

of the company remaining after its retirement shall be not less than the temporary capital so established. At the time for the retirement of such capital stock the holders shall be entitled to receive from the company the par value thereof and any dividends thereon due and unpaid, and thereupon the stock shall be surrendered and canceled, and the right to vote thereon shall cease.

Sec. 2. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its passage.

Approved April 12, 1907.

CHAPTER 163—S. F. No. 173.

An Act to regulate the investment of the funds and the real estate holdings of life insurance companies.

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

Domestic life insurance companies—how investments are to be made.—Section 1. No domestic life insurance company, whether incorporated by special act or under a general law shall, after the first day of January, 1908, invest in or loan upon any shares of stock of any corporation, other than a municipal corporation; nor, excepting government, state or municipal securities, shall it invest in, or loan upon, any bonds or obligations not secured by adequate collateral security and when more than one-third of the total value of the collateral security shall consist of shares of stock, it shall be deemed inadequate. Every such company possessed of stocks or securities prohibited by this act shall dispose of the same within five years, unless such time is extended by the commissioner of insurance.

No investment or loan, except policy loans, shall be made by any such life insurance company, unless the same shall first have been authorized by the board of directors, or by a committee thereof charged with the duty of supervising such investment or loan. No such company shall subscribe to or participate in any underwriting of the purchase or sale of securities of property, or enter into any transaction for

such purchase or sale on account of said company jointly with any other person, firm or corporation; nor shall any such company enter into any agreement to withhold from sale any of its property, but the disposition of its property shall be at all times within the control of its board of directors. Any such company, in addition to other investments allowed by law, may invest any of its funds and accumulations in the bonds of the United States, or of this state, or of any county, city, town or village, or duly organized school district therein, or of any municipality or civil division of any state, and may loan upon improved unincumbered real property in any state 50 per centum of the value of such property, or invest in the mortgage bonds of any dividend paying railway or street railway company duly incorporated and organized under the authority of this state, or any other state, and it may also make loans on the security of promissory notes amply secured by pledge of any bonds in which such insurance companies are hereby authorized to invest their funds, and may also make loans upon the security of its own policies, but no loan on any policy shall exceed the reserve value thereof.

How to buy and sell real property.—Sec. 2. Every such life insurance company may acquire, hold and convey real property only for the following purposes and in the following manner:

First—Such as shall be requisite for convenient accommodation in the transaction of its business.

Second—Such as shall have been mortgaged to it in good faith by way of security for loans previously contracted, or for moneys due.

Third—Such as shall have been conveyed to it in satisfaction of debts previously contracted in the course of its dealings.

Fourth—Such as shall have been purchased at sales on judgments, decrees or mortgages obtained or made for such debts.

All such real property specified in sub-division 2, 3 and 4 of this section, which shall not be necessary for its accommodation in the convenient transaction of its business, shall be sold and disposed of within five years after the company shall have acquired title to the same, or within five years after the same shall have ceased to be necessary for the

accommodation of its business, and it shall not hold such property for a longer period unless it shall procure a certificate from the commissioner of insurance that its interests will suffer materially by the forced sale thereof, in which event the time for the sale may be extended to such time as the commissioner shall direct in such certificate.

Sec. 3. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its passage.

Approved April 12, 1907.

CHAPTER 164—S. F. No. 258.

An Act to provide for summer sessions at the Normal schools and appropriate money therefor.

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

09-112 **Summer session of 12 weeks at state normal schools.—**Section 1. That there shall be held at each of the state normal schools in this state a summer session of twelve weeks each, under the direction of the state normal board. These summer sessions shall be a part of and in all respects be the same as the sessions now provided for by law. The provisions for attendance at these summer sessions shall be the same as those now in force and the arrangements of the terms in the school year shall be such as to most fully conserve the welfare of rural schools.

\$30,000 available Aug. 1, 1907—\$30,000 available Aug. 1, 1908.—Sec. 2. There shall be appropriated out of any money in the state treasury not otherwise appropriated, \$30,000, or so much thereof as shall be necessary, to defray the expenses of the sessions provided for in section 1 hereof, the same to become available August 1, 1907; and that the sum of \$30,000 or so much thereof as shall be necessary, shall be appropriated for such sessions to become available August 1, 1908. *Provided*, that no part of the standing appropriation for the support of institutes and training schools, provided for in section 1435, Revised Laws, 1905, shall be used for the support of the schools provided for in this act,