personal property, and shall be transferred only on the books of such Company, in such form as the Directors may prescribe, and such corporation shall at all times have a lien upon the stock or property of its members invested therein, for all the debts due from them to such corporation, which may be enforced by advertisement and sale in the manner herein provided for selling delinquent stocks; and all purchasers at such sale shall be entitled to the rights of stockholders.

*Individually liable* SEC. 17. The stockholders of all corporations founded upon this act, shall be individually liable for all labor performed for such corporation or association; which said liability may be enforced against any stockholder, by an action founded on this statute at any time after an execution shall be returned not satisfied against said company: Provided always, that if any stockholder shall be compelled by any such action to pay the debts of any creditor, or any part thereof, he shall have the right to call upon all the stockholders to contribute their part of the sum so paid by him as aforesaid, and may sue them jointly or severally, or any number of them, and recover in such action the rateable amount due from the person or persons so sued.

*Annual report* SEC. 18. Every such corporation formed for mining purposes, shall annually in the month of July in each year, make a report, which shall state the amount of copper, iron, or other mineral which such company may have mined within the year past, which report shall be signed by the President and a majority of the Directors, and shall be verified by the oath of the Secretary or other officer making the same, and be filed in the office of the Clerk of the Board of County Commissioners in which the business of any such corporation is carried on, and a duplicate thereof in the office of the Auditor General.

*Report of capital* SEC. 19. Every corporation formed under the provisions of this act for the purpose of carrying on manufacturing business shall annually, in the month of July, in each year, make a report, which shall state the amount of capital actually paid in, and the amount borrowed by such company, and remaining unpaid in whole or in part; which report shall be signed by a majority of the Directors, and verified by the oath of the Secretary or other officers making the same, and be filed in the office of the Clerk of the Board of County Commissioners in which the business of any such corporation is carried on, and a duplicate thereof in the office of the Auditor General.

*Amount of taxes* SEC. 20. All corporations formed under the provisions of this act, for the purpose of mining, shall pay into the Territorial Treasury, specified taxes as follows: that is to say, every such corporation engaged in copper mining, shall pay a tax of \$1 for each ton of copper or mineral obtained; every such corporation engaged in iron mining shall pay a tax of 10 cents for each ton of iron obtained; and every such corporation engaged in coal mining, shall pay a tax of 1 cent for each ton of coal obtained, by such corporation in such mining business which taxes shall be paid annually in the month of July, at the office of the Territorial Treasurer, or

such place in the city of St. Paul, as he may designate; and the same shall be in lieu of all Territorial taxes to be paid by such corporation respectively; Provided, nothing herein shall exempt from Territorial taxation, any property of said corporation not invested in the said mining or manufacturing business contemplated in this Act.

SEC. 21. All corporations formed under the provisions of this act for manufacturing purposes, shall pay to the Territory a specific tax of one half per cent on the amount of their capital stock paid in, and also money borrowed, which for this purpose shall be considered as capital stock of such corporations. The said tax shall be paid on the 1st day of September, at the office of the Territorial Treasurer, or such place in the city of St. Paul as he may designate, and the same shall be in lieu of all Territorial taxes to be paid by each corporation respectively.

SEC. 22. Service of any legal processes against any corporation formed under this act, may be made on the President, Secretary or agent or if neither of them can be found in the county in which, by their articles of association, they are to do their business, then such service may be made by posting a true copy thereof, at some conspicuous place at the business office of the company in said county.

SEC. 23. If the Directors of any such company shall intentionally neglect or refuse to comply with the provisions, and to perform the duties required of them by section three, five, eighteen and nineteen of this act, they shall be jointly and severally liable in an action founded on this statute, for all debts of such corporation contracted during the period of such neglect or refusal, shall be guilty of a misdemeanor, and may, on conviction thereof, be fined a sum not exceeding five thousand dollars, or imprisoned for a term not exceeding two years, or both, in the discretion of the Court.

SEC. 24. If any such corporation organized and established under this act, shall wilfully violate any of its provisions, and shall thereby become insolvent, the Directors ordering or assenting to such violation, shall jointly and severally be liable in an action founded on this statute, for all debt contracted after such violation.

SEC. 25. The Legislature may at any time, for just cause, rescind the powers of any corporation created pursuant to the provisions of this act, and prescribe such mode as may be necessary or expedient for the settlement of its affairs. The Legislature may repeal, alter or amend this act.

CHARLES GARDNER,  
*Speaker of the House of Representatives.*

JOHN B. BRISBIN,  
*President of the Council.*

APPROVED—March first, one thousand eight hundred and fifty-six.

W. A. GORMAN.

I hereby certify the foregoing to be a correct copy of the original bill on file in this office.

J. TRAVIS ROSSEY,  
*Secretary of the Territory of Minnesota*

*Specific tax*

*Services of legal process*

*Punishment for refusal to comply*

*Directors liable for debts*

*Legislature may amend.*