

Powers of
corporation.

SEC. 3. When such articles are so made, recorded, published and said affidavit is so filed the persons so signing said articles and their successors from time to time shall constitute and be a corporation by the name in such articles assumed or adopted and it shall have all the powers of corporations at common law and it may sue and be sued by its corporate name, have perpetual succession, adopt a corporate seal, which it may change at pleasure, and it shall have power in its corporate name to acquire and receive by purchase, gift, grant, devise and bequest any property, real, personal or mixed and the same to hold, sell, convey, assign, loan, lease or otherwise use for the purposes named in its articles, and for such time and in such manner as may be directed by any grantor or testator who may make a gift, devise or bequest to such corporation, to be administered and used to furnish relief and charity for the worthy poor who may reside from time to time in a locality designated by such donor or testator, and such corporation shall have no power to divert any gift, grant or bequest from the specific uses and purposes designated by any donor or testator.

Court to have
visitorial pow-
ers.

SEC. 4. No corporation organized under this act shall have any capital stock and any court of equity in this state on its own motion or on application so to do, may have and exercise visitorial powers over the officers and affairs of any corporation organized under this act.

SEC. 5. This act shall take effect and be in force from and after its passage.

Approved April 17th 1895.

S. F. No. 569.

CHAPTER 159.

Indigent loan
corporations.

An act to provide for the incorporation of companies designed to loan moneys to the indigent and defining the powers and liabilities of such companies.

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

Object.

SECTION 1. Any number of persons, freeholders and residents of this state not less than nine of whom one at least shall at the date of the execution of the articles of incorporation of said company be a member of the state board of corrections and charities, or be designated by said state board of corrections and charities, may associate themselves and become incorporated by complying with the provisions of this act, for the

purpose of aiding such persons as said corporation shall deem in need of pecuniary assistance by loans of money at interest upon the pledge or mortgage of personal property.

SEC. 2. The provisions of title two of chapter 34, of general statutes Minnesota, 1878, in reference to the methods of organizing shall apply to and be observed by corporations organized under this act, and corporations so established shall have the same powers and privileges and be subject to the same duties, liabilities and restrictions as other corporations established under the same title except as in this act otherwise specifically prescribed. Organization.

SEC. 3. The board of directors of such corporations shall consist of not less than five persons, who shall be freeholders and residents of this state, and of such directors one at least shall always be a member of the state board of corrections and charities, or a person designated by the state board of corrections and charities, and the compensation of such last named director, in case he receives any compensation, shall be paid by such corporation. Directors.

SEC. 4. No such corporation shall begin to do business until the full amount of its capital stock as stated in its articles of incorporation, or any amendment thereof, shall have actually been paid in in cash, and no such corporation shall ever pay to its stockholders either directly or indirectly, as dividends or earnings, a greater return upon their stockholdings than six per cent per annum and any and all profits and surplus which such corporation shall accumulate after paying such dividend of six per cent per annum shall be applied in reducing interest charges as much below two per cent per month as in the judgment of its directors can reasonably be done. Stock to be paid up.

SEC. 5. No such corporation shall begin to do business until it shall have presented to the state board of corrections and charities, a copy of its articles of incorporation and by-laws, a list of stockholders and the amounts actually paid in money by each of them for the stock they respectively hold, a statement in writing of the plan upon which it proposes to do business and such other information as said state board of corrections and charities may exact or demand, nor until said state board of corrections and charities shall have authorized such corporation to so begin business. To be authorized by state board of corrections and charities.

SEC. 6. When any such corporation has disposable funds it shall loan on all goods and chattels offered, which come within the limitations and conditions it may prescribe in its by-laws, in the order in which they To loan on chattels.

are offered with this exception, that it may always discriminate in favor of small loans to the indigent and that it shall not loan by mortgage on property which is situated at the time of making the loan outside the county in which is the principal place of such corporation's business as named in its articles of incorporation.

Interest not to exceed 2% per month.

SEC. 7. Such corporations may charge interest at a rate not exceeding two per cent a month, and in addition thereto may charge a reasonable fee not exceeding one dollar in any one case for the examination of property offered as security, and the actual expenses of executing, filing or recording the necessary papers. But no charge shall be made for making a preliminary examination when the loan is not made, nor for the examination of property offered at the office of the corporation for pledge, nor shall any bonuses or renewal fees be charged for making, renewing or extending any loan.

Period of loan. Redemption.

SEC. 8. All loans shall be for a time fixed and not more than one year, and the mortgagor or pledger shall have a right to redeem his property mortgaged or pledged at any time before it is sold in pursuance of the contract between the parties, or before the right of redemption is foreclosed on payment of the loan, interest at the rate agreed on and actual outlays of the corporation in foreclosing or otherwise enforcing its rights up to the time of the offer to redeem.

Mortgagors evidence.

SEC. 9. The corporation shall give to each pledgor a card inscribed with the name of the corporation, a brief description of the article or articles pledged, the name of the pledgor, the amount of the loan, the rate of compensation, the date when made, and the date when payable.

Proceedings after foreclosure.

SEC. 10. Property pledged to the corporation must be held at least thirty days after default, unless sooner redeemed, and the net surplus actually received by the corporation in money from the sale on foreclosure of any chattels mortgaged or from the sale of any property pledged, if such sale is made within six months from the date of such default, after paying loan charges, interest and expenses of sale, shall be held for six months for the owner and paid to him on demand without interest. In case such surplus is not called for by the owner within such time, it shall become the property of the corporation.

Under jurisdiction of public examiner.

SEC. 11. The public examiner of the state shall have access to the vaults, books and papers of the corporation, and it shall be his duty to inspect, examine and inquire into its affairs, and to take proceedings in regard to them in the same manner and to the same extent as

if said corporation were a savings bank, subject to all the general laws which are now or hereafter may be in force relating to such institutions in this regard, except that the returns required to be made to the public examiner shall be in the form of a trial balance of the corporation's books, and shall specify the different kinds of its liabilities and the different kinds of its assets stating the amount of each kind, together with such other information as may be called for by said examiner, *provided* however, that said examiner may cause any examination to be made by an expert under his direction, but at the expense of the corporation.

SEC. 12. This act shall take effect and be in force from and after its passage.

Approved April 25th 1895.

CHAPTER 160.

S. F. No. 405.

An act to provide for the care and keeping of dependent children during or subsequent to the examination to determine their dependent condition.

Care of dependent children.

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

SECTION 1. No county commissioner, sheriff, or other person having the temporary care or custody of any child or children, during or subsequent to the examination to determine his or their alleged dependent or neglected condition, preparatory to his or their commitment to the state public school, shall commit or confine said child in any jail or prison, but such county commissioner, sheriff or other person so having the care or custody of such child or children shall provide suitable accommodation for them at some home or place other than a jail or prison, and the necessary expense for so caring for and keeping said child or children shall be audited and allowed by the board of county commissioners of the county where such examination is being held and paid by the treasurer of said county as other county expenses are paid.

Not to be confined in jail.

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

Approved April 5th, 1895.